

WORLDSPACE, INC.

STATEMENT OF COMPANY POLICY: **INSIDER TRADING**

(as adopted on March 14, 2005)

Introduction:

The purchase or sale of securities of WorldSpace, Inc. (the “Company”) by an individual who is aware of material, nonpublic information about the Company and its subsidiaries (the Company and its subsidiaries are hereinafter collectively referred to as “WorldSpace”), or the disclosure of material, nonpublic information about WorldSpace to others who then trade in the Company’s securities, is prohibited by both federal and state securities laws. Insider trading violations are pursued vigorously by the Securities and Exchange Commission (the “SEC”) and the U.S. Attorneys. The consequences¹ can be severe and may include a civil penalty of up to three times the profit gained or loss avoided along with significant criminal fines and jail terms. An individual who “tips” information to a person who then trades is subject to the same penalties as the person who traded, even if the “tipper” did not trade or profit from the trading. Under the federal securities laws companies and their “controlling persons” are also subject to penalties for insider trading if they fail to take reasonable steps to prevent insider trading by company personnel. In addition, an individual who fails to comply with the Company’s insider trading policy may be subject to sanctions imposed by the Company including, without limitation, dismissal for cause, whether or not the individual’s failure to comply with this policy statement results in any violation of law. The Company has adopted this policy statement (the “Policy Statement”) both to satisfy the Company’s obligation to prevent insider trading and to help WorldSpace’s personnel avoid the severe consequences associated with violation of insider trading laws. The Policy Statement is also intended to prevent even the appearance of improper conduct on the part of any person employed by or associated with WorldSpace.

Statement of Policy:

The Company’s policy is applicable to **all directors, officers and employees** of WorldSpace and prohibits trading and tipping others who may trade, when any director, officer or employee has possession of material, nonpublic information. This policy also applies to any agent, consultant or independent contractor of WorldSpace who is provided with or obtains material, nonpublic information concerning WorldSpace. The individuals described in this paragraph (along with their spouses and members of their immediate family living in their household) are hereinafter referred to as “Covered Persons”.

Material information includes any information that a reasonable investor would consider important in making a decision to buy, sell or hold securities. Nonpublic information includes

¹ Note that all consequences, fines and other punishments set forth in this document are representative and may not be inclusive. Further, they may be changed at any time and the Company may not update this document to reflect such changes.

information which has not been broadly disclosed to the marketplace (such as by a Company's press release, earnings call or a Company's filing with the SEC).

When a Covered Person is aware of any material, nonpublic information about any company (including any WorldSpace Company), which was obtained by the Covered Person in the course of his or her employment or other duties with respect to WorldSpace, that Covered Person is prohibited from: (i) trading in that company's securities (including trading in stock options, puts and calls for that company's securities); (ii) having others trade on the Covered Person's behalf in that company's securities; and (iii) disclosing the information to anyone else who may then trade. In addition to WorldSpace, a Covered Person may, in the course of his or her employment or association with the Company, obtain material, nonpublic information concerning other entities, including WorldSpace's customers, partners, prospects and vendors.

Neither the Covered Person, nor anyone acting on his or her behalf, nor anyone who learns any material, nonpublic information directly or indirectly from the Covered Person may trade in the securities of any entity to which that material, nonpublic information relates. This prohibition continues whenever and for as long as the Covered Person is in possession of material, nonpublic information. The prohibition would end, for example, when the information in question was adequately disclosed to the public by a company press release or similar method.

The Company's policies in this regard apply to all Covered Persons even after the termination of such Cover Persons' relationship with WorldSpace. If a Covered Person is in possession of material, nonpublic information when his or her relationship with WorldSpace terminates, such Covered Person may not trade until that information has become public or is no longer material.

Unauthorized Disclosure:

As discussed above, the disclosure of material, nonpublic information to others can lead to significant legal liabilities, including fines, imprisonment and other sanctions and penalties. Therefore, a Covered Person should not discuss material, nonpublic information about WorldSpace with anyone, including other employees, except as required in the performance of such Covered Person's regular duties.

Further, it is important that only specific, designated representatives of WorldSpace discuss WorldSpace with the news media, securities analysts, and investors. Inquiries of this type received by any officer, director or employee should be referred to the Company's Chief Executive Officer, the Chief Financial Officer or the General Counsel or to a person designated by the Chief Executive Officer.

Confidential Information:

The Company also has strict policies relating to safeguarding the confidentiality of WorldSpace's internal, proprietary information. These include, among other things, procedures regarding identifying, marking and safeguarding confidential information and the use of confidentiality agreements in appropriate circumstances. Our confidentiality policies remain in full force and effect and should continue to be complied with.

Trading Window Periods:

All Covered Persons shall confine their trading in the Company's securities to the period beginning two business days following the public release of the Company's consolidated quarterly or annual financial information and ending ten days thereafter (the "window period"). All requests to trade outside a window period must be pre-cleared as described in "Pre-clearance" below.

Notwithstanding the foregoing, even during the window period, a Covered Person who possesses material, non-public information is prohibited from trading in the Company's securities other than under a pre-existing written trading plan established in accordance with the procedures set forth in a Rule 10b5-1 Plan (see below). In addition, from time to time, there may be events that occur or other circumstances or developments that are material to the Company. So long as the events or circumstances remain material and nonpublic, the General Counsel may issue an advisory prohibiting all trading in the Company's securities by the Covered Persons even during a window period. Such advisory may be directed toward all Covered Persons or may be directed toward and applicable to only selected Covered Persons. No trading by a Covered Person to whom such an advisory applies may occur until such an advisory has been lifted by the Company's General Counsel.

Pre-Clearance:

All Covered Persons must obtain pre-clearance prior to trading in the Company's securities outside of a window period. The pre-clearance must be obtained from the Company's General Counsel, which may be granted or denied by the General Counsel in his sole discretion. After receiving any pre-clearance, the recipient must trade within 48 hours of receipt of such waiver, or make a new request.

Note - Even if an individual has been pre-cleared, that individual (including their spouse or other family member sharing a household) may not trade in securities, options or other derivative securities of the Company if such individual is in, or prior to the trading comes into, possession of material, nonpublic information concerning WorldSpace.

Rule 10b5-1 Plans:

WorldSpace's directors and executive officers from time to time may establish written plans ("Rule 10b5-1 Plans") which permit trading of the Company's securities while a Covered Person is in possession of material, nonpublic information. This is ordinarily accomplished through an agreement with an outside third party who is not privy to any material, nonpublic information concerning WorldSpace, typically a broker, where authority and influence over the trade(s) vests exclusively with that third party or where all trades are made automatically according to a pre-determined schedule. Rule 10b5-1 Plans may be particularly appropriate in instances where the individual contemplates a large volume of trades. If entered into in accordance with this Policy Statement, such Rules 10b5-1 Plans will generally provide an exception to the foregoing policies.

All Rule 10b5-1 Plans must be structured to comply with SEC rules and regulations and must be approved by the General Counsel prior to being implemented. Rule 10b5-1 Plans may

only be implemented during a window period and then only if the person implementing such Rule 10b5-1 Plans is not aware of any material, nonpublic information relating to WorldSpace.

After being approved by the General Counsel, trades under a Rule 10b5-1 Plan may begin forty-five (45) calendar days after such 10b5-1 Plan has been approved.

Reporting of Violations:

Any Covered Person who knows or has reason to believe that the Policy Statement has been violated is required to bring the actual or potential violation to the attention of the Company's General Counsel as soon as possible.

Modifications; General Waivers:

The Company reserves the right to amend or modify this policy and the procedures set forth herein at any time. Waivers of any provision of this policy in a specific instance may be authorized in writing by the General Counsel. Any such waivers shall be reported to the Company's Board of Directors at its next regular meeting.

Questions:

All questions relating to the Policy Statement should be referred to the Company's Legal Department.

Disclaimer:

This document states a policy of the Company and is not intended to be regarded as rendering legal advice. All Covered Persons should consult with their personal attorney prior to engaging in the trade of any securities.

Acknowledgement

I have read WorldSpace, Inc.'s Statement of Company Policy: Insider Trading and I agree to abide by such policies in all regards. Further, I understand that my failure to comply in all respects with such policy may be a basis for discipline, including, inter alia, the termination of my employment or association with WorldSpace.

Name

Date