

DEBT RELEASE AGREEMENT

This DEBT RELEASE AGREEMENT (this "Agreement"), dated as of June 30, 2005 (the "Effective Date"), by and between ICO Global Communications (Holdings) Limited, a Delaware corporation ("ICO"), and ICO Member Services, Inc., a Delaware corporation ("IMS"). ICO and IMS are jointly referred to herein as the "Parties."

RECITALS

- A. IMS is a wholly-owned subsidiary of ICO.
- B. From time to time, ICO has advanced funds to IMS to enable IMS to carry on its business which directly benefits ICO in the current aggregate amount of Nine Million Three Hundred Thirty Three Thousand One Hundred Twenty Nine Dollars and Eighty Seven Cents (\$9,333,129.87) (the "ICO Receivable").
- C. ICO desires to release IMS from any and all repayment obligations related to the ICO Receivable and IMS desires to be released from its obligation to repay the ICO Receivable.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, and agreements set forth herein, the Parties hereto agree as follows:

ARTICLE I RELEASE OF ICO RECEIVABLE

Section 1.1 Release of ICO Receivable. On the terms and subject to the conditions set forth in this Agreement, on the Effective Date and as a contribution to the capital of IMS, ICO, intending to be legally bound, does hereby cancel, forgive and release IMS, its successors and assigns forever, from any and all present and future obligation to repay to ICO the ICO Receivable and IMS hereby agrees to be released from any and all repayment obligations whether now or hereafter arising in relation to the ICO Receivable.

ARTICLE II COVENANTS

Section 2.1 Further Assurances. In addition to the provisions of this Agreement, at the Effective Date and from time to time thereafter, the Parties hereto shall use all commercially reasonable efforts to execute and deliver such other instruments of release, cancellation, or forgiveness, as the case may be, and take such other action as may be reasonably requested to implement more effectively the cancellation of the ICO Receivable and the other transactions contemplated hereby.

ARTICLE III GENERAL PROVISIONS

Section 3.1 Entire Agreement. This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and thereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the Parties with respect to the subject matter hereof and thereof.

Section 3.2 Amendments and Waivers. Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed (in the case of an amendment) by the Parties. No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 3.3 Assignment. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns. This Agreement may not be assigned by either Party without the prior written consent of the other Party.

Section 3.4 Governing Law. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of Washington, without reference to the choice of law principles thereof.

Section 3.5 Invalidity. In the event that any of the provisions contained in this Agreement or in any other instrument referred to herein, shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or such other instrument and such provision will be ineffective only to the extent of such invalidity, illegality or unenforceability, unless the consummation of the transactions is impaired thereby.

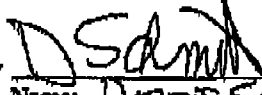
Section 3.6 Counterparts. This Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 3.7 Headings. The headings of the Articles and Sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

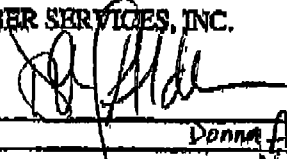
[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on their behalf, by their officers thereunto duly authorized, as of the date first above written.

ICO GLOBAL COMMUNICATIONS
(HOLDINGS) LIMITED

By 
Name: Dennis Schmitt
Title: CEO

ICO MEMBER SERVICES, INC.

By 
Name: Donna Alderman
Title: V.C.