

Polaris Acquisition Corp.
Form PRER14A
October 15, 2008

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934**

Filed by the Registrant x
Filed by a Party other than the Registrant o
Check the appropriate box:

x Preliminary Proxy Statement
 o **Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
 o Definitive Proxy Statement
 o Definitive Additional Materials
 o Soliciting Material Pursuant to §240.14a-12

POLARIS ACQUISITION CORP.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

o No fee required.
 x Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies: Common stock of Polaris Acquisition Corp.
- (2) Aggregate number of securities to which transaction applies: 74,514,086 shares of common stock of Polaris Acquisition Corp.

Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the (3) amount on which the filing fee is calculated and state how it was determined): \$9.45, representing the average of the high and low prices for the common stock of Polaris Acquisition Corp. on August 21, 2008.

- (4) Proposed maximum aggregate value of transaction: \$704,158,113
(5) Total fee paid: \$27,673.41
x Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration No.:

(3) Filing Party:

(4) Date Filed:

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This proxy statement is dated _____, 2008 and is first being mailed to Polaris stockholders on or about _____, 2008.

POLARIS ACQUISITION CORP.
2200 Fletcher Avenue
4th Floor
Fort Lee, New Jersey 07024

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
To Be Held on

TO THE STOCKHOLDERS OF POLARIS ACQUISITION CORP.:

NOTICE IS HEREBY GIVEN that a special meeting of stockholders of Polaris Acquisition Corp., a Delaware corporation ("Polaris"), will be held at _____, New York City time, on _____, 2008, at _____ for the following purposes:

1. To consider and vote upon a proposal to approve the merger of HUGHES Telematics, Inc., a Delaware corporation ("HUGHES Telematics") with and into Polaris, with Polaris continuing as the surviving corporation in the merger, pursuant to the Agreement and Plan of Merger, dated as of June 13, 2008 (the "merger agreement"), by and among Polaris, HUGHES Telematics and, for limited purposes, Communications Investors LLC, an affiliate of Apollo Management, L.P., as the escrow representative ("Apollo"), and the transactions contemplated thereby. We refer to this proposal as the "merger proposal" ;

2. To consider and vote upon a proposal to amend Polaris amended and restated certificate of incorporation to (A) change Polaris name from Polaris Acquisition Corp. to , (B) increase the number of Polaris authorized shares of common stock from 55,000,000 to 155,000,000 and authorized shares of preferred stock from 1,000,000 to 10,000,000, (C) remove the entirety of Article Fifth and (D) amend certain other ministerial provisions of the certificate of incorporation. We refer to this proposal as the pre-closing certificate amendment proposal ;

3. To consider and vote upon a proposal, effective after the consummation of the merger, to amend Polaris amended and restated certificate of incorporation to (A) remove provisions of Article Third relating to the dissolution and liquidation of Polaris in the event that a business combination is not consummated prior to January 11, 2010, (B) replace (1) the entirety of Article Sixth with a provision providing that Polaris is to have perpetual existence and (2) the entirety of Article Seventh with a provision providing that Polaris reserves the right to amend, alter, change or repeal any provision in Polaris amended and restated certificate of incorporation in the manner now or hereafter prescribed therein and by the laws of the State of Delaware, all of which relate to the operation of Polaris as a blank check company prior to the consummation of a business combination and (C) amend certain other ministerial provisions of the certificate of incorporation. We refer to this proposal as the post-closing certificate amendment proposal ;

4. To consider and vote upon a proposal, if necessary, to authorize the adjournment of the special meeting to a later date or dates to permit further solicitation and vote of proxies in the event there are insufficient votes at the time of the special meeting to approve the merger proposal, the pre-closing certificate amendment proposal or the post-closing certificate amendment proposal. We refer to this proposal as the adjournment proposal ; and

5. To consider and vote upon such other business as may properly come before the special meeting or any adjournment or postponement thereof.

The board of directors of Polaris has fixed the close of business on , 2008 as the record date for the determination of stockholders entitled to notice of and to vote at the special meeting and at any adjournment or postponement thereof. Only the holders of record of Polaris common stock on the record date are entitled to have their votes counted at the special meeting and any adjournments or postponements thereof.

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Merger Consideration

The merger agreement provides that all shares of common stock, par value \$0.01 per share, of HUGHES Telematics issued and outstanding immediately prior to the merger and not owned directly by HUGHES Telematics will be exchanged for the right to receive, in the aggregate, 43,895,112 fully paid and non-assessable shares of Polaris common stock, par value \$0.0001 per share. All options exercisable for HUGHES Telematics common stock issued and outstanding immediately prior to the merger will be exchanged for options exercisable for an aggregate of 1,618,981 shares of Polaris common stock. In addition, an aggregate of 27,968,436 Polaris common shares will be issued into escrow and released to the HUGHES Telematics stockholders as merger consideration in three equal tranches contingent upon Polaris common stock meeting specified price targets over the five-year period following the closing of the merger (the earn-out shares). So long as any earn-out shares remain in escrow, the HUGHES Telematics stockholders will be able to vote those earn-out shares without restriction on any matter brought to a vote of the stockholders of the combined company. The first tranche of earn-out shares will be released to the HUGHES Telematics stockholders if the trading price of Polaris common stock equals or exceeds \$20.00 for any 20 trading days within a 30 trading-day period between the first and third anniversaries of the closing of the merger. The second tranche of earn-out shares will be released if the trading price of Polaris common stock equals or exceeds \$24.50 for

any 20 trading days within a 30 trading-day period between the second and fourth anniversaries of the closing of the merger. The final tranche of earn-out shares will be released if the trading price of Polaris common stock equals or exceeds \$30.50 for any 20 trading days within a 30 trading-day period between the third and fifth anniversaries of the closing of the merger. In the event that a share price target is not met in its measurement period but the immediately succeeding share price target is met within the succeeding measurement period, the HUGHES Telematics stockholders will receive the earn-out shares related to both share price targets. If a share price target is not met within its measurement period, and for the first and second tranches, the immediately succeeding share price target is not met within the succeeding measurement period, the earn-out shares related to the missed share price target will be cancelled by Polaris. HUGHES Telematics optionholders will also receive as merger consideration options exercisable for an aggregate of 1,031,557 shares of Polaris common stock, which will be divided into three tranches and will be exercisable, according to their terms, if the trading price of Polaris common stock equals or exceeds the \$20.00, \$24.50 and \$30.50 share price targets, respectively, as specified immediately above (the earn-out options).

The number of shares of Polaris common stock received by HUGHES Telematics stockholders at the closing of the merger will be subject to possible adjustments, including the issuance of up to 7,500,000 additional shares of Polaris common stock for the value of up to \$75.0 million of additional equity raised by HUGHES Telematics prior to the closing of the merger, if any, and the issuance of additional shares of Polaris common stock for a shortfall in the net working capital of Polaris below \$138.0 million at the closing of the merger.

Concurrent with the closing of the merger, 7.5%, or 3,292,137, of the 43,895,112 Polaris common shares to be received by HUGHES Telematics stockholders as merger consideration at the closing of the merger will be placed in escrow as a fund for the payment of indemnification claims that may be made against HUGHES Telematics stockholders as a result of breaches of HUGHES Telematics covenants, representations or warranties in the merger agreement and other transaction documents. Similarly, 7.5% of each tranche of escrowed earn-out shares, or 2,097,630 of the 27,968,436 earn-out shares in the aggregate, may be used to fund the payment of such indemnification claims. The HUGHES Telematics stockholders will be able to vote these escrowed shares without restriction.

We expect that the HUGHES Telematics stockholders will own approximately 70% of the outstanding shares of Polaris common stock immediately following the consummation of the merger (not including the earn-out shares held in escrow), based on the number of shares of Polaris common stock outstanding as of , 2008, and assuming (1) no issuances of additional shares of Polaris common stock to HUGHES Telematics stockholders to account for the net proceeds received by HUGHES Telematics for equity issued prior to the mailing of this proxy statement, (2) no issuances of additional shares of Polaris common stock to HUGHES Telematics stockholders to account for a shortfall in the net working capital of Polaris, (3) no election of conversion of shares by Polaris stockholders (as discussed below) and (4) no exercise of warrants

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by Polaris stockholders. The ownership percentages of HUGHES Telematics stockholders will increase to the extent that earn-out shares are released to HUGHES Telematics stockholders as a result of the Polaris common stock meeting specified price targets over the five-year period following the closing of the merger.

Conversion Rights

Each Polaris stockholder, other than Polaris officers, directors and initial stockholders (collectively, the initial stockholders), who holds shares of common stock issued in Polaris initial public offering (whether such shares were acquired pursuant to such initial public offering or afterwards) (the public stockholders) has the right to vote against

the merger proposal and, at the same time, elect that Polaris convert such stockholder's shares, which we refer to as the conversion election shares, for cash equal to a pro rata portion of the funds held in Polaris' trust account. However, if the holders of 4,500,000 or more shares of Polaris common stock issued in Polaris' initial public offering, an amount equal to 30% or more of the total number of shares issued in Polaris' initial public offering, vote against the merger and properly elect conversion of their shares for a pro rata portion of the funds held in the trust account, then Polaris will not be able to consummate the merger, regardless of whether a majority of the shares of Polaris common stock (a) voted by the public stockholders present and entitled to vote at the special meeting in person or by proxy and (b) outstanding as of the record date, vote in favor of the merger proposal. Based on the amount of cash held in the trust account as of _____, 2008, without taking into account any interest accrued after such date, a stockholder who votes against the merger proposal and properly elects to convert its shares will be entitled to convert shares of Polaris common stock that it holds for approximately \$ _____ per share. If the merger is not completed, then the conversion election shares will not be converted for cash, even if a stockholder who voted against the merger properly elected conversion. Polaris will have sufficient funds in the trust account to pay the conversion price for the conversion election shares, even if it must convert up to but less than 30% of the shares of common stock issued in Polaris' initial public offering. Prior to exercising conversion rights, Polaris stockholders should verify the market price of Polaris common stock, as they may receive higher proceeds from the sale of their common stock in the public market than from exercising their conversion rights. Shares of Polaris common stock are quoted on the American Stock Exchange under the symbol TKP. On _____, 2008, the last sale price of Polaris common stock was \$ _____.

Required Vote to Approve the Proposals

The affirmative vote of a majority of the shares of Polaris common stock (a) voted by the public stockholders present and entitled to vote at the special meeting in person or by proxy and (b) outstanding as of the record date, is required to approve the merger proposal, provided that the holders of less than 30% of the shares of Polaris common stock that were issued in our initial public offering vote against the merger proposal and properly elect to convert their shares into a pro rata portion of the funds held in Polaris' trust account. Polaris' initial stockholders have agreed to vote all of their shares of Polaris common stock acquired prior to the initial public offering in accordance with the vote of the majority in interest of all other Polaris stockholders on the merger proposal. As of the date hereof, the Polaris' initial stockholders hold in the aggregate 3,750,000 shares of Polaris common stock, which represents 20% of the outstanding shares of Polaris common stock.

Assuming the merger proposal is approved by Polaris stockholders, the affirmative vote of a majority of the shares of Polaris common stock outstanding as of the record date is required to approve the pre-closing certificate amendment proposal and the post-closing certificate amendment proposal.

Each of the merger proposal, the pre-closing certificate amendment proposal and the post-closing certificate amendment proposal are conditioned upon the approval of the other proposals other than the adjournment proposal, and, in the event one or more of those proposals does not receive the necessary vote to approve that proposal, the remaining proposals, other than the adjournment proposal, will not be presented at the special meeting for approval. It is a condition to the closing of the merger for both Polaris and HUGHES Telematics under the merger agreement that each of the merger proposal, the pre-closing certificate amendment proposal and the post-closing certificate amendment proposal is approved by Polaris stockholders.

We will not transact any other business at the special meeting, except for business properly brought before the special meeting, or any adjournment or postponement thereof, by our board of directors.

Voting

Your vote is important. Whether you plan to attend the special meeting or not, please sign, date and return your proxy card as soon as possible to make sure that your shares are represented at the special meeting. If you are a stockholder of record of Polaris common stock, you may also cast your vote in person at the special meeting. If your shares are held in an account at a brokerage firm or bank, you must instruct your broker or bank on how to vote your shares. If you return your proxy card without an indication of how you wish to vote, it will be voted **FOR** each of the proposals and you will not be eligible to have your shares converted into a pro rata portion of the funds in our trust account. If you abstain from voting on the merger proposal, the pre-closing certificate amendment proposal or the post-closing certificate amendment proposal, or you do not instruct your broker on how to vote your shares on those proposals, the abstention or broker non-vote will have the same effect as a vote **against** each such proposal. To properly exercise your conversion rights, you must affirmatively vote against the merger proposal and your bank or broker must, by 5:00 p.m., New York City time, on _____, 2008, the business day prior to the special meeting, electronically transfer your shares to the Depository Trust Company (**DTC**) account of Continental Stock Transfer & Trust Company, our stock transfer agent, and provide Continental Stock Transfer & Trust Company with the necessary stock powers, written instructions that you want to convert your shares and a written certificate addressed to Continental Stock Transfer & Trust Company stating that you were the owner of such shares as of the record date, you have owned such shares since the record date and you will continue to own such shares through the closing of the merger.

Our warrant holders are not entitled to voting rights with respect to their warrants at the special meeting.

Recommendations of the Board of Directors of Polaris

After careful consideration, Polaris board of directors has determined that the merger proposal and the other proposals are fair and in the best interests of Polaris stockholders.

The board of directors of Polaris unanimously recommends that you vote **FOR the merger proposal, the pre-closing certificate amendment proposal, the post-closing certificate amendment proposal and, if necessary, the adjournment proposal.**

When you consider the recommendation of Polaris board of directors, you should keep in mind that certain of Polaris directors and officers have interests in the merger, which are described in the accompanying proxy statement, that are different from, or in addition to, your interests as a stockholder.

Thank you for your participation. We look forward to your continued support.

By Order of the Board of Directors,

Marc V. Byron
Chairman of the Board and Chief Executive Officer

, 2008

Neither the Securities and Exchange Commission nor any state securities commission has determined if this proxy statement is truthful or complete. Any representation to the contrary is a criminal offense.

SEE THE SECTION ENTITLED **RISK FACTORS IN THIS PROXY STATEMENT FOR A DISCUSSION OF VARIOUS FACTORS THAT YOU SHOULD CONSIDER IN CONNECTION WITH THE MERGER.**

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POLARIS ACQUISITION CORP.

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**SUMMARY OF THE MATERIAL TERMS OF THE
MERGER**

The parties to the merger agreement are Polaris, HUGHES Telematics and, for limited purposes, Apollo. See the section entitled The Merger Proposal.

HUGHES Telematics is a privately-owned automotive telematics services company that currently provides and is developing a suite of real-time automotive services and applications. See the section entitled Business of HUGHES Telematics.

At the closing of the merger, HUGHES Telematics will merge with and into Polaris, with Polaris continuing as the surviving corporation. See the section entitled The Merger Proposal.

In exchange for all of their common stock and options exercisable for common stock of HUGHES Telematics, the HUGHES Telematics stockholders will receive from Polaris, at the closing of the merger, an aggregate of 43,895,112 shares of Polaris common stock and the HUGHES Telematics optionholders will receive options exercisable for an aggregate of 1,618,981 shares of Polaris common stock, subject to certain adjustments. In addition, an aggregate of 27,968,436 earn-out shares will be issued into escrow and released to the HUGHES Telematics stockholders and earn-out options exercisable for an aggregate of 1,031,557 shares of Polaris common stock will be eligible to be exercised, according to their terms, by the HUGHES Telematics optionholders, each in three equal tranches, upon the trading share price of Polaris common stock reaching at least \$20.00, \$24.50 and \$30.50 within certain measurement periods over the five-year period following the closing of the merger. Not including the earn-out shares, the merger consideration has an aggregate value of approximately \$416.5 million based on the closing price of Polaris common stock on June 13, 2008, the last trading day before the announcement of the proposed merger, and \$376.0 million based on the closing price of Polaris common stock on October 14, 2008. See the section entitled The Merger Agreement Merger Consideration.

Any Polaris public stockholder who votes against the merger may, at the same time, elect that Polaris convert such stockholder's shares for a pro rata portion of the funds held in the trust account. If you seek to exercise this conversion right, you must submit your vote against approval of the merger and, by 5:00 p.m., New York City time, on _____, 2008, the business day prior to the special meeting your bank or broker must electronically transfer your shares and provide certain instructions and a certificate to Continental Stock Transfer & Trust Company, our stock transfer agent. See the section entitled The Special Meeting Conversion Rights.

As a result of the merger and assuming that no Polaris stockholders properly elect that Polaris convert their shares into cash as permitted by Polaris' amended and restated certificate of incorporation, immediately after the closing of the merger, the stockholders of HUGHES Telematics will own approximately 70% of the outstanding Polaris common stock and Apollo will own approximately 59% of the outstanding Polaris common stock, in each case not including the earn-out shares held in escrow. If 29.99% of Polaris public stockholders properly elect that Polaris convert their shares into cash, then immediately after the closing of the merger the stockholders of HUGHES Telematics will own approximately 75% of the outstanding Polaris common stock and Apollo will own approximately 64% of the outstanding Polaris common stock. Including the earn-out shares held in escrow and assuming that none of Polaris public stockholders properly elect that Polaris convert their shares into cash, the stockholders of HUGHES Telematics and Apollo will hold approximately 79% and 67%, respectively, of Polaris' voting power. Including the earn-out shares held in escrow and assuming that 29.99% of Polaris public stockholders properly elect that Polaris convert their shares to cash, the stockholders of HUGHES Telematics and Apollo will hold approximately 83% and 70%, respectively, of Polaris' voting power. The percentage ownership held by HUGHES Telematics securityholders will be increased and that of Polaris' stockholders will be decreased upon (1) release to the HUGHES Telematics stockholders of any earn-out shares (2) the exercise of options by HUGHES Telematics optionholders, assuming vesting and other conditions to exercise are met, (3) the issuance of additional shares of Polaris common stock at the closing of the merger for the value of up to \$75.0 million of additional equity raised by HUGHES Telematics prior to the closing, if any, and (4) the issuance of additional shares of Polaris common stock for any shortfall in the net working capital of Polaris below \$138.0 million at the closing of the merger. See the section entitled The Merger Agreement Merger Consideration.

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At the closing of the merger, 5,389,767 shares, or 7.5% of the Polaris common stock to be issued to HUGHES Telematics stockholders, will be placed in escrow as a fund for the payment of indemnification claims that may be made by Polaris stockholders as a result of breaches of HUGHES Telematics covenants, representations or warranties in the merger agreement. If required for indemnification, the right to these shares will be foregone or forfeited by all HUGHES Telematics stockholders, pro rata in accordance with their ownership. See the section entitled The Merger Agreement Indemnification.

In addition to voting on the merger, the stockholders of Polaris will vote on proposals to change its name to _____, to increase the number of authorized shares of common stock to 155,000,000 from 55,000,000 and to amend its charter to delete certain provisions that will no longer be applicable after the merger. See the sections entitled The Pre-Closing Certificate Amendment Proposal and The Post-Closing Certificate Amendment Proposal.

As a condition to the closing of the merger, a majority of HUGHES Telematics stockholders will agree not to transfer any shares of Polaris common stock, including shares of Polaris common stock underlying stock options, issued to them in the merger for a period of two years after the closing of the merger, with certain limited exceptions for private transfers (e.g., to family members) where the transferee agrees to be bound by the terms of the lock-up. Additionally, those HUGHES Telematics stockholders will agree not to transfer any earn-out shares of Polaris common stock, including shares of Polaris common stock underlying earn-out options, issued to them in the merger and placed in escrow until the earlier of (i) one year following any of the three possible distributions of these securities from escrow, which will occur only if the price of Polaris common stock equals or exceeds certain share price targets, with respect to the securities released in each applicable distribution or (ii) the end of the measurement period during which the applicable share price target for each distribution was achieved with respect to the securities that were distributed. See the section entitled Agreements Related to the Merger Shareholders Agreement.

After the merger, the board of directors of Polaris will be expanded to nine members, and the initial directors will include (i) Jeffrey A. Leddy, Andrew D. Africk, Matthew H. Nord, _____, _____ and _____, or such other persons designated by Apollo prior to the closing of the merger (at least one of whom must be considered independent under the rules of the American Stock Exchange and the NASDAQ Stock Market (NASDAQ)), (ii) Marc V. Byron, or such other person designated by the board of directors of Polaris prior to the closing of the merger who is reasonably acceptable to Apollo and (iii) _____ and _____, or such other persons mutually designated by Polaris board of directors and Apollo, each of whom the board of directors of Polaris has determined to be independent under the rules of the American Stock Exchange and NASDAQ. Because Apollo will beneficially own more than 50% of Polaris common stock following the merger, we will operate as a controlled company under applicable rules of both the American Stock Exchange and the NASDAQ. See the section entitled Agreements Related to the Merger Shareholders Agreement.

Polaris current directors and officers have interests in the merger that are different from, or in addition to, your interests as a stockholder. Because Polaris directors and officers acquired shares of Polaris common stock prior to its initial public offering at a price per share of \$0.006, they will therefore likely benefit from the merger even if the merger causes the market price of Polaris securities to significantly decrease. If the merger is not approved and Polaris fails to consummate a qualifying, alternative transaction by January 11, 2010, the shares of common stock issued prior to Polaris initial public offering and warrants held by Polaris directors and officers will be worthless because they are not entitled to receive any of the net proceeds of Polaris initial public offering that may be distributed upon liquidation of Polaris (except with respect to shares purchased in the open market). Further, if Polaris remaining assets outside of the trust account are insufficient to pay the costs of liquidation, Marc V. Byron and Lowell D. Kraff have agreed to advance Polaris the funds necessary to complete such liquidation and not to seek repayment for such expenses. Finally, while our directors and officers may be reimbursed for any out-of-pocket expenses incurred by them in connection with certain activities on our behalf, such reimbursements are capped at an aggregate of \$1.8 million if a business combination is not consummated. See the section entitled Risk Factors Risks Related to the Merger with HUGHES Telematics.

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QUESTIONS AND ANSWERS ABOUT THE PROPOSALS

In this proxy statement, the term HUGHES Telematics refers to HUGHES Telematics, Inc. The terms Polaris, the Company, we, us and our refer to Polaris Acquisition Corp.

Q. Why am I receiving this proxy statement?

A. Polaris and HUGHES Telematics have agreed to merge, with Polaris as the surviving corporation. Under the terms of the merger agreement, in exchange for all of their common stock and options exercisable for common stock of HUGHES Telematics, the HUGHES Telematics stockholders will receive from Polaris, at the closing of the merger, an aggregate of 43,895,112 shares of Polaris common stock and the HUGHES Telematics optionholders will receive options exercisable for an aggregate of 1,618,981 shares of Polaris common stock, subject to certain adjustments. In addition, an aggregate of 27,968,436 earn-out shares will be issued into escrow and released to the HUGHES Telematics stockholders and earn-out options exercisable for an aggregate of 1,031,557 shares of Polaris common stock will be eligible to be exercised, according to their terms, by the HUGHES Telematics optionholders, each in three equal tranches, upon the trading share price of Polaris common stock reaching at least \$20.00, \$24.50 and \$30.50 within certain measurement periods over the five-year period following the closing of the merger. In order to complete the merger, (1) a majority of the shares of Polaris common stock (a) voted by the public stockholders present at the special meeting in person or by proxy and (b) outstanding as of the record date, must be voted for the merger proposal, (2) less than 30% of the shares of Polaris common stock issued in our initial public offering must be voted against the merger proposal and be properly elected for conversion and (3) the Polaris stockholders must approve the other proposals as described below.

Q. What is being voted on?

A. You are being asked to vote on four proposals.

The first proposal is to approve the merger of Polaris and HUGHES Telematics pursuant to the terms of the merger agreement.

The second proposal is to amend Polaris amended and restated certificate of incorporation to (A) change Polaris name from Polaris Acquisition Corp. to , (B) increase the number of Polaris authorized shares of common stock from 55,000,000 to 155,000,000 and authorized shares of preferred stock from 1,000,000 to 10,000,000, (C) remove the entirety of Article Fifth and (D) amend certain ministerial provisions of the certificate of incorporation. The third proposal is to amend Polaris amended and restated certificate of incorporation post-closing to remove provisions relating to the dissolution and liquidation of Polaris in the event that a business combination is not consummated prior to January 11, 2010, to provide that Polaris is to have perpetual existence and to amend certain ministerial provisions of the certificate of incorporation.

The fourth proposal is to approve the adjournment of the special meeting to a later date or dates, if necessary, to permit further solicitation and vote of proxies in the event there are insufficient votes at the time of the special meeting to approve the merger proposal, the pre-closing certificate amendment proposal or the post-closing certificate amendment proposal.

A form of Polaris restated certificate of incorporation, as it would appear if the pre-closing certificate amendment proposal (with deletions denoted by italics and strikeouts and insertions denoted by italics and underlines) and the post-closing certificate amendment proposal (with deletions denoted by bold italics and strikeouts and insertions denoted by bold italics and underlines) are both effected, is attached as Annex B. Each of the merger proposal, the pre-closing certificate amendment proposal and the post-closing certificate amendment proposal is conditioned upon the approval of the other proposals, other than the adjournment proposal, and in the event one or more of those proposals does not receive the necessary vote to approve that proposal or proposals, then the remaining proposals, other than the adjournment proposal, will not be presented at the special meeting for adoption.

You are invited to attend the special meeting to vote on the proposals described in this proxy statement.

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However, you do not need to attend the special meeting to vote your shares. Instead, you may simply complete, sign and return the enclosed proxy card. Your vote is important. Polaris encourages you to vote as soon as possible after carefully reviewing this proxy statement.

This proxy statement provides you with detailed information about the merger proposal, the pre-closing certificate amendment proposal, the post-closing certificate amendment proposal and the adjournment proposal and the special meeting of stockholders. We encourage you to carefully read this entire document, including the attached annexes. **YOU SHOULD ALSO CAREFULLY CONSIDER THOSE FACTORS DESCRIBED UNDER THE SECTION ENTITLED RISK FACTORS.**

Q. Why is Polaris proposing the merger?

Polaris is a blank check company organized for the purpose of acquiring an operating business through a merger, capital stock exchange, asset acquisition or other similar business combination. Polaris has been in search of a business combination partner since its initial public offering occurred in January 2008. Polaris board of directors A. believes that HUGHES Telematics presents a unique opportunity for Polaris because of its strategic position, anticipated growth and experienced management team, among other factors. As a result, Polaris believes that the merger with HUGHES Telematics will provide Polaris stockholders with an opportunity to participate in a company at an early stage of its growth and development.

Q. What vote is required in order to approve the merger proposal?

The approval of the merger between HUGHES Telematics and Polaris will require the affirmative vote of a majority of the shares of Polaris common stock (a) voted by Polaris public stockholders present at the special meeting in person or by proxy and (b) outstanding as of the record date. The affirmative vote of a majority of the A. shares of Polaris common stock voted by the public stockholders present at the special meeting in person or by proxy and entitled to vote thereon is a requirement of our certificate of incorporation. The affirmative vote of a majority of the shares of Polaris common stock outstanding as of the record date is a requirement of the Delaware General Corporation Law (DGCL).

In addition, each of Polaris public stockholders has the right to vote against the merger proposal and elect that Polaris convert such stockholder s shares, which we refer to as conversion election shares, for cash equal to a pro rata portion of the funds held in Polaris trust account, including interest, in which a substantial portion of the net proceeds of Polaris initial public offering is deposited. Stockholders who seek to exercise this conversion right must submit their vote against approval of the merger proposal and follow the proper procedures to elect conversion of their shares. Based on the amount of cash held in the trust account as of , 2008, without taking into account any interest accrued after such date, a stockholder who votes against the merger proposal and properly elects to convert its shares will be entitled to convert shares of Polaris common stock that it holds for approximately \$ per share. These shares will be converted for cash only if the merger is completed.

However, if the holders of 4,500,000 or more shares of Polaris common stock issued in its initial public offering, an amount equal to 30% or more of the total number of shares issued in its initial public offering, vote against the merger and properly elect conversion of their shares for a pro rata portion of the trust account, then Polaris will not be able to consummate the merger, regardless of whether a majority of the shares of Polaris common stock (a) voted by the public stockholders present and entitled to vote at the special meeting in person or by proxy and (b) outstanding as of the record date vote in favor of the merger proposal. If the merger is not completed, then conversion election shares will not be converted into cash, even if a stockholder who voted against the merger elected conversion. If you elect conversion of your shares, your bank or broker must, by 5:00 p.m., New York City time, on , 2008, the business day prior to the special meeting, electronically transfer your shares to the DTC account of Continental Stock Transfer & Trust Company, our stock transfer agent, and provide Continental Stock Transfer & Trust Company with the necessary stock powers, written instructions that you want to convert your shares and a written certificate addressed to Continental Stock Transfer & Trust Company stating that you were the owner of such shares as of the record date, you have owned such shares since the record date and you will continue to own such shares through the closing of the merger.

If you Abstain from voting on the merger proposal, the abstention will have the same effect as a vote

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AGAINST the merger proposal. Similarly, if you do not give instructions to your broker on how to vote your shares, the broker non-vote will have the same effect as a vote AGAINST the merger proposal. If fewer than a majority of the shares of Polaris common stock (a) voted by the public stockholders present in person or by proxy at the special meeting, or (b) outstanding as of the record date are voted for the merger proposal, or if the holders of an aggregate of 30% or more of the shares issued in Polaris initial public offering vote against the merger proposal and properly elect to convert their shares into a pro rata portion of the funds held in our trust account, none of the other proposals will be presented for approval, other than the adjournment proposal.

Polaris initial stockholders have agreed to vote all of their shares of Polaris common stock acquired prior to the initial public offering in accordance with the vote of the majority in interest of all other Polaris stockholders on the merger proposal. As of the date hereof, the Polaris initial stockholders hold in the aggregate 3,750,000 shares of Polaris common stock, which represents 20% of the outstanding shares of Polaris common stock. Polaris initial stockholders have also agreed to vote any shares of Polaris common stock purchased in Polaris initial public offering or in the aftermarket in favor of the merger proposal, and these votes will be counted as votes of Polaris public stockholders. Polaris initial stockholders did not purchase any shares in the initial public offering, nor have they acquired any shares in the aftermarket as of &