VIASAT INC
Form S-3/A
July 07, 2004

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As filed with the Securities and Exchange Commission on July 7, 2004

Registration No. 333-116468

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 2
to
Form S-3

REGISTRATION STATEMENT UNDER
THE SECURITIES ACT OF 1933

ViaSat, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**3663**	**33-0174996**
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification Number)*

6155 El Camino Real

Carlsbad, California 92009
(760) 476-2200
(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Agent for Service:	*Copies to:*
Gregory D. Monahan	**Thomas A. Edwards, Esq.**
Vice President, General Counsel and Secretary	**Craig M. Garner, Esq.**
ViaSat, Inc.	**Latham & Watkins LLP**
6155 El Camino Real	**600 West Broadway, Suite 1800**
Carlsbad, California 92009	**San Diego, California 92101**
(760) 476-2200	**(619) 236-1234**

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. o

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. þ

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. o

Pursuant to Rule 429 under the Securities Act, the prospectus included in this registration statement is a combined prospectus and relates to registration statement no. 333-69664 previously filed on Form S-3 and declared effective on November 27, 2001. This registration statement, which is a new registration statement, also constitutes a post-effective amendment to registration statement no. 333-69664, and such post-effective amendment shall hereafter become effective concurrently with the effectiveness of this registration statement in accordance with Section 8(c) of the Securities Act.

ViaSat hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until ViaSat shall file a further amendment that specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

(SUBJECT TO COMPLETION, DATED JULY 7, 2004)

PROSPECTUS

VIASAT

$200,000,000

Debt Securities

Preferred Stock
Depositary Shares
Common Stock
Warrants

We may offer and sell from time to time in one or more classes or series and in amounts, at prices and on the terms that we will determine at the time of offering, with an aggregate initial offering price of up to $200,000,000:

debt securities, which may consist of debentures, notes or other types of debt;

shares of preferred stock;

shares of preferred stock represented by depositary shares;

shares of common stock; and

warrants to purchase debt securities, preferred stock or common stock.

We will provide the specific terms of these securities in supplements to this prospectus. You should read this prospectus and any supplement carefully before you invest.

Our common stock is listed on the Nasdaq National Market under the symbol VSAT.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We will sell these securities directly to our stockholders or to purchasers or through agents on our behalf or through underwriters or dealers as designated from time to time. If any agents or underwriters are involved in the sale of any of these securities, the applicable prospectus supplement will provide the names of the agents or underwriters and any applicable fees, commissions or discounts.

The date of this prospectus is , 2004

You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate as of the date on the front cover of this prospectus only. Our business, financial condition, results of

operations and prospects may have subsequently changed.

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Whenever we refer to ViaSat, we, our or us in this prospectus, we mean ViaSat, Inc. and its consolidated subsidiaries, unless the context suggests otherwise. When we refer to you or yours, we mean the holders of the applicable series of securities.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission (SEC) using a shelf registration process. Under this shelf registration process, we may sell any combination of the securities described in this prospectus in one or more offerings up to a total dollar amount of $200,000,000. This prospectus provides you with a general description of the securities we may offer. Each time we offer to sell securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. To the extent that any statement that we make in a prospectus supplement is inconsistent with statements made in this prospectus, the statements made in this prospectus will be deemed modified or superseded by those made in a prospectus supplement. You should read both this prospectus and any prospectus supplement together with additional information described under the next heading, Where You Can Find More Information.

WHERE YOU CAN FIND MORE INFORMATION

ViaSat is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act), and files annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any reports, proxy statements and other information we file at the SEC s public reference room at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. You may also access filed documents at the SEC s web site at www.sec.gov.

We are incorporating by reference some information about us that we file with the SEC. We are disclosing important information to you by referencing those filed documents. Any information that we reference this way is considered part of this prospectus. The information in this prospectus supersedes information incorporated by reference that we have filed with the SEC prior to the date of this prospectus, while information that we file with the SEC after the date of this prospectus that is incorporated by reference will automatically update and supersede this information.

We incorporate by reference the following documents we have filed, or may file, with the SEC:

Our Annual Report on Form 10-K for the fiscal year ended April 2, 2004, filed with the SEC on June 16, 2004;

Our Annual Report on Form 10-K/A (Amendment No. 1) for the fiscal year ended April 2, 2004, filed with the SEC on June 28, 2004;

Our Annual Report on Form 10-K/A (Amendment No. 2) for the fiscal year ended April 2, 2004, filed with the SEC on July 7, 2004;

Our Current Report on Form 8-K/A dated June 25, 2004, filed with the SEC on June 28, 2004;

The description of our common stock contained in our Registration Statement on Form 8-A filed with the SEC on November 20, 1996; and

All documents filed by us with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and before termination of this offering.

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You may request a free copy of any of the documents incorporated by reference in this prospectus by writing or telephoning us at the following address:

ViaSat, Inc.

6155 El Camino Real
Carlsbad, California 92009
(760) 476-2200

FORWARD-LOOKING STATEMENTS

This prospectus contains and incorporates by reference forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Exchange Act. You can identify these forward-looking statements by forward-looking words such as believe, may, could, will, estimate, continue, anticipate, intend, seek, plan, expect, should expressions in this prospectus. These forward-looking statements are subject to a number of risks, uncertainties and assumptions about ViaSat, including, among other things:

the ability to successfully grow our commercial business, while maintaining our significant government business;

the ability to successfully develop, introduce and sell new satellite and other wireless communications products;

the ability to successfully develop technologies according to anticipated schedules that meet performance expectations;

the ability to successfully integrate strategic acquisitions;

changes in product supply, pricing and customer demand;

changes in relationships with key suppliers; and

increased competition and other factors affecting the telecommunications market generally.

The factors identified above are believed to be some, but not all, of the important factors that could cause actual events and results to be significantly different from those that may be expressed or implied in any forward-looking statements. Any forward-looking statements should also be considered in light of the risk factors detailed in our Annual Report on Form 10-K. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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VIASAT

We are a leading provider of advanced broadband digital satellite communications and other wireless networking and signal processing equipment and services to the government and commercial markets. Although our initial focus was primarily on developing satellite communications and simulation equipment for the U.S. government, we have successfully diversified into other related government as well as commercial markets. During the period from April 2000 to January 2002 we acquired (1) the satellite networks business from Scientific-Atlanta, Inc., (2) the Comsat Laboratories business from Lockheed Martin Global Telecommunications, LLC, and (3) U.S. Monolithics, LLC. These acquisitions further enhanced our strategic positioning in the commercial satellite communications market as well as significantly expanded our intellectual property portfolio. As a result of this diversification, we have transitioned from a primarily defense-oriented company to a company with near equal amounts of government and commercial business. We believe this diversification, in combination with our unique ability to effectively apply technologies between government and commercial markets, provides us with a strong foundation to sustain and enhance our leadership in advanced communications and networking technologies.

We were incorporated in California in 1986 and reincorporated in Delaware in 1996. Our principal executive offices are located at 6155 El Camino Real, Carlsbad, California 92009 and our telephone number is (760) 476-2200. Our website address is www.viasat.com. Information contained in our website is not deemed to be a part of this prospectus.

RATIO OF EARNINGS TO FIXED CHARGES

Our ratios of earnings to fixed charges are as follows for the periods indicated:

	Year Ended March 31,				Year Ended April 2,
	2000	2001	2002	2003	2004
Ratio of earnings to fixed charges	16.28	10.79	*	**	7.59

* There was a deficiency of earnings available to cover fixed charges for the fiscal year ended March 31, 2002. Additional earnings of $615,000 would have achieved a ratio of 1:1.

** There was a deficiency of earnings available to cover fixed charges for the fiscal year ended March 31, 2003. Additional earnings of $20,980,000 would have achieved a ratio of 1:1.

Fixed charges consist of interest expense and estimated interest included in rental expense.

For the periods indicated above, we had no outstanding shares of preferred stock with required dividend payments. Therefore, the ratios of earnings to fixed charges and preferred stock dividends are identical to the ratios presented in the table above.

USE OF PROCEEDS

Unless otherwise indicated in the prospectus supplement, we intend to use the net proceeds from the sale of the securities under this prospectus for general corporate purposes, including acquisitions, capital expenditures, working capital and repayment or refinancing of our debts. When a particular series of securities is offered, the prospectus supplement relating thereto will set forth our intended use for the net proceeds we receive from the sale of the securities. Pending the application of the net proceeds, we expect to invest the proceeds in short-term, interest-bearing instruments or other investment-grade securities.

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DESCRIPTION OF DEBT SECURITIES

This prospectus describes the general terms and provisions of our debt securities. When we offer to sell a particular series of debt securities, we will describe the specific terms of the series in a supplement to this prospectus. We will also indicate in the supplement whether the general terms and provisions described in this prospectus apply to a particular series of debt securities.

We may offer under this prospectus up to $200,000,000 in aggregate principal amount of debt securities, or if debt securities are issued at a discount, or in a foreign currency or composite currency, such principal amount as may be sold for an initial public offering price of up to $200,000,000. Unless otherwise specified in a supplement to this prospectus, the debt securities will be our direct, unsecured obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness.

The debt securities will be issued under an indenture between us and a trustee. We have summarized select portions of the indenture below. The summary is not complete. The form of the indenture has been incorporated by reference as an exhibit to the registration statement and you should read the indenture for provisions that may be important to you. Capitalized terms used in the summary have the meaning specified in the indenture.

General

The terms of each series of debt securities will be established by or pursuant to a resolution of our Board of Directors and set forth or determined in the manner provided in an officer s certificate or by a supplemental indenture. The particular terms of each series of debt securities will be described in a prospectus supplement relating to such series, including any pricing supplement.

We can issue an unlimited amount of debt securities under the indenture that may be in one or more series with the same or various maturities, at par, at a premium, or at a discount. We will set forth in a prospectus supplement, including any pricing supplement, relating to any series of debt securities being offered, the aggregate principal amount and the following terms of the debt securities:

- the title of the debt securities;
- the price or prices (expressed as a percentage of the principal amount) at which we will sell the debt securities;
- any limit on the aggregate principal amount of the debt securities;
- the date or dates on which we will pay the principal on the debt securities;
- the rate or rates (which may be fixed or variable) per annum or the method used to determine the rate or rates (including any commodity, commodity index, stock exchange index or financial index) at which the debt securities will bear interest, the date or dates from which interest will accrue, the date or dates on which interest will commence and be payable and any regular record date for the interest payable on any interest payment date;
- the place or places where principal of, premium and interest on the debt securities will be payable;
- the terms and conditions upon which we may redeem the debt securities;
- any obligation we have to redeem or purchase the debt securities pursuant to any sinking fund or analogous provisions or at the option of a holder of debt securities;
- the dates on which and the price or prices at which we will repurchase debt securities at the option of the holders of debt securities and other detailed terms and provisions of these repurchase obligations;
- the denominations in which the debt securities will be issued, if other than denominations of $1,000 and any integral multiple thereof;
- whether the debt securities will be issued in the form of certificated debt securities or global debt securities;

the portion of principal amount of the debt securities payable upon declaration of acceleration of the maturity date, if other than the principal amount;

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the currency of denomination of the debt securities;

the designation of the currency, currencies or currency units in which payment of principal of, premium and interest on the debt securities will be made;

if payments of principal of, premium or interest on the debt securities will be made in one or more currencies or currency units other than that or those in which the debt securities are denominated, the manner in which the exchange rate with respect to these payments will be determined;

the manner in which the amounts of payment of principal of, premium or interest on the debt securities will be determined, if these amounts may be determined by reference to an index based on a currency or currencies other than that in which the debt securities are denominated or designated to be payable or by reference to a commodity, commodity index, stock exchange index or financial index;

any provisions relating to any security provided for the debt securities;

any addition to or change in the events of default described in this prospectus or in the indenture with respect to the debt securities and any change in the acceleration provisions described in this prospectus or in the indenture with respect to the debt securities;

any addition to or change in the covenants described in this prospectus or in the indenture with respect to the debt securities;

any other terms of the debt securities, which may modify or delete any provision of the indenture as it applies to that series; and

any depositaries, interest rate calculation agents, exchange rate calculation agents or other agents with respect to the debt securities.

In addition, the indenture does not limit our ability to issue convertible or subordinated debt securities. Any conversion or subordination provisions of a particular series of debt securities will be set forth in the officer s certificate or supplemental indenture related to that series of debt securities and will be described in the relevant prospectus supplement. Such terms may include provisions for conversion, either mandatory, at the option of the holder or at our option, in which case the number of shares of common stock or other securities to be received by the holders of debt securities would be calculated as of a time and in the manner stated in the prospectus supplement.

We may issue debt securities that provide for an amount less than their stated principal amount to be due and payable upon declaration of acceleration of their maturity pursuant to the terms of the indenture. We will provide you with information on the federal income tax considerations and other special considerations applicable to any of these debt securities in the applicable prospectus supplement.

If we denominate the purchase price of any of the debt securities in a foreign currency or currencies or a foreign currency unit or units, or if the principal of and any premium and interest on any series of debt securities is payable in a foreign currency or currencies or a foreign currency unit or units, we will provide you with information on the restrictions, elections, general tax considerations, specific terms and other information with respect to that issue of debt securities and such foreign currency or currencies or foreign currency unit or units in the applicable prospectus supplement.

Transfer and Exchange

Each debt security will be represented by either one or more global securities registered in the name of The Depository Trust Company, as Depositary, or a nominee (we will refer to any debt security represented by a global debt security as a book-entry debt security), or a certificate issued in definitive registered form (we will refer to any debt security represented by a certificated security as a certificated debt security) as set forth in the applicable prospectus supplement. Except as set forth under the heading Global Debt Securities and Book-Entry System below, book-entry debt securities will not be issuable in certificated form.

Certificated Debt Securities. You may transfer or exchange certificated debt securities at any office we maintain for this purpose in accordance with the terms of the indenture. No service charge will be made for any transfer or exchange of certificated debt securities, but we may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with a transfer or exchange.

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You may effect the transfer of certificated debt securities and the right to receive the principal of, and premium and interest on, certificated debt securities only by surrendering the certificate representing those certificated debt securities and either reissuance by us or the trustee of the certificate to the new holder or the issuance by us or the trustee of a new certificate to the new holder.

Global Debt Securities and Book-Entry System. Each global debt security representing book-entry debt securities will be deposited with, or on behalf of, the depositary, and registered in the name of the depositary or a nominee of the depositary.

We will require the depositary to agree to follow the following procedures with respect to book-entry debt securities.

Ownership of beneficial interests in book-entry debt securities will be limited to persons who have accounts with the depositary for the related global debt security, which we refer to as participants, or persons who may hold interests through participants. Upon the issuance of a global debt security, the depositary will credit, on its book-entry registration and transfer system, the participants accounts with the respective principal amounts of the book-entry debt securities represented by such global debt security beneficially owned by such participants. The accounts to be credited will be designated by any dealers, underwriters or agents participating in the distribution of the book-entry debt securities. Ownership of book-entry debt securities will be shown on, and the transfer of such ownership interests will be effected only through, records maintained by the depositary for the related global debt security (with respect to interests of participants) and on the records of participants (with respect to interests of persons holding through participants). The laws of some states may require that certain purchasers of securities take physical delivery of such securities in definitive form. These laws may impair the ability to own, transfer or pledge beneficial interests in book-entry debt securities.

So long as the depositary for a global debt security, or its nominee, is the registered owner of that global debt security, the depositary or its nominee, as the case may be, will be considered the sole owner or holder of the book-entry debt securities represented by such global debt security for all purposes under the indenture. Except as described below, beneficial owners of book-entry debt securities will not be entitled to have securities registered in their names, will not receive or be entitled to receive physical delivery of a certificate in definitive form representing securities and will not be considered the owners or holders of those securities under the indenture. Accordingly, each person beneficially owning book-entry debt securities must rely on the procedures of the depositary for the related global debt security and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder under the indenture.

We understand, however, that under existing industry practice, the depositary will authorize the persons on whose behalf it holds a global debt security to exercise certain rights of holders of debt securities, and the indenture provides that we, the trustee and our respective agents will treat as the holder of a debt security the persons specified in a written statement of the depositary with respect to that global debt security for purposes of obtaining any consents or directions required to be given by holders of the debt securities pursuant to the indenture.

We will make payments of principal of, and premium and interest on, book-entry debt securities to the depositary or its nominee, as the case may be, as the registered holder of the related global debt security. ViaSat, the trustee and any other agent of ours or agent of the trustee will not have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a global debt security or for maintaining, supervising or reviewing any records relating to beneficial ownership interests.

We expect that the depositary, upon receipt of any payment of principal of, and premium or interest on, a global debt security, will immediately credit participants accounts with payments in amounts proportionate to the respective amounts of book-entry debt securities held by each participant as shown on the records of such depositary. We also expect that payments by participants to owners of beneficial interests in book-entry debt securities held through those participants will be governed by standing customer instructions and customary

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practices, as is now the case with the securities held for the accounts of customers in bearer form or registered in street name, and will be the responsibility of those participants.

We will issue certificated debt securities in exchange for each global debt security if the depositary is at any time unwilling or unable to continue as depositary or ceases to be a clearing agency registered under the Exchange Act and a successor depositary registered as a clearing agency under the Exchange Act is not appointed by us within 90 days. In addition, we may at any time and in our sole discretion determine not to have the book-entry debt securities of any series represented by one or more global debt securities and, in that event, will issue certificated debt securities in exchange for the global debt securities of that series. Global debt securities will also be exchangeable by the holders for certificated debt securities if an event of default with respect to the book-entry debt securities represented by those global debt securities has occurred and is continuing. Any certificated debt securities issued in exchange for a global debt security will be registered in such name or names as the depositary shall instruct the trustee. We expect that such instructions will be based upon directions received by the depositary from participants with respect to ownership of book-entry debt securities relating to such global debt security.

We have obtained the foregoing information concerning the depositary and the depositary s book-entry system from sources we believe to be reliable, but we take no responsibility for the accuracy of this information.

No Protection in the Event of a Change of Control

Unless we state otherwise in the applicable prospectus supplement, the debt securities will not contain any provisions that may afford holders of the debt securities protection in the event we have a change in control or in the event of a highly leveraged transaction (whether or not such transaction results in a change in control) that could adversely affect holders of debt securities.

Covenants

We will set forth in the applicable prospectus supplement any restrictive covenants applicable to any issue of debt securities.

Consolidation, Merger and Sale of Assets

We may not consolidate with or merge with or into, or convey, transfer or lease all or substantially all of our properties and assets to, any person, which we refer to as a successor person, unless:

we are the surviving corporation or the successor person (if other than ViaSat) is a corporation organized and validly existing under the laws of any U.S. domestic jurisdiction and expressly assumes our obligations on the debt securities and under the indenture;

immediately after giving effect to the transaction, no event of default, and no event which, after notice or lapse of time, or both, would become an event of default, shall have occurred and be continuing under the indenture; and

certain other conditions are met.

Events of Default

Event of default means, with respect to any series of debt securities, any of the following:

default in the payment of any interest upon any debt security of that series when it becomes due and payable, and continuance of that default for a period of 30 days (unless the entire amount of the payment is deposited by us with the trustee or with a paying agent prior to the expiration of the 30-day period);

default in the payment of principal of or premium on any debt security of that series when due and payable;

default in the deposit of any sinking fund payment, when and as due in respect of any debt security of that series;

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default in the performance or breach of any other covenant or warranty by us in the indenture (other than a covenant or warranty that has been included in the indenture solely for the benefit of a series of debt securities other than that series), which default continues uncured for a period of 60 days after we receive written notice from the trustee or we and the trustee receive written notice from the holders of not less than a majority in principal amount of the outstanding debt securities of that series as provided in the indenture;

certain events of bankruptcy, insolvency or reorganization of our company; and

any other event of default provided with respect to debt securities of that series that is described in the applicable prospectus supplement accompanying this prospectus.

No event of default with respect to a particular series of debt securities (except as to certain events of bankruptcy, insolvency or reorganization) necessarily constitutes an event of default with respect to any other series of debt securities. The occurrence of an event of default may constitute an event of default under our bank credit agreements in existence from time to time. In addition, the occurrence of certain events of default or an acceleration under the indenture may constitute an event of default under certain of our other indebtedness outstanding from time to time.

If an event of default with respect to debt securities of any series at the time outstanding occurs and is continuing, then the trustee or the holders of not less than a majority in principal amount of the outstanding debt securities of that series may, by a notice in writing to us (and to the trustee if given by the holders), declare to be due and payable immediately the principal (or, if the debt securities of that series are discount securities, that portion of the principal amount as may be specified in the terms of that series) of, and accrued and unpaid interest, if any, on all debt securities of that series. In the case of an event of default resulting from certain events of bankruptcy, insolvency or reorganization, the principal (or such specified amount) of and accrued and unpaid interest, if any, on all outstanding debt securities will become and be immediately due and payable without any declaration or other act on the part of the trustee or any holder of outstanding debt securities. At any time after a declaration of acceleration with respect to debt securities of any series has been made, but before a judgment or decree for payment of the money due has been obtained by the trustee, the holders of a majority in principal amount of the outstanding debt securities of that series may rescind and annul the acceleration if all events of default, other than the non-payment of accelerated principal and interest, if any, with respect to debt securities of that series, have been cured or waived as provided in the indenture. We refer you to the prospectus supplement relating to any series of debt securities that are discount securities for the particular provisions relating to acceleration of a portion of the principal amount of such discount securities upon the occurrence of an event of default.

The indenture provides that the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request of any holder of outstanding debt securities, unless the trustee receives indemnity satisfactory to it against any loss, liability or expense. Subject to certain rights of the trustee, the holders of a majority in principal amount of the outstanding debt securities of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to the debt securities of that series.

No holder of any debt security of any series will have any right to institute any proceeding, judicial or otherwise, with respect to the indenture or for the appointment of a receiver or trustee, or for any remedy under the indenture, unless:

that holder has previously given to the trustee written notice of a continuing event of default with respect to debt securities of that series; and

the holders of at least a majority in principal amount of the outstanding debt securities of that series have made written request, and offered reasonable indemnity, to the trustee to institute the proceeding as trustee, and the trustee has not received from the holders of a majority in principal amount of the outstanding debt securities of that series a direction inconsistent with that request and has failed to institute the proceeding within 60 days.

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Notwithstanding the foregoing, the holder of any debt security will have an absolute and unconditional right to receive payment of the principal of, premium and any interest on that debt security on or after the due dates expressed in that debt security and to institute suit for the enforcement of payment.

The indenture requires us, within 120 days after the end of our fiscal year, to furnish to the trustee a statement as to compliance with the indenture. The indenture provides that the trustee may withhold notice to the holders of debt securities of any series of any default or event of default (except in payment on any debt securities of that series) with respect to debt securities of that series if it in good faith determines that withholding notice is in the interest of the holders of those debt securities.

Modification and Waiver

We may modify and amend the indenture with the consent of the holders of at least a majority in principal amount of the outstanding debt securities of each series affected by the modifications or amendments. We may not make any modification or amendment without the consent of the holders of each affected debt security then outstanding if that amendment will:

reduce the amount of debt securities whose holders must consent to an amendment or waiver;

reduce the rate of or extend the time for payment of interest (including default interest) on any debt security;

reduce the principal of or premium on or change the fixed maturity of any debt security or reduce the amount of, or postpone the date fixed for, the payment of any sinking fund or analogous obligation with respect to any series of debt securities;

reduce the principal amount of discount securities payable upon acceleration of maturity;

waive a default in the payment of the principal of, premium or interest on any debt security (except a rescission of acceleration of the debt securities of any series by the holders of at least a majority in aggregate principal amount of the then outstanding debt securities of that series and a waiver of the payment default that resulted from such acceleration);

make the principal of or premium or interest on any debt security payable in currency other than that stated in the debt security;

make any change to certain provisions of the indenture relating to, among other things, the right of holders of debt securities to receive payment of the principal of, premium and interest on those debt securities and to institute suit for the enforcement of any such payment and to waivers or amendments; or

waive a redemption payment with respect to any debt security.

Except for certain specified provisions, the holders of at least a majority in principal amount of the outstanding debt securities of any series may on behalf of the holders of all debt securities of that series waive our compliance with provisions of the indenture. The holders of a majority in principal amount of the outstanding debt securities of any series may on behalf of the holders of all the debt securities of such series waive any past default under the indenture with respect to that series and its consequences, except a default in the payment of the principal of, or premium or any interest on, any debt security of that series or in respect of a covenant or provision, which cannot be modified or amended without the consent of the holder of each outstanding debt security of the series affected; *provided, however*, that the holders of a majority in principal amount of the outstanding debt securities of any series may rescind an acceleration and its consequences, including any related payment default that resulted from the acceleration.

Defeasance of Debt Securities and Certain Covenants in Certain Circumstances

Legal Defeasance. The indenture provides that, unless otherwise provided by the terms of the applicable series of debt securities, we may be discharged from any and all obligations in respect of the debt securities of any series (except for certain obligations to register the transfer or exchange of debt securities of such series, to replace stolen, lost or mutilated debt securities of such series, and to maintain paying agencies and certain provisions relating to the treatment of funds held by paying agents). We will be so discharged upon the deposit

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with the trustee, in trust, of money and/or U.S. government obligations or, in the case of debt securities denominated in a single currency other than U.S. dollars, foreign government obligations, that, through the payment of interest and principal in accordance with their terms, will provide money in an amount sufficient in the opinion of a nationally recognized firm of independent public accountants to pay and discharge each installment of principal, premium and interest on and any mandatory sinking fund payments in respect of the debt securities of that series on the stated maturity of those payments in accordance with the terms of the indenture and those debt securities.

This discharge may occur only if, among other things, we have delivered to the trustee an opinion of counsel stating that we have received from, or there has been published by, the United States Internal Revenue Service a ruling or, since the date of execution of the indenture, there has been a change in the applicable United States federal income tax law, in either case to the effect that, and based thereon such opinion shall confirm that, the holders of the debt securities of that series will not recognize income, gain or loss for United States federal income tax purposes as a result of the deposit, defeasance and discharge and will be subject to United States federal income tax on the same amounts and in the same manner and at the same times as would have been the case if the deposit, defeasance and discharge had not occurred.

Defeasance of Certain Covenants. The indenture provides that, unless otherwise provided by the terms of the applicable series of debt securities, upon compliance with certain conditions:

we may omit to comply with the covenant described under the heading Consolidation, Merger and Sale of Assets and certain other covenants set forth in the indenture, as well as any additional covenants that may be set forth in the applicable prospectus supplement; and

any omission to comply with those covenants will not constitute a default or an event of default with respect to the debt securities of that series, or covenant defeasance.

The conditions include:

depositing with the trustee money and/or U.S. government obligations or, in the case of debt securities denominated in a single currency other than U.S. dollars, foreign government obligations, that, through the payment of interest and principal in accordance with their terms, will provide money in an amount sufficient in the opinion of a nationally recognized firm of independent public accountants to pay and discharge each installment of principal of, premium and interest on and any mandatory sinking fund payments in respect of the debt securities of that series on the stated maturity of those payments in accordance with the terms of the indenture and those debt securities; and

delivering to the trustee an opinion of counsel to the effect that the holders of the debt securities of that series will not recognize income, gain or loss for United States federal income tax purposes as a result of the deposit and related covenant defeasance and will be subject to United States federal income tax on the same amounts and in the same manner and at the same times as would have been the case if the deposit and related covenant defeasance had not occurred.

Covenant Defeasance and Events of Default. In the event we exercise our option to effect covenant defeasance with respect to any series of debt securities and the debt securities of that series are declared due and payable because of the occurrence of any event of default, the amount of money and/or U.S. government obligations or foreign government obligations on deposit with the trustee will be sufficient to pay amounts due on the debt securities of that series at the time of their stated maturity but may not be sufficient to pay amounts due on the debt securities of that series at the time of the acceleration resulting from the event of default. In such a case, we would remain liable for those payments.

Foreign Government Obligations means, with respect to debt securities of any series that are denominated in a currency other than U.S. dollars:

direct obligations of the government that issued or caused to be issued such currency for the payment of which obligations its full faith and credit is pledged which are not callable or redeemable at the option of the issuer thereof; or

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obligations of a person controlled or supervised by or acting as an agency or instrumentality of that government the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by that government which are not callable or redeemable at the option of the issuer thereof.

Governing Law

The indenture and the debt securities will be governed by, and construed in accordance with, the internal laws of the State of New York.

DESCRIPTION OF CAPITAL STOCK

General

This prospectus describes the general terms of our capital stock. For a more detailed description of these securities, you should read the applicable provisions of Delaware law and our certificate of incorporation and bylaws. When we offer to sell a particular series of these securities, we will describe the specific terms of the series in a supplement to this prospectus. Accordingly, for a description of the terms of any series of securities, you must refer to both the prospectus supplement relating to that series and the description of the securities described in this prospectus. To the extent the information contained in the prospectus supplement differs from this summary description, you should rely on the information in the prospectus supplement.

Under our certificate of incorporation, the total number of shares of all classes of stock that we have authority to issue is 105,000,000, consisting of 5,000,000 shares of preferred stock, par value $.0001 per share, and 100,000,000 shares of common stock, par value $.0001 per share.

Common Stock

As of June 28, 2004, we had 26,675,531 shares of common stock outstanding. The holders of our common stock are entitled to one vote for each share on all matters voted on by stockholders. The holders of our common stock do not have cumulative voting rights, which means that holders of more than one-half of the shares voting for the election of directors can elect all of the directors then being elected. Subject to the preferences of any of our outstanding preferred stock, the holders of our common stock are entitled to a proportional distribution of any dividends that may be declared by the board of directors. In the event of a liquidation or dissolution of ViaSat, the holders of our common stock are entitled to share equally in all assets remaining after payment of liabilities and any payments due to holders of any outstanding shares of our preferred stock. The outstanding shares of our common stock are, and the shares offered by this prospectus, when issued, will be fully paid and nonassessable. The rights, preferences and privileges of holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any of our outstanding preferred stock.

Preferred Stock

We currently have no outstanding shares of preferred stock. Under our certificate of incorporation, our board of directors is authorized to issue shares of our preferred stock from time to time, in one or more classes or series, without stockholder approval. Prior to the issuance of shares of each series, the board of directors is required by the General Corporation Law of the State of Delaware, known as the DGCL, and our certificate of incorporation to adopt resolutions and file a certificate of designation with the Secretary of State of the State of Delaware. The certificate of designation fixes for each class or series the designations, powers, preferences, rights, qualifications, limitations and restrictions, including the following:

the number of shares constituting each class or series;

voting rights;

rights and terms of redemption, including sinking fund provisions;

dividend rights and rates;

dissolution;

terms concerning the distribution of assets;

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conversion or exchange terms;

redemption prices; and

liquidation preferences.

All shares of preferred stock offered by this prospectus will, when issued, be fully paid and nonassessable and will not have any preemptive or similar rights. Our board of directors could authorize the issuance of additional shares of preferred stock with terms and conditions that could have the effect of discouraging a takeover or other transaction that might involve a premium price for holders of the shares or that holders might believe to be in their best interests.

We will describe in a prospectus supplement relating to the class or series of preferred stock being offered the following terms:

the title and stated value of the preferred stock;

the number of shares of the preferred stock offered, the liquidation preference per share and the offering price of the preferred stock;

the dividend rate(s), period(s) or payment date(s) or method(s) of calculation applicable to the preferred stock;

whether dividends are cumulative or non-cumulative and, if cumulative, the date from which dividends on the preferred stock will accumulate;

the procedures for any auction and remarketing, if any, for the preferred stock;

the provisions for a sinking fund, if any, for the preferred stock;

the provision for redemption, if applicable, of the preferred stock;

any listing of the preferred stock on any securities exchange;

the terms and conditions, if applicable, upon which the preferred stock will be convertible into common stock, including the conversion price or manner of calculation and conversion period;

voting rights, if any, of the preferred stock;

whether interests in the preferred stock will be represented by depositary shares;

a discussion of any material or special United States federal income tax considerations applicable to the preferred stock;

the relative ranking and preferences of the preferred stock as to dividend rights and rights upon the liquidation, dissolution or winding up of our affairs;

any limitations on issuance of any class or series of preferred stock ranking senior to or on a parity with the class or series of preferred stock as to dividend rights and rights upon liquidation, dissolution or winding up of our affairs; and

any other specific terms, preferences, rights, limitations or restrictions of the preferred stock.

Unless we specify otherwise in the applicable prospectus supplement, the preferred stock will rank, relating to dividends and upon our liquidation, dissolution or winding up:

senior to all classes or series of our common stock and to all of our equity securities ranking junior to the preferred stock;

on a parity with all of our equity securities the terms of which specifically provide that the equity securities rank on a parity with the preferred stock; and

junior to all of our equity securities the terms of which specifically provide that the equity securities rank senior to the preferred stock.

The term equity securities does not include convertible debt securities.

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Anti-Takeover Provisions

As a corporation organized under the laws of the State of Delaware, we are subject to Section 203 of the DGCL, which restricts our ability to enter into business combinations with an interested stockholder or a stockholder owning 15% or more of our outstanding voting stock, or that stockholder s affiliates or associates, for a period of three years. These restrictions do not apply if:

prior to becoming an interested stockholder, our board of directors approves either the business combination or the transaction in which the stockholder becomes an interested stockholder;

upon consummation of the transaction in which the stockholder becomes an interested stockholder, the interested stockholder owns at least 85% of our voting stock outstanding at the time the transaction commenced, subject to exceptions; or

on or after the date a stockholder becomes an interested stockholder, the business combination is both approved by our board of directors and authorized at an annual or special meeting of our stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock not owned by the interested stockholder.

Some provisions of ViaSat s certificate of incorporation and bylaws could also have anti-takeover effects. These provisions:

permit the board of directors to increase its own size and fill the resulting vacancies;

provide for a board comprised of three classes of directors with each class serving a staggered three-year term;

authorize the issuance of preferred stock in one or more series; and

prohibit stockholder action by written consent.

These provisions are intended to enhance the likelihood of continuity and stability in the composition of the policies formulated by the board of directors. In addition, these provisions are intended to ensure that the board of directors will have sufficient time to act in what it believes to be in the best interests of ViaSat and its stockholders. These provisions also are designed to reduce our vulnerability to an unsolicited proposal for a takeover of ViaSat that does not contemplate the acquisition of all of our outstanding shares or an unsolicited proposal for the restructuring or sale of all or part of ViaSat. The provisions are also intended to discourage some tactics that may be used in proxy fights.

Classified Board of Directors

The certificate of incorporation provides for the board of directors to be divided into three classes of directors, with each class as nearly equal in number as possible, serving staggered three-year terms. As a result, approximately one-third of the board of directors will be elected each year. The classified board provision will help to assure the continuity and stability of the board of directors and the business strategies and policies of ViaSat as determined by the board of directors. The classified board provision could have the effect of discouraging a third party from making a tender offer or attempting to obtain control of ViaSat. In addition, the classified board provision could delay stockholders who do not agree with the policies of the board of directors from removing a majority of the board of directors for two years.

No Stockholder Action by Written Consent; Special Meetings

The certificate of incorporation provides that stockholder action can only be taken at an annual or special meeting of stockholders and prohibits stockholder action by written consent in lieu of a meeting.

The certificate of incorporation also provides that special meetings of stockholders may be called only by the board of directors, its chairman, the president or the secretary of ViaSat. Stockholders are not permitted to call a special meeting of stockholders or to require that the board of directors call a special meeting.

Number of Directors; Removal; Filling Vacancies

The certificate of incorporation provides that the board of directors will consist of between four and eleven members, the exact number to be fixed by resolution adopted by affirmative vote of a majority of the

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board of directors. The board of directors currently consists of five directors. Further, the certificate of incorporation authorizes the board of directors to fill newly created directorships. Accordingly, this provision could prevent a stockholder from obtaining majority representation on the board of directors by permitting the board of directors to enlarge the size of the board and fill the new directorships with its own nominees. A director so elected by the board of directors holds office until the next election of the class for which the director has been chosen and until his or her successor is elected and qualified. The certificate of incorporation also provides that directors may be removed only for cause and only by the affirmative vote of holders of a majority of the total voting power of all outstanding securities. The effect of these provisions is to preclude a stockholder from removing incumbent directors without cause and simultaneously gaining control of the board of directors by filling the vacancies created by the removal with its own nominees.

Transfer Agent and Registrar

The Transfer Agent and Registrar for our common stock is Computershare Investor Services LLC.

DESCRIPTION OF DEPOSITARY SHARES

General

We may issue depositary shares, each of which will represent a fractional interest of a share of a particular series of preferred stock, as specified in the applicable prospectus supplement. We will deposit with a depositary, referred to as the preferred stock depositary, shares of preferred stock of each series represented by depositary shares. We will enter into a deposit agreement with the preferred stock depositary and holders from time to time of the depositary receipts issued by the preferred stock depositary which evidence the depositary shares. Subject to the terms of the deposit agreement, each owner of a depositary receipt will be entitled, in proportion to the holder s fractional interest in the preferred stock, to all the rights and preferences of the series of the preferred stock represented by the depositary shares, including dividend, voting, conversion, redemption and liquidation rights.

Immediately after we issue and deliver the preferred stock to a preferred stock depositary, we will cause the preferred stock depositary to issue the depositary receipts on our behalf. You may obtain copies of the applicable form of deposit agreement and depositary receipt from us upon request. The statements made in this section relating to the deposit agreement and the depositary receipts are summaries only. These summaries are not complete and we may modify any of the terms of the depositary shares described in this prospectus in a prospectus supplement. To the extent the information contained in the prospectus supplement differs from this summary description, you should rely on the information in the prospectus supplement. For more detail, we refer you to the deposit agreement, which we will file as an exhibit to, or incorporate by reference in, the registration statement.

Dividends and Other Distributions

The preferred stock depositary will distribute all cash dividends or other cash distributions received relating to the preferred stock to the record holders of depositary receipts in proportion to the number of the depositary receipts owned by the holders, subject to the obligations of holders to file proofs, certificates and other information and to pay certain charges and expenses to the preferred stock depositary.

In the event of a distribution other than in cash, the preferred stock depositary will distribute property received by it to the record holders of depositary receipts in proportion to the number of the depositary receipts owned by the holders, unless the preferred stock depositary determines that it is not feasible to make the distribution, in which case the preferred stock depositary may, with our approval, sell the property and distribute the net proceeds from the sale to the holders.

No distribution will be made relating to any depositary share that represents any preferred stock converted into other securities.

Withdrawal of Stock

Assuming we have not previously called for redemption or converted into other securities the related depositary shares, upon surrender of the depositary receipts at the corporate trust office of the preferred stock

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depositary, the holders will be entitled to delivery at that office of the number of whole or fractional shares of the preferred stock and any money or other property represented by the depositary shares. Holders of depositary receipts will be entitled to receive shares of the related preferred stock as specified in the applicable prospectus supplement, but holders of the shares of preferred stock will no longer be entitled to receive depositary shares.

Redemption of Depositary Shares

Whenever we redeem shares of preferred stock held by the preferred stock depositary, the preferred stock depositary will concurrently redeem the number of depositary shares representing shares of the preferred stock so redeemed, provided we have paid the applicable redemption price for the preferred stock to be redeemed plus an amount equal to any accrued and unpaid dividends to the date fixed for redemption. The redemption price per depositary share will be equal to the corresponding proportion of the redemption price and any other amounts per share payable relating to the preferred stock. If fewer than all the depositary shares are to be redeemed, the depositary shares to be redeemed will be selected pro rata or by any other equitable method determined by us.

From and after the date fixed for redemption:

all dividends relating to the shares of preferred stock called for redemption will cease to accrue;

the depositary shares called for redemption will no longer be deemed to be outstanding; and

all rights of the holders of the depositary receipts evidencing the depositary shares called for redemption will cease, except the right to receive any moneys payable upon the redemption and any money or other property to which the holders of the depositary receipts were entitled upon redemption and surrender to the preferred stock depositary.

Any funds we deposit with the preferred stock depositary for redemption of depositary shares that the holders fail to redeem will be returned to us after a period of two years from the date the funds are deposited.

Voting of the Preferred Stock

Upon receipt of notice of any meeting at which the holders of the preferred stock are entitled to vote, the preferred stock depositary will mail the information contained in the notice of meeting to the record holders of the depositary receipts. Each record holder of these depositary receipts on the record date, which will be the same date as the record date for the preferred stock, will be entitled to instruct the preferred stock depositary as to the exercise of the voting rights pertaining to the amount of preferred stock represented by the holder s depositary shares. The preferred stock depositary will vote the amount of preferred stock represented by the depositary shares in accordance with the instructions, and we will agree to take all reasonable action necessary to enable the preferred stock depositary to do so. The preferred stock depositary will abstain from voting the amount of preferred stock represented by the depositary shares for which it does not receive specific instructions from the holders of depositary receipts evidencing the depositary shares. The preferred stock depositary will not be responsible for any failure to carry out any instruction to vote, or for the manner or effect of any vote made, as long as the action or non-action is in good faith and does not result from the preferred stock depositary s negligence or willful misconduct.

Liquidation Preference

In the event that we voluntarily or involuntarily liquidate, dissolve or wind up, the holders of each depositary receipt will be entitled to the fraction of the liquidation preference accorded each share of preferred stock represented by the depositary shares, as specified in the applicable prospectus supplement.

Conversion of Depositary Shares

The depositary shares will not be convertible into common stock or any of our other securities or property, unless we so specify in the applicable prospectus supplement relating to an offering of depositary shares.

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Amendment and Termination of the Deposit Agreement

We may amend the form of depositary receipt and any provision of the deposit agreement at any time by agreement with the preferred stock depositary. However, any amendment that imposes or increases any fees, taxes or other charges payable by the holders of depositary receipts, other than taxes and other governmental charges, fees and other expenses payable by the holders as described below under Charges of Preferred Stock Depositary, or that otherwise prejudices any substantial existing right of holders of depositary receipts, will not take effect as to outstanding depositary receipts until the expiration of 30 days after notice of the amendment has been mailed to the record holders of outstanding depositary receipts.

When we direct the preferred stock depositary to do so, the preferred stock depositary will terminate the deposit agreement by mailing a notice of termination to the record holders of all depositary receipts then outstanding at least 30 days prior to the date fixed in the notice for termination. In addition, the preferred stock depositary may terminate the deposit agreement if at any time 45 days have passed since the preferred stock depositary has delivered to us a written notice of its election to resign and a successor depositary has not been appointed and accepted its appointment. If any depositary receipts remain outstanding after the date of termination, the preferred stock depositary thereafter will discontinue the transfer of depositary receipts, will suspend the distribution of dividends to the holders thereof, and will not give any further notices, other than the notice of termination, or perform any further acts under the deposit agreement, except as provided below and except that the preferred stock depositary will continue to collect dividends on the preferred stock and other distributions with respect to the preferred stock and will continue to deliver the preferred stock together with any dividends and distributions and the net proceeds of any sales of rights, preferences, privileges or other property, without liability for interest thereon, in exchange for depositary receipts surrendered. At any time after the expiration of two years from the date of termination, the preferred stock depositary may sell the preferred stock then held by it at public or private sales, at such place or places and upon such terms as it deems proper and may thereafter hold the net proceeds of any such sale, together with any money or other property then held by it, without liability for interest thereon, for the pro rata benefit of the holders of depositary receipts that have not been surrendered.

In addition, the deposit agreement will automatically terminate if:

all outstanding depositary shares have been redeemed; or

there has been a final distribution of the related preferred stock in connection with our liquidation, dissolution or winding up and the distribution has been distributed to the holders of depositary receipts evidencing the depositary shares representing the preferred stock.

Charges of Preferred Stock Depositary

We will pay all fees, charges and expenses of the preferred stock depositary in connection with its performance of the deposit agreement, except for any taxes and other governmental charges and except as provided in the deposit agreement. Holders of depositary receipts will pay the fees and expenses of the preferred stock depositary for any duties requested by the holders to be performed which are outside those expressly provided for in the deposit agreement.

Resignation and Removal of Depositary

The preferred stock depositary may resign at any time by delivering to us notice of its election to do so, and we may at any time remove the preferred stock depositary. Any resignation or removal of the acting preferred stock depository will take effect upon our appointment of a successor preferred stock depositary. We must appoint a successor preferred stock depositary within 45 days after delivery of the notice of resignation or removal.

Miscellaneous

The preferred stock depositary will make available for inspection to holders of depositary receipts any reports and communications the preferred stock depositary receives from us relating to the preferred stock.

We will not be liable, nor will the preferred stock depositary be liable, if we are prevented from or delayed in, by law or any circumstances beyond our control, performing our obligations under the deposit agreement.

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Our obligations and the obligations of the preferred stock depositary under the deposit agreement will be limited to performing our duties in good faith and without negligence or willful misconduct. We will not be obligated, nor will the preferred stock depositary be obligated, to prosecute or defend any legal proceeding relating to any depositary receipts, depositary shares or shares of preferred stock represented by depositary shares unless satisfactory indemnity is furnished to us. We may rely, and the preferred stock depositary may rely, on written advice of counsel or accountants, or information provided by persons presenting shares of preferred stock represented by depositary shares for deposit, holders of depositary receipts or other persons we believe in good faith to be competent to give this information, and on documents we believe in good faith to be genuine and signed by a proper party.

DESCRIPTION OF WARRANTS

We may issue warrants to purchase debt securities, preferred stock or common stock. We may issue warrants independently or together with any other securities we offer under a prospectus supplement. The warrants may be attached to or separate from the securities. We will issue each series of warrants under a separate warrant agreement that we will enter into with a bank or trust company, as warrant agent. The statements made in this section relating to the warrant agreement are summaries only. These summaries are not complete. When we issue warrants, we will provide the specific terms of the warrants and the applicable warrant agreement in a prospectus supplement. To the extent the information contained in the prospectus supplement differs from this summary description, you should rely on the information in the prospectus supplement. For more detail, we refer you to the applicable warrant agreement itself, which we will file as an exhibit to, or incorporate by reference in, the registration statement.

Debt Warrants

We will describe in the applicable prospectus supplement the terms of the debt warrants being offered, the warrant agreement relating to the debt warrants and the debt warrant certificates representing the debt warrants, including:

- the title of the debt warrants;
- the aggregate number of the debt warrants;
- the price or prices at which the debt warrants will be issued;
- the designation, aggregate principal amount and terms of the debt securities purchasable upon exercise of the debt warrants, and the procedures and conditions relating to the exercise of the debt warrants;
- the designation and terms of any related debt securities with which the debt warrants are issued, and the number of the debt warrants issued with each security;
- the date, if any, on and after which the debt warrants and the related debt securities will be separately transferable;
- the principal amount of debt securities purchasable upon exercise of each debt warrant, and the price at which the principal amount of the debt securities may be purchased upon exercise;
- the date on which the right to exercise the debt warrants will commence, and the date on which the right will expire;
- the maximum or minimum number of the debt warrants that may be exercised at any time;
- information with respect to book-entry procedures, if any;
- a discussion of the material United States federal income tax considerations applicable to the exercise of the debt warrants; and
- any other terms of the debt warrants and terms, procedures and limitations relating to the exercise of the debt warrants.

Holders may exchange debt warrant certificates for new debt warrant certificates of different denominations, and may exercise debt warrants at the corporate trust office of the warrant agent or any other office indicated in the applicable prospectus supplement. Prior to the exercise of their debt warrants, holders of debt

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warrants will not have any of the rights of holders of the securities purchasable upon the exercise and will not be entitled to payments of principal, premium or interest on the securities purchasable upon the exercise of debt warrants.

Equity Warrants

We will describe in the applicable prospectus supplement the terms of the preferred stock warrants or common stock warrants being offered, the warrant agreement relating to the preferred stock warrants or common stock warrants and the warrant certificates representing the preferred stock warrants or common stock warrants, including:

5.3 Appraisal Rights: The common and preferred shareholders of TCP that dissent from the merger of shares of TCO and the common shareholders of TCO, TSD, TLE and CRTPart that disagree with the merger of such companies into TCP, as

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well as the preferred shareholders of TSD that disagree with the resolution related to the merger of such company into TCP, shall have the right to withdraw from the respective companies, by means of the reimbursement of the shares proven to be held by said shareholders as of the date of communication of the Relevant Fact that discloses the terms and conditions applicable to the Corporate Restructuring.

5.3.1 The reimbursement value for the common and preferred shareholders of TCP that disagree with the merger transaction of the shares issued by TCO, calculated by the value of the shareholders equity of the company presented on the base balance sheet of TCP drawn up on September 30, 2005, amounts to R$6.52 (six reais and fifty-two cents) per share.

5.3.2 The reimbursement value for the common shareholders of CRTPart that disagree with the Corporate Restructuring, calculated by the value of the shareholders equity of such company presented on its balance sheets drawn up on September 30, 2005, amounts to R$37.50 (thirty-seven reais and fifty cents) per share.

The preferred shareholders of CRTPart shall not have the right to withdraw, since such shares present liquidity and dispersion in the market, pursuant to article 137, II, items a and b, of Law No. 6,404/76.

5.3.3 Pursuant to the provisions set forth by article 264, third paragraph, of Law No. 6,404/76, the non-controlling common shareholders of TCO, TSD and TLE and the preferred shareholders of TSD that disagree with the Corporate Restructuring, may choose, within the term for the exercise of the right to withdraw, between the reimbursement value based on the shareholders equity of the respective companies or the value based on their respective shareholders equity valued at market prices. The preferred shareholders of TCO and TLE shall not have the right to withdraw, since such shares present liquidity and dispersion in the market, pursuant to article 137, II, items a and b, of Law No. 6,404/76.

For the purposes of the provisions set forth in item 5.3.3 above, we hereby inform that (i) the reimbursement values of the shares issued by TCO, TSD and TLE, based on the respective shareholders equity of such companies, presented on the balance sheets dated as of September 30, 2005, are the following: (a) TCO: R$21.80 (twenty-one reais and eighty cents) per share; (b) TSD: R$22.31 (twenty-two reais and thirty-one cents) per share; and (c) TLE: R$33.18 (thirty-three reais and eighteen cents) per share; and that (ii) the reimbursement values of the shares issued by TCO, TSD and TLE, based on the respective shareholders equity at market prices of such companies, based on the balance sheets of such companies dated as of September 30, 2005, are the following: a) TCO: R$18.38 (eighteen reais and thirty-eight cents) per share; (b) TSD: R$21.97 (twenty-one reais and ninety-seven cents) per share; and (c) TLE: R$24.99 (twenty-four reais and ninety-nine cents) per share.

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5.4 Merger of the Goodwill Special Reserve from Prior Restructurings.

5.4.1 TCO. Pursuant to the Protocol of Merger of Shares and Instrument of Justification entered into on June 14, 2004, by TCO and the operating companies controlled by it (Telegoiás Celular S.A., Telems Celular S.A., Telemat Celular S.A., Teleacre Celular S.A. and Teleron Celular S.A.), as well as pursuant to the Protocol of Merger and Instrument of Justification entered into on August 15, 2005, TCP, which held goodwill relating to the purchase of TCO and goodwill relating to the preferred shares that were purchased in the Public Tender Offer for shares of TCO, carried out by TCP on October 8, 2004, assigned to TCO its rights over the goodwill special reserves that were transferred to the companies controlled by TCO in connection with the restructuring transactions referred to above, becoming a creditor of TCO and therefore having the right to use such credits in capital increases of TCO. In face of the merger of shares of TCO into TCP, by means of which TCO shall become a wholly-owned subsidiary of TCP, TCP shall keep its right to capitalize such credits resulting from the goodwill special reserve in TCO, so long as it complies with the preemptive right of the other shareholders of said company, pursuant to article 16 of CVM Instruction 319/99.

5.4.2 TLE. Pursuant to the Protocol of Merger of Shares and Instrument of Justification entered into by TLE and its controlling companies, Telebahia Celular S.A. (Telebahia) and Telergipe Celular S.A. (Telergipe), on November 13, 2000, Iberoleste Participações S.A., controlling company of TLE at that time, later succeeded by Sudestecel Participações Ltda., assigned to TLE its rights over the goodwill special reserves transferred to Telebahia and Telergipe, pursuant to the Protocol of Partial Spin-Off and Merger and Instrument of Justification entered into by Tele Leste, Telebahia and Telergipe. TLE would then have the right to use such credits in capital increases, so long as the tax benefit relating to the amortization of the respective deferred assets represented an effective decrease in the taxes paid by Telebahia and Telergipe (as set forth in the second paragraph of the article 7 of the referred CVM Instruction No. 319/99). Accordingly, TLE, in its capacity as the sole shareholder of Telebahia and Telergipe, acquired the right to use such reserves in capital increases, by means of the subscription of new shares issued by said operating companies. On account of the assignment of rights over the goodwill special reserves, Iberoleste Participações S.A. became, at that time, a creditor of TLE in the same amount, being able to use such credits in capital increases of TLE, respecting the preemptive rights to be given to the other shareholders of the referred company, pursuant to article 16 of the CVM Instruction 319/99. In view of the merger of TLE into TCP, the surviving company shall succeed TLE in all its rights and obligations. Consequently, Sudestecel (successor of Iberoleste) will acquire the right to use such credits in capital increases of TCP, respecting the preemptive rights to be given to the other shareholders of the referred company, pursuant to article 16 of the CVM Instruction 319/99.

5.4.3 CRTPart. Pursuant to the Protocol of Merger of Shares and Instrument of Justification entered into by CRTPart and its controlling company, Celular CRT

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S.A., on August 15, 2005, Avista Participações Ltda. acquired the right to merge into the capital stock of CRTPart the goodwill special reserve resulting from the purchase of shares of CRTPart in the Public Tender Offer of CRTPart carried out on October 8, 2004, so long as it was used, as a tax benefit arising from the amortization of the deferred asset by CRTPart, in compliance with the provisions of the second paragraph of the referred article 7 of CVM Instruction No. 319/99 and assuring preemptive rights to the other shareholders of CRTPart. In view of the merger of CRTPart into TCP, the surviving company shall succeed CRTPart in all its rights and obligations. Consequently, Avista Participações Ltda. will acquire the right to use such credits in capital increases of TCP, respecting the preemptive rights to be given to the other shareholders of the referred company, pursuant to article 16 of the CVM Instruction 319/99.

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And, in witness whereof, the parties execute six (06) counterparts of this instrument in the presence of the two witnesses below.

São Paulo, December 4, 2005.

TELESP CELULAR PARTICIPAÇÕES S.A.

_____ _____

TELE CENTRO OESTE CELULAR PARTICIPAÇÕES S.A.

_____ _____

TELE SUDESTE CELULAR PARTICIPAÇÕES S.A.

_____ _____

TELE LESTE CELULAR PARTICIPAÇÕES S.A.

_____ _____

CELULAR CRT PARTICIPAÇÕES S.A.

_____ _____

Witnesses:

1. _____

2. _____

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MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF TCP DATED

DECEMBER 4, 2005

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TELESP CELULAR PARTICIPAÇÕES S.A.

Publicly-held company with authorized capital

CNPJ 02.558.074/0001-73 - NIRE 35300158792

MINUTES OF THE EXTRAORDINARY MEETING OF THE BOARD OF DIRECTORS OF TELESP CELULAR PARTICIPAÇÕES S.A., HELD ON DECEMBER 4, 2005.

1. DATE, TIME AND PLACE OF MEETING: December 04, 2005, at 18:00 hours, at Avenida Roque Petroni Junior, 1464 6th floor, Morumbi, in the city of São Paulo, State of São Paulo.

2. PRESIDENT AND SECRETARY: Fernando Xavier Ferreira President and Breno Rodrigo Pacheco de Oliveira General Secretary.

3. ATTENDANCE: The meeting was convened with the attendance of the Directors that sign these minutes, in compliance with the quorum set forth in the By-laws. The members of the Board of Auditors, Messrs. Nelson Jimenes, Norair Ferreira do Carmo and Evandro Luis Pippi Kruel, also attended this meeting, pursuant to article 163, third paragraph, Law No. 6,404/76. Moreover, the representatives of Goldman Sachs & Companhia, Deloitte Touche Tohmatsu Auditores Independentes and Planconsult e Consultoria, in addition to the representatives of the law firm Machado, Meyer, Sendacz e Opice Advogados, in its capacity as legal advisors of the Company, also attended to the meeting in order to provide the necessary clarifications.

4. AGENDA AND RESOLUTIONS: The President of the meeting clarified that, as it was already known by all those in attendance, the purpose of the meeting was to resolve about (1) the proposal for approval of the Financial Statements of the Company, dated as of September 30, 2005, to be submitted to the general shareholders meeting that will be called; (2) the proposal for a corporate restructuring involving the Company, regarding (i) the merger of shares of Tele Centro Oeste Celular Participações S.A. (TCO), in order to be converted into a wholly-owned subsidiary of the Company; and (ii) the merger of the companies Tele Sudeste Celular Participações S.A. (TSD), Tele Leste Celular Participações S.A. (TLE) and Celular CRT Participações S.A. (CRTPart) into the Company (Corporate Restructuring), which shall be submitted to the final approval of the General Shareholders Meeting; (3) to approve a draft of the Call Notice of the General Shareholders Meeting of the Company; and (4) the proposal for changing the corporate name of the Company. After the clarifications, the directors, unanimously and without restrictions of any kind, resolved the following:

4.1 To approve the proposal to be submitted for the consideration of the general shareholders meeting, regarding the approval of the Financial Statements of the Company dated

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as of September 30, 2005, which were examined and unanimously approved by the members of the Board of Directors in attendance, *ad referendum* of the general shareholders meeting of the Company.

With respect to the proposal for the corporate restructuring involving the Company, the members of the Board of Directors, after clarifications given with respect thereto, and in light of the favorable opinion of the Board of Auditors, resolved the following:

4.2 To approve, *ad referendum* of the general shareholders meeting of the Company that resolves about this subject, the draft of the Protocol of Merger of Shares, Merger of Companies and Instrument of Justification (Protocol of Incorporation) to be entered into by the Company, TCO, TSD, TLE and CRTPart, on the date hereof, which sets forth (i) the merger, into the Company, of all the shares of TCO, in order to convert it in a wholly-owned subsidiary; and (ii) the merger, into the Company, of TSD, TLE and CRTPart. The Protocol of Merger sets forth the general terms and conditions of the intended mergers, the justifications of the transaction, the criterion for valuing the shares and assets to be merged and the exchange ratio of the equity interests held by the shareholders of TCO, TSD, TLE and CRTPart for shares issued by the Company. Considering the approval of the terms and conditions of the Protocol of Merger resolved herein, as well as the clarifications provided in regard to the discussed restructuring, the members of the Board of Directors expressed their opinion in favor of carrying out the transaction under analysis and authorized the signature of the Protocol of Merger to be entered into by the Board of Officers of the Company and of TCO, TSD, TLE and CRTPart, as well as the execution of all acts required for the implementation thereof.

4.2.1 To ratify, *ad referendum* of the general shareholders meeting of the Company that resolves about this subject, the contracting, carried out by the Board of Officers of the Company, of the specialized firm Deloitte Touche Tohmatsu Auditores Independentes for (i) the evaluation of shares issued by TCO that shall be merged into the Company; and (ii) the evaluation of the net assets of TSD, TLE and CRTPart that shall be conveyed to the Company.

4.2.2 To approve, *ad referendum* of the general shareholders meeting of the Company that resolves about this subject, (i) the valuation report of the shares of TCO to be merged in the Company, based on the book value on the base date of September 30, 2005; and (ii) the valuation reports of the net assets of TSD, TLE and CRTPart, based on the book value on the base date of September 30, 2005, and the consequent capital increase of the Company.

4.3 To ratify, *ad referendum* of the general shareholders meeting of the Company that resolves about this subject, the contracting, carried out by the Board of Officers of the Company, of the specialized firm Goldman Sachs & Companhia, for the valuation of the shareholders equity of the Company and TCO, TSD, TLE and CRTPart, based on the economic value, valued

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using the discounted cash flow method, in order to determine the exchange ratio of common and preferred shares of said companies for new shares to be issued by the Company, as well as the preparation of a report with regard to the referred exchange ratio.

4.4 To ratify, *ad referendum* of the general shareholders meeting of the Company that resolves about this subject, the contracting, carried out by the Board of Officers of the Company, of the specialized firm Planconsult Planejamento e Consultoria for the valuation of the shareholders equity of the Company and TCO, TSD TLE and CRTPart at market prices, in order to comply with article 264 of Law 6,404/76.

4.5 To approve, *ad referendum* of the general shareholders meeting of the Company that resolves about this subject, the valuation reports of the shareholders equity of the Company and TCO, TSD, TLE and CRTPart, based on the economic value, valued using the discounted cash flow method, prepared by Goldman Sachs & Companhia, considering a base date of September 30, 2005 for the specific purpose of determining the exchange ratio of common and preferred shares of TCO, TSD, TLE and CRTPart for new shares to be issued by the Company, and the valuation reports of the shareholders equity of the Company and said companies, valued at market prices, considering a base date of September 30, 2005. It is proposed hereby that the fractions of shares of the Company, resulting from the exchange ratio be grouped and sold in an auction (or auctions, if the case may be) at Bolsa de Valores de São Paulo Bovespa, at the market price, and that the assessed net value be paid to the shareholders of said companies, which, on account of the respective mergers, are entitled to the referred fractions of shares, on *pro rata* basis as to the fractions held by them, within up to five (05) business days from the day the auction (or last auction, if the case may be) is held. It was clarified that the shares of the Company to be distributed to the shareholders of TCO, TSD, TLE and CRTPart shall have the same rights of the shares issued by the Company, currently being traded, and shall be entitled to full dividends of the Company regarding the fiscal years in which the Company obtains profits that are subject to distribution. It was clarified to the Directors that the rights of the shareholders of TCO, TSD, TLE and CRTPart related to the interest on shareholders equity and dividends regarding the fiscal year of 2004 shall remain unchanged and shall be paid on the date set forth in the respective shareholders meetings of the Company held on 2005. Such shareholders are also assured the payment of dividends for 2005 that are at least equal to the minimum mandatory dividends in accordance with their respective Bylaws, in accordance with the terms of the Protocol of Merger approved on this meeting.

Moreover, it was presented to the Directors, for their information, the report prepared by Goldman Sachs & Companhia relating to the preparation of the valuation, confirming that equitable treatment was being given to all the companies involved.

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Additionally, it was anticipated to the members of the Boards of Directors and Auditors in attendance that, even before the conclusion of the Corporate Restructuring, the terms and conditions of a capital reduction of the Company shall be proposed, in an amount to be calculated at the appropriate time and, at that time, new meetings of the Board of Auditors and Directors shall called for such purpose. Such reduction aims to absorb the existing losses in order to anticipate the possibility of distributing dividends to all its shareholders, after the Corporate Restructuring, as soon as the Company begins to obtain profits.

4.6 To approve the Call Notice of the general shareholders meeting of the Company regarding the subjects resolved in this meeting and that shall be submitted to the shareholders.

4.7 To approve the proposal of changing the corporate name of the Company to Vivo Participações S.A.

The Directors pointed out that the mergers under analysis were approved considering that they are part of the intended Corporate Restructuring, by means of which there shall be the concentration of the shareholders of TCO, TSD, TLE and CRTPart in only one publicly-held company, which should enable the shareholders, after the transaction, to count on more liquidity in the Brazilian and international stock exchanges, allowing, at the end, the simplification of the current share and organizational structures, as well as a larger enjoyment of the synergies of the Company and of the other companies involved, in view of the unification, standardization and rationalization of the general management of the businesses carried out by the companies involved in the Corporate Restructuring, which, directly or through their corresponding operating companies controlled by them, use the brand VIVO , such being the reasons that the members of the Board of Directors recommend its approval by the general shareholders meeting of the Company.

There being nothing further to resolve, the meeting was adjourned and these minutes were drawn up, read, found to be in order, approved by all the Directors and signed by all those in attendance.

Signatures: Fernando Xavier Ferreira - President and President of the Board of Directors; Shakhaf Wine, Henri Philippe Reichstul, Antonio Gonçalves de Oliveira e Luiz Kaufmann - members of the Board of Directors. Felix Pablo Ivorra Cano e Ignácio Aller Mallo - represented by Fernando Xavier Ferreira; Carlos Manuel de L. e V. Cruz - Vice-President of the Board of Directors represented by Shakhaf Wine; Luis Paulo Reis Cocco - represented by Shakhaf Wine; Evandro Luis Pippi Kruel, Nelson Jimenes and Norair Ferreira do Carmo- members of the Board of Auditors; Breno Rodrigo Pacheco de Oliveira - General Secretary.

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I certify that the present document is a faithful copy of the minutes set forth in the Book of Minutes of the Board of Directors of the Company.

Breno Rodrigo Pacheco de Oliveira

Secretary - OAB/RS no. 45,479

This document is a free translation of the Portuguese original.

In case of discrepancies, the Portuguese version will prevail.

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MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF CRTPART DATED

DECEMBER 4, 2005

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CELULAR CRT PARTICIPAÇÕES S.A.

Publicly-held company with authorized capital

CNPJ 03.010.016/0001-73 - NIRE 43300039021

MINUTES OF THE EXTRAORDINARY MEETING OF THE BOARD OF DIRECTORS OF CELULAR CRT PARTICIPAÇÕES S.A., HELD ON DECEMBER 4, 2005.

1. DATE, TIME AND PLACE OF MEETING: December 04, 2005, at 17:00 hours, at Avenida Roque Petroni Junior, 1464 6th floor, Morumbi, in the city of São Paulo, State of São Paulo.

2. PRESIDENT AND SECRETARY: Fernando Xavier Ferreira President and Breno Rodrigo Pacheco de Oliveira General Secretary.

3. ATTENDANCE: The meeting was convened with the attendance of the Directors that sign these minutes, in compliance with the quorum set forth in the By-laws. The members of the Board of Auditors, Messrs. Ademir José Mallmann, Cláudio José Carvalho de Andrade e Evandro Luis Pippi Kruel, also attended this meeting, pursuant to article 163, third paragraph, Law No. 6,404/76. Moreover, the representatives of Goldman Sachs & Companhia, Deloitte Touche Tohmatsu Auditores Independentes and Planconsult e Consultoria, in addition to the representatives of the law firm Machado, Meyer, Sendacz e Opice Advogados, in its capacity as legal advisors of the Company, also attended to the meeting in order to provide the necessary clarifications.

4. AGENDA AND RESOLUTIONS: The President of the meeting clarified that, as it was already known by all those in attendance, the purpose of the meeting was to resolve about (1) the proposal for approval of the Financial Statements of the Company, dated as of September 30, 2005, to be submitted to the general shareholders meeting that will be called; (2) the proposal of declaration, on the date hereof, of interim dividends to the shareholders of the Company on account of net profits assessed in accordance with the Balance Sheet drawn up on September 30, 2005; (3) the proposal to credit interest on shareholders equity to the shareholders of the Company pursuant to article 9 of Law 9,249/95 and Resolution No. 207/96 of the *Comissão de Valores Mobiliários*, *ad referendum* of the general shareholders meeting of the Company; (4) the proposal of the corporate restructuring involving the Company, regarding (i) the merger of shares of Tele Centro Oeste Celular Participações S.A. (TCO), in order to be converted into a wholly-owned subsidiary of Telesp Celular Participações S.A. (TCP), and (ii) the merger of the Company and Tele Sudeste Celular Participações S.A. (TSD) and Tele Leste Celular Participações S.A. (TLE) into TCP (Corporate Restructuring), which shall be submitted to the final approval of the General Shareholders Meeting; and (5) the draft of the Call Notice of the general shareholders meeting of the Company. After the clarifications, the directors, unanimously and without restrictions of any kind, resolved the following:

4.1 To approve the proposal to be submitted for the consideration of the general shareholders meeting in view of the favorable opinion of the members of the Board of Auditors and the Independent Auditor, regarding the approval of the Financial Statements of the Company dated as of September 30, 2005, which were examined and unanimously approved by the members of the Board of Directors in attendance, *ad referendum* of the general shareholders meeting of the Company.

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Before moving to the following subjects of the meeting, it was clarified to the Directors in attendance that the proposals regarding the declaration of interest on shareholders equity and interim dividends intend to assure to the shareholders of the Company the payment of mandatory dividends set forth in the Bylaws, related to the fiscal year of 2005, before the conclusion of the Corporate Restructuring. Moreover, it was clarified that the amounts corresponding to the interest on shareholders equity and interim dividends to be declared were assessed on account of profit existing on the Balance Sheet of September 30, 2005, also considering the estimate of profits of the Company until December 31, 2005.

After the clarifications, the directors in attendance unanimously resolved the following:

4.2 To approve, *ad referendum* of the next shareholders meeting to be held, as authorized by article 25 of the Bylaws of the Company, the distribution of interim dividends to the shareholders registered in our records at the end of December 5, 2005, date in which the statement of dividends will become effective for the market, as established by BOVESPA, and will be considered ex-dividends from December 6, 2005 on, in the total amount of R$ 16,928,697.53 (R$0.491233169 per common share and R$0.540356486 per preferred share). Such payment shall be carried out until December 31, 2005. The amount of interim dividends declared hereby shall be accounted for the mandatory minimum dividend to be declared on the general shareholders meeting that approves the accounts of the fiscal year of 2005.

4.3 To approve, *ad referendum* of the next shareholders meeting to be held, as authorized by article 26 of the Bylaws of the Company, and pursuant to article 9 of Law 9,249/95 and Resolution No. 207/96 issued by *Comissão de Valores Mobiliários*, the distribution of interest on shareholders equity to the shareholders of the Company, based on the shareholding position of December 5, 2005, in the total amount of R$18,560,109.76 (R$0.538573125 per common share and R$0.592430438 per preferred share) with 15% income tax withholding, resulting in net interests of R$15,776,093.30 (R$0.457787156 per common share and R$0.503565872 per preferred share), except for the shareholders proven to be exempt from the tax. From December 6, 2005 the shares will be traded ex-interest on shareholders equity. Such credit shall be carried

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out on December 31, 2005 to each shareholder s account, based on the shareholder s position as of December 5, 2005. The amount of interest on shareholders equity declared hereby shall be attributed to the mandatory minimum dividend to be declared on the general shareholders meeting that approves the accounts of the fiscal year of 2005 for all purposes under the corporate law.

With regard to the Corporate Restructuring proposal, the members of the Board of Directors, after discussions and in view of the favorable opion of the Board of Auditors, resolved:

4.4 To approve, *ad referendum* of the general shareholders meeting of the Company that resolves about this subject, the draft of the Protocol of Merger of Shares, Merger of Companies and Instrument of Justification (Protocol of Incorporation) to be entered into by TCP, TCO, TSD, TLE and the Company, on the date hereof, which sets forth, among other subjects, the merger of the Company into TCP. The Protocol of Merger sets forth the general terms and conditions of the intended merger, the justifications of the transaction, the criterion for valuing the assets to be conveyed to TCP, the estimation of the values to be conveyed to TCP as a result of the merger, the cancellation of all shares issued by the Company existing on the date of said merger, and the exchange ratio of the cancelled and extinguished equity interests held by the shareholders of the Company for shares issued by TCP and, finally, the dissolution of the Company, which shall be succeeded in all its rights and obligations by TCP. Considering the approval of the terms and conditions of the Protocol of Merger resolved herein, as well as the clarifications provided in regard to the restructuring discussed hereby, the members of the Board of Directors expressed their opinion in favor of carrying out the transaction under analysis and authorized the signature of the Protocol of Merger to be entered into by the Board of Officers of TCP, TSD, TLE, and the Company, as well as the execution of all acts required for the implementation thereof.

4.4.1 To ratify, *ad referendum* of the general shareholders meeting of the Company that resolves about this subject, the contracting, carried out by the Board of Officers of the Company, of the specialized firm Deloitte Touche Tohmatsu Auditores Independentes for the valuation of the net assets of the Company that shall be conveyed to TCP.

4.4.2 To approve, *ad referendum* of the general shareholders meeting of the Company that resolves about this subject, the valuation report of the net assets of the Company to be merged into TCP, based on the book value on the base date of November 30, 2005, and the consequent capital increase of the Company.

4.5 To ratify, *ad referendum* of the general shareholders meeting of the Company that resolves about this subject, the contracting, carried out by the Board of Officers of the Company, of the specialized firm Goldman Sachs & Companhia, for the valuation of the shareholders equity of TCP and the Company, based on the economic value, valued using the discounted cash flow method, in order to determine the exchange ratio of common and preferred shares of the Company for new shares to be issued by TCP, as well as the preparation of a report with regard to the referred exchange ratio.

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4.6 To ratify, *ad referendum* of the general shareholders meeting of the Company that resolves about this subject, the contracting, carried out by the Board of Officers of the Company, of the specialized firm Planconsult Planejamento e Consultoria for the valuation of the shareholders equity of TCP and the Company at market prices, in order to comply with article 264 of Law 6,404/76.

4.7 To approve, *ad referendum* of the general shareholders meeting of the Company that resolves about this subject, the valuation reports of the shareholders equity of TCP and of the Company, based on the economic value of such companies, valued using the discounted cash flow method, prepared by Goldman Sachs & Companhia, considering a base date of September 30, 2005 for the specific purpose of determining the exchange ratio of common and preferred shares of the Company to be cancelled for new shares to be issued by TCP, as well as the valuation reports of the shareholders equity of said companies, valued at market prices. It is proposed hereby that the fractions of shares of TCP, resulting from the exchange ratio, be grouped and sold in an auction (or auctions, if the case may be) at Bolsa de Valores de São Paulo Bovespa, at the market price, and that the assessed net value be paid to the shareholders of the Company, which, on account of the respective merger of its shares and respective exchange ratio, are entitled to the referred fractions of shares, on a *pro rata* basis as to the fractions held by them, within up to five (05) business days from the day the auction (or last auction, if the case may be) is held. It was clarified that the shares of TCP to be distributed to the shareholders of the Company shall have the same rights of the shares issued by TCP currently being traded, and the rights of the shareholders of the Company to receive dividends, including the dividends pursuant to the year of 2005, would be kept considering the approval of the interim dividends and the credits of interest on shareholders equity herein resolved. Additionally, it was presented to the Directors, for their information, the report prepared by Goldman Sachs & Companhia relating to the preparation of the valuation, confirming that equitable treatment was being given to all the companies involved.

4.8 To approve the Call Notice of the general shareholders meeting of the Company regarding the subjects resolved in this meeting and that shall be submitted to the shareholders.

The Directors pointed out that the merger under analysis was approved considering that it is part of the intended Corporate Restructuring, by means of which there shall be the concentration of the shareholders of the Company, and TCO, TSD, and TLE in only one publicly-held company, which should enable the shareholders, after the transaction, to count on more liquidity in the Brazilian and international stock exchanges, allowing, at the end, the simplification of the current share and organizational structures, as well as a larger enjoyment of the synergies of TCP and of the other companies involved, in view of the unification, standardization and rationalization of the general management of the businesses carried out by the companies involved in the Corporate Restructuring, which, directly or through their corresponding operating companies controlled by them, use the brand VIVO , such being the reasons that the members of the Board of Directors recommend its approval by the general shareholders meeting of the Company.

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There being nothing further to resolve, the meeting was adjourned, these minutes were drawn up, read, found to be in order, approved by all the Directors and signed by all those in attendance. São Paulo, December 4, 2005.

Signatures: Fernando Xavier Ferreira - President and Presidente of the Board of Directors; Shakhaf Wine, Henri Philippe Reichstul, Antonio Gonçalves de Oliveira e Luiz Kaufmann members of the Board of Directors. Felix Pablo Ivorra Cano and Ignácio Aller Mallo - represented by Fernando Xavier Ferreira; Carlos Manuel de L. e V. Cruz - Vice-President of the Board of Director - represented by Shakhaf Wine; Luis Paulo Reis Cocco - represented by Shakhaf Wine; Evandro Luis Pippi Kruel, Ademir José Mallmann and Cláudio José Carvalho de Andrade member of the Board of Auditor ; Breno Rodrigo Pacheco de Oliveira - General Secretary

I certify that the present document is a faithful copy of the minutes set forth in the Book of Minutes of the Board of Directors of the Company.

Breno Rodrigo Pacheco de Oliveira

Secretary - OAB/RS no. 45,479

This document is a free translation of the Portuguese original.

In case of discrepancies, the Portuguese version will prevail.

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NOTICE TO SHAREHOLDERS OF TCP DATED DECEMBER 4, 2005, REGARDING

EXTRAORDINARY GENERAL MEETING

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TELESP CELULAR PARTICIPAÇÕES S.A.

Publicly-held company with authorized capital

CNPJ 02.558.074/0001-73 - NIRE 35300158792

Extraordinary General Shareholders Meeting

Call Notice

The shareholders are hereby summoned to attend the Extraordinary General Shareholders Meeting of the Company to be held at 2:00 PM on February 8, 2006, at Avenida Roque Petroni Junior, 1464 ground floor (theater), Morumbi, in the city of São Paulo, State of São Paulo, in order to consider, in light of the Relevant Fact published on December 6, 2005 (Relevant Fact) the following agenda:

(a) to consider and resolve about the Financial Statements of the Company dated as of September 30, 2005;

(b) to resolve about the capital reduction of the Company for the purposes of absorbing the existing losses in order to anticipate the possibility of distributing dividends to all the shareholders, as soon as the Company becomes profitable;

(c) to consider and resolve about the terms and conditions of the Protocol of Merger of Shares, Merger of Companies and Instrument of Justification entered into by the management of the Company and of Tele Centro Oeste Celular Participações S.A. (TCO), Tele Sudeste Celular Participações S.A. (TSD), Tele Leste Celular Participações S.A. (TLE) and Celular CRT Participações S.A. (CRTPart), with respect to (i) the merger, into the Company, of all the shares of TCO, in order to convert it into a wholly-owned subsidiary; and (ii) the merger, into the Company, of TSD, TLE and CRTPart, as described in the Relevant Fact;

(d) to ratify the appointment, carried out by the managers of the Company and of TCO, TSD, TLE and CRTPart, (i) of the specialized firm Deloitte Touche Tohmatsu Auditores Independentes, responsible for the preparation of the accounting valuation of the shares issued by TCO, as well as of the book value of the net assets of TSD, TLE and CRTPart, to be merged into the Company; (ii) of the specialized firm Goldman Sachs & Companhia, for the valuation of the shareholders equity of the Company and TCO, TSD, TLE and CRTPart, based on the economic value of such companies; and (iii) of the specialized firm Planconsult Planejamento e Consultoria for the valuation of the shareholders equity of the Company and TCO, TSD TLE and CRTPart at market prices;

(e) to consider and resolve about the valuation reports referred to in item (d) above;

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(f) to resolve about the exchange ratio of the shares issued by TCO, TSD, TLE and CRTPart for shares to be issued by the Company;

(g) to resolve about the capital increase of the Company as a result of the merger (i) of the shares issued by TCO; and (ii) of the net assets of TSD, TLE and CRTPart, with the consequent amendment to article 5 of the Bylaws, in order to reflect the capital increase resulting from the merger; and

(h) to change the corporate name of the Company to Vivo Participações S.A.

ADDITIONAL INFORMATION:

(a) The powers of attorney granted by the shareholders of the Company, for representation at the meeting, shall be deposited at the head office, located at Avenida Roque Petroni Junior, 1464, 3.º andar, lado B, Morumbi, in the city of São Paulo, State of São Paulo (Legal Department), on business days, from Monday to Friday, from 9:00 AM to 6:00 PM, until, at most, 2:00 PM on February 6, 2006.

(b) The shareholders that are part of the Fungible Custody of Registered Shares of the São Paulo Stock Exchange - BOVESPA and that intend to attend to this meeting shall deliver a statement containing their respective equity interests, dated up to two (02) days before the date of the meeting.

(c) The documents and proposals related to the agenda of the general meeting called hereby are available to the shareholders at the address mentioned in item (a) above.

Notice in accordance with SEC regulations: This Call Notice is not an offering document and does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval.

São Paulo, December 4, 2005.

Fernando Xavier Ferreira

Chairman of the Board of Directors

This document is a free translation of the Portuguese original.

In case of discrepancies, the Portuguese version will prevail.

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NOTICE TO SHAREHOLDERS OF CRTPART DATED DECEMBER 4, 2005,

REGARDING EXTRAORDINARY GENERAL MEETING

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CELULAR CRT PARTICIPAÇÕES S.A.

Publicly-held company

CNPJ 03.010.016/0001-73 - NIRE 43300039021

Extraordinary General Shareholders Meeting

Call Notice

The shareholders are hereby summoned to attend the Extraordinary General Shareholders Meeting to be held at 2:00 PM of February 8, 2006, at the head office, located at Avenida José Bonifácio, 245, 7th floor, in the city of Porto Alegre, State of Rio Grande do Sul, in order to consider, in light of the Relevant Fact published on December 6, 2005 (Relevant Fact), the following agenda:

(a) to consider and resolve about the Financial Statements of the Company dated as of September 30, 2005;

(b) to consider and resolve about the terms and conditions of the Protocol of Merger of Shares, Merger of Companies and Instrument of Justification entered into by the management of the Company, Telesp Celular Participações S.A. (TCP) and others, which set forth the merger of the Company into TCP, as described in the Relevant Fact;

(c) to ratify the appointment, carried out by the managers of the Company and of TCP, (i) of the specialized firm Deloitte Touche Tohmatsu Auditores Independentes, responsible for the preparation of the accounting valuation of the net assets of the Company to be conveyed to TCP; (ii) of the specialized firm Goldman Sachs & Companhia, for the valuation of the shareholders equity of the Company and TCP, based on the economic value of such companies; and (iii) of the specialized firm Planconsult Planejamento e Consultoria, for the valuation of the shareholders equity of the Company and TCP at market prices;

(d) to consider and resolve about the valuation reports referred to in item (d) above; and

(e) to resolve about the exchange ratio of the shares issued by the Company, held by its shareholders and cancelled as a result of the merger of the Company, for shares to be issued by TCP, and the consequent extinguishment of the Company.

ADDITIONAL INFORMATION:

(a) The powers of attorney granted by the shareholders of the Company, for representation at the meeting, shall be deposited at the head office of the Company, located at Avenida José Bonifácio, 245, 7th floor, in the city of Porto Alegre, State of Rio Grande do Sul (Legal Department), on business days, from Monday to Friday, from 9:00 AM to 6:00 PM, until, at most, 2:00 PM on February 6, 2006.

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(b) The shareholders that are part of the Fungible Custody of Registered Shares of the São Paulo Stock Exchange - BOVESPA and that intend to attend to this meeting shall deliver a statement containing their respective equity interests, dated up to two (02) days before the date of the meeting.

(c) The documents and proposals related to the agenda of the general meeting called hereby are available to the shareholders at the address mentioned in item (a) above.

Notice in accordance with SEC regulations: This Call Notice is not an offering document and does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. U.S. holders of ordinary and preferred shares of the Company are urged to read the U.S. prospectus applicable to the Company regarding the Corporate Restructuring, when it becomes available, because it will contain important information. The U.S. prospectus will be filed with the SEC as part of a Registration Statement on Form F-4 of TCP. Investors and security holders may obtain a free copy of the U.S. prospectus (when it becomes available) and other documents filed by TCP with the SEC at the SEC s website at www.sec.gov. A copy of the U.S. prospectus (when it becomes available) may also be obtained for free from TCP.

Porto Alegre, December 4, 2005.

Fernando Xavier Ferreira

Chairman of the Board of Directors

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NOTICE TO SHAREHOLDERS OF CRTPART DATED DECEMBER 4, 2005, REGARDING

DIVIDENDS

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CELULAR CRT PARTICIPAÇÕES S.A.

CNPJ/MF Nº 03.010.016/0001-73

Publicly Held Company

NOTICE TO SHAREHOLDERS

We hereby notify all shareholders that the Company s Board has approved, *ad referendum* of the General Shareholders Meeting, the credit of interest on shareholders equity pursuant to article 9 of Law 9,249/95 and Resolution No. 207/96 issued by *Comissão de Valores Mobiliários* on the total amount of R$18,560,109.76 (R$0.538573125 per common share and R$0.592430438 per preferred share) with 15% income tax withholding, resulting in net interest of R$15,776,093.30 (R$0.457787156 per common share and R$0.503565872 per preferred share), except for the shareholders proven to be exempt from tax.

The corresponding credit shall be made in the accounting records of the Company on December 31, 2005 to each shareholder s account based **on the shareholding position of December 5, 2005**, which means that from December 6, 2005 the shares will be traded ex-interest on shareholders capital . The payment date shall be informed by means of a Notice to Shareholders after the resolution of the shareholders general meeting that approves the accounts of the fiscal year of 2005.

The amount of interest on shareholders equity declared hereby, net of income tax withheld, shall be attributed to the mandatory minimum dividend and dividend under the by-laws for the ordinary shares and the preferred shares for the fiscal year of 2005, for all purposes of the corporate law.

Any shareholders that are immune or exempt from paying income tax, according to legislation in effect, must provide documented proof of this status up to January 6th, 2006, including, in the case of exemption by injunction, the certificate of the entire contents of the case documents of the legal case in which the injunction was granted, issued within 15 days of the date the proof is provided, presented to the Legal Department of Celular CRT Participações S.A., located at Av. José Bonifácio, n.º 245, 7th floor, Farroupilha, in the Capital of the State of Rio Grande do Sul.

We also inform that in accordance with the resolution of the Board of Directors on December 4th, 2005, the Company will pay until December 29th, 2005 interim dividends to the shareholders in the total amount of R$ 16,928,697.53 (R$0.491233169 per common share and R$0.540356486 per preferred share) based on the Financial Statements of September 30th, 2005 as authorized by article 25 of the Bylaws of the Company and by articles 204 and 205 of Law 6404/76 to the shareholders registered in our records at the end of the day of December 5, 2005, and will be considered ex-dividends from December 6, 2005.

As authorized by article 28, sole paragraph, of the Bylaws of the Company, such interim dividends shall be attributed to the mandatory minimum dividend to be declared on the general shareholders meeting that approves the accounts of the fiscal year of 2005.

INCOME TAX WITHHOLDING: Dividends are exempt from Income Tax Withholding according to Law nº 9245/95.

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INSTRUCTIONS FOR PAYMENT: Shareholders shall present at any agency of Banco Itaú S.A. holding (in case of individuals) CPF, official identity card and address supporting document. Legal entities shall be represented by legal representative or attorney in fact, who shall present his own identity document and CPF, shareholders documents: CNPJ, ByLaws, minutes of meeting appointing the current Board of Executive Officers and the power of attorney granting powers to sign on behalf of the company, as the case may be. In order to protect the interests of the shareholders, powers of attorney shall be made by means of a public instrument specifying the powers granted and issued no more than 30 days before the date thereof, presented at any agency of Banco Itaú S.A., to receive Interim Dividends. Shareholders owning shares in custody arrangements in the Stock Exchanges will receive its dividends by means of them.

ADDITIONAL INFORMATION:

(i) Dividends not demanded within 3 years to be counted as of the date of the beginning of the payment shall revert to the company (according to article 287, II a of Law 6404/76).

(ii) The aforementioned resolutions were made in order to assure the right of the shareholders of Celular CRT Participações S.A. to the mandatory minimum dividend of the year 2005 in view of the proposed merger of the company into Telesp Celular Participações S.A., as announced in a Relevant Fact on December 4, 2005.

São Paulo, December 4, 2005.

Paulo Cesar Pereira Teixeira

Investor Relations Director

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NOTICE TO THE MARKET DATED DECEMBER 5, 2005

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TELESP CELULAR PARTICIPAÇÕES S.A.

PUBLICLY HELD COMPANY

CNPJ/MF nº 02.558.074/0001-73 - NIRE 353001587.9-2

TELE CENTRO OESTE CELULAR PARTICIPAÇÕES S.A.

PUBLICLY HELD COMPANY

CNPJ/MF nº 02.558.132/0001-69 NIRE 533 0000580 0

TELE SUDESTE CELULAR PARTICIPAÇÕES S.A.

PUBLICLY HELD COMPANY

CNPJ/MF nº 02.558.129/0001-45 NIRE 33.3.0026819-7

TELE LESTE CELULAR PARTICIPAÇÕES S.A.

PUBLICLY HELD COMPANY

C.N.P.J 02.558.144/0001-93 NIRE 35 3 0032612 1

CELULAR CRT PARTICIPAÇÕES S.A.

PUBLICLY HELD COMPANY

CNPJ: 03.010.016/0001-73 NIRE 43300039021

NOTICE TO THE MARKET

The above mentioned companies hereby clarify item 2.3. of the Relevant Fact of December 4th, 2005:

2.3. **Appraisal Right**: The shareholders, owners of common and preferred shares of TCP, who dissent on the merger of TCO shares, and the shareholders, owners of common shares of TCO, TSD, TLE and CRTPart, who dissent on their respective merger, as well as shareholders, owners of preferred shares of TSD, who dissent on the resolutions relating to the merger with TCP, will have appraisal rights and may withdraw from the respective companies, by means of the reimbursement of the shares proven to be owned by them on the date of the disclosure of this Relevant Fact, which publicly announces the terms and conditions applicable to the mentioned transaction.

Dissenting shareholders as described in items 2.3.1, 2.3.2., and 2.3.3. of the Relevant Fact that may express their withdrawal rights, are those registered in the records of the Companies at the end of the day of December 5, 2005, which means that shares acquired in the trading sessions occurred from December 5, 2005 on, do not have the withdrawal right.

We also clarify that the shares to be issued as a result of the mergers described in the fato Relevante of December 4th, 2005 will participate fully in all benefits, including any dividends and interest on shareholders equity that may eventually be distributed by Telesp Celular Participações S.A. from the fiscal year of 2006 on.

São Paulo, December 5th, 2005.

Paulo Cesar Pereira Teixeira

Investor Relations Director

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