

Matthew S. Barr  
Michael L. Hirschfeld  
Alan J. Stone  
Andrew M. Leblanc  
Steven Z. Szanzer  
Karen Gartenberg  
MILBANK, TWEED, HADLEY & McCLOY LLP  
One Chase Manhattan Plaza  
New York, NY 10005-1413  
(212) 530-5000

*Counsel to Debtors and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

---

In re:	)	
	)	Chapter 11
	)	
LIGHTSQUARED INC., <i>et al.</i> ,	)	Case No. 12-12080 (SCC)
	)	
Debtors. <sup>1</sup>	)	Jointly Administered
	)	

---

**NOTICE OF FILING RELATING TO MODIFIED SECOND AMENDED  
JOINT PLAN PURSUANT TO CHAPTER 11 OF BANKRUPTCY CODE**

**PLEASE TAKE NOTICE** that, on March 17, 2015, LightSquared Inc., LightSquared LP, and certain of their affiliates (collectively, “LightSquared”), as debtors and debtors in possession in the above-captioned chapter 11 cases, at the direction of the special committee of the boards of directors for LightSquared Inc. and LightSquared GP Inc., on behalf

---

<sup>1</sup> The debtors in these chapter 11 cases, along with the last four digits of each debtor’s federal or foreign tax or registration identification number, are: LightSquared Inc. (8845), LightSquared Investors Holdings Inc. (0984), One Dot Four Corp. (8806), One Dot Six Corp. (8763), SkyTerra Rollup LLC (N/A), SkyTerra Rollup Sub LLC (N/A), SkyTerra Investors LLC (N/A), TMI Communications Delaware, Limited Partnership (4456), LightSquared GP Inc. (6190), LightSquared LP (3801), ATC Technologies, LLC (3432), LightSquared Corp. (1361), LightSquared Finance Co. (6962), LightSquared Network LLC (1750), LightSquared Inc. of Virginia (9725), LightSquared Subsidiary LLC (9821), Lightsquared Bermuda Ltd. (7247), SkyTerra Holdings (Canada) Inc. (0631), SkyTerra (Canada) Inc. (0629), and One Dot Six TVCC Corp. (0040). The location of the debtors’ corporate headquarters is 10802 Parkridge Boulevard, Reston, VA 20191.



12120801503260000000000001

of the Plan Proponents, filed the *Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 2038] (the “Plan”).<sup>2</sup>

**PLEASE TAKE FURTHER NOTICE** that LightSquared and the other Plan Proponents have made certain additional modifications to the Plan, a copy of which is attached hereto as Exhibit A-1. A blackline comparison (changed pages only) of such further modified Plan marked against the previously filed version of the Plan is attached hereto as Exhibit A-2.

**PLEASE TAKE FURTHER NOTICE** that, on March 6, 2015, LightSquared, on behalf of the Plan Proponents, filed a proposed order confirming the Plan [Docket No. 2191] (the “Proposed Confirmation Order”).

**PLEASE TAKE FURTHER NOTICE** that LightSquared and the other Plan Proponents have made certain modifications to the Proposed Confirmation Order (including modifications requested by the Office of the United States Attorneys with respect to paragraph 36(b) of such order), a copy of which is attached hereto as Exhibit B-1. A blackline comparison (changed pages only) of such modified Proposed Confirmation Order marked against the previously filed version of the Proposed Confirmation Order is attached hereto as Exhibit B-2.

**PLEASE TAKE FURTHER NOTICE** that LightSquared and the New Investors reserve the right to make further changes to the Plan or the Proposed Confirmation Order, in each case in accordance with the terms of the Plan.

**PLEASE TAKE FURTHER NOTICE** that this document may be viewed for free at the website of LightSquared’s Claims and Solicitation Agent, Kurtzman Carson Consultants LLC (“KCC”), at <http://www.kccllc.net/lightsquared> or for a fee on the Bankruptcy Court’s website at [www.nysb.uscourt.gov](http://www.nysb.uscourt.gov). To access this document on the Bankruptcy Court’s

---

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan.

website, you will need a PACER password and login, which can be obtained at

<http://www.pacer/psc/uscourt.gov>. To obtain a hard copy of this document, please contact KCC

at (877) 499-4509 or by e-mail at [LightSquaredInfo@kccllc.com](mailto:LightSquaredInfo@kccllc.com).

**PLEASE TAKE FURTHER NOTICE that the hearing to consider confirmation of the Plan (the “Confirmation Hearing”), which commenced on March 9, 2015 in the Bankruptcy Court, before the Honorable Shelley C. Chapman, United States Bankruptcy Judge, will continue on March 26, 2015 at 12:00 p.m. (prevailing Eastern time).** Please be advised that the Confirmation Hearing may be further continued from time to time by the Bankruptcy Court without further notice other than by such adjournment being announced in open court or by a notice of adjournment being filed with the Bankruptcy Court and served on parties entitled to notice under Bankruptcy Rule 2002 and the local rules of the Bankruptcy Court or otherwise.

Respectfully submitted,

New York, New York  
Dated: March 26, 2015

/s/ Matthew S. Barr  
Matthew S. Barr  
Michael L. Hirschfeld  
Alan J. Stone  
Andrew M. Leblanc  
Steven Z. Szanzer  
Karen Gartenberg  
MILBANK, TWEED, HADLEY & M<sup>C</sup>CLOY LLP  
1 Chase Manhattan Plaza  
New York, NY 10005-1413  
(212) 530-5000

*Counsel to Debtors and Debtors in Possession*

**Exhibit A-1**

**Revised Modified Second Amended Plan**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:	)	Chapter 11
	)	
LIGHTSQUARED INC., <i>et al.</i> ,	)	Case No. 12-12080 (SCC)
	)	
Debtors. <sup>1</sup>	)	Jointly Administered
	)	

---

**MODIFIED SECOND AMENDED JOINT PLAN PURSUANT TO CHAPTER 11 OF  
BANKRUPTCY CODE**

---

**MILBANK, TWEED, HADLEY &  
M<sup>C</sup>CLOY LLP**

*One Chase Manhattan Plaza  
New York, New York 10005  
(212) 530-5000  
Counsel for the Debtors*

**KASOWITZ, BENSON, TORRES &  
FRIEDMAN LLP**

*1633 Broadway  
New York, New York 10019  
(212) 506-1700  
Counsel for Harbinger Capital Partners LLC*

**FRIED, FRANK, HARRIS, SHRIVER &  
JACOBSON LLP**

*One New York Plaza  
New York, New York 10004  
(212) 859-8000  
Counsel for Centerbridge Partners, L.P.*

**STROOCK & STROOCK & LAVAN LLP**

*180 Maiden Lane  
New York, New York 10038  
(212) 806-5400  
Counsel for Fortress Credit Opportunities  
Advisors LLC*

Dated: New York, New York  
March 26, 2015

---

<sup>1</sup> The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal or foreign tax or registration identification number, are: LightSquared Inc. (8845), LightSquared Investors Holdings Inc. (0984), One Dot Four Corp. (8806), One Dot Six Corp. (8763), SkyTerra Rollup LLC (N/A), SkyTerra Rollup Sub LLC (N/A), SkyTerra Investors LLC (N/A), TMI Communications Delaware, Limited Partnership (4456), LightSquared GP Inc. (6190), LightSquared LP (3801), ATC Technologies, LLC (3432), LightSquared Corp. (1361), LightSquared Finance Co. (6962), LightSquared Network LLC (1750), LightSquared Inc. of Virginia (9725), LightSquared Subsidiary LLC (9821), Lightsquared Bermuda Ltd. (7247), SkyTerra Holdings (Canada) Inc. (0631), SkyTerra (Canada) Inc. (0629), and One Dot Six TVCC Corp. (0040). The location of the debtors' corporate headquarters is 10802 Parkridge Boulevard, Reston, VA 20191.

## TABLE OF CONTENTS

	<b>Page</b>
ARTICLE I. DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME, AND GOVERNING LAW .....	2
A. Defined Terms .....	2
B. Rules of Interpretation .....	31
C. Computation of Time .....	32
D. Governing Law .....	32
E. Reference to Monetary Figures .....	32
F. Approval Rights Over Plan Documents .....	32
G. Rights of the Debtors Under the Plan .....	33
H. Nonconsolidated Plan .....	33
ARTICLE II. ADMINISTRATIVE CLAIMS, ACCRUED PROFESSIONAL COMPENSATION CLAIMS, DIP CLAIMS, PRIORITY TAX CLAIMS, AND U.S. TRUSTEE FEES .....	33
A. Administrative Claims .....	33
B. Accrued Professional Compensation Claims .....	35
C. DIP Inc. Claims .....	36
D. DIP LP Claims .....	37
E. New Inc. DIP Claims .....	37
F. New LP DIP Claims .....	37
G. Priority Tax Claims .....	37
H. Payment of Statutory Fees .....	38
ARTICLE III. CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS .....	38
A. Summary .....	38
B. Classification and Treatment of Claims and Equity Interests .....	38
C. Special Provision Governing Unimpaired Claims and Equity Interests .....	49
D. Acceptance or Rejection of Plan .....	50
E. Elimination of Vacant Classes .....	50
F. Confirmation Pursuant to Section 1129(b) of Bankruptcy Code .....	51
G. Controversy Concerning Impairment .....	51
ARTICLE IV. MEANS FOR IMPLEMENTATION OF PLAN .....	51
A. Sources of Consideration for Plan Distributions .....	51
B. Plan Transactions .....	51
C. Issuance of New LightSquared Entities Shares; Reinstatement of Reinstated Intercompany Interests .....	58
D. Section 1145 and Other Exemptions .....	59
E. Listing of New LightSquared Entities Shares; Reporting Obligations .....	59
F. New LightSquared Interest Holders Agreement .....	60

G.	Indemnification Provisions in Reorganized Debtors Governance Documents	61
H.	Management Incentive Plan	61
I.	Corporate Governance	61
J.	Vesting of Assets in Reorganized Debtors	61
K.	Cancellation of Securities and Agreements	62
L.	Corporate Existence	63
M.	Corporate Action	63
N.	Effectuating Documents; Further Transactions	64
O.	Exemption from Certain Taxes and Fees	64
P.	Preservation, Transfer, and Waiver of Rights of Action	65
Q.	Assumption of D&O Liability Insurance Policies	66
R.	Employee and Retiree Benefits	66
ARTICLE V.	TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES	67
A.	Assumption and Rejection of Executory Contracts and Unexpired Leases	67
B.	Claims Based on Rejection of Executory Contracts or Unexpired Leases	68
C.	Cure of Defaults for Executory Contracts and Unexpired Leases Assumed Pursuant to Plan	68
D.	Pre-existing Obligations to Debtors Under Executory Contracts and Unexpired Leases	70
E.	Intercompany Contracts, Contracts, and Leases Entered into After Petition Date, Assumed Executory Contracts, and Unexpired Leases	70
F.	Modifications, Amendments, Supplements, Restatements, or Other Agreements	70
G.	Postpetition Contracts and Leases	71
H.	Reservation of Rights	71
I.	Nonoccurrence of Effective Date	71
ARTICLE VI.	PROVISIONS GOVERNING DISTRIBUTIONS	71
A.	Distribution Record Date	71
B.	Timing and Calculation of Amounts To Be Distributed	72
C.	Disbursing Agent	72
D.	Rights and Powers of Disbursing Agent	73
E.	Plan Distributions on Account of Claims and Equity Interests Allowed After Effective Date	73
F.	Delivery of Plan Distributions and Undeliverable or Unclaimed Plan Distributions	74
G.	Compliance with Tax Requirements/Allocations	76
H.	Setoffs	76
I.	Recoupment	76
J.	Claims Paid or Payable by Third Parties	77

ARTICLE VII.	PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED, AND DISPUTED CLAIMS AND DISPUTED EQUITY INTERESTS .....	78
A.	Allowance of Claims and Equity Interests .....	78
B.	Claims and Equity Interests Administration Responsibilities .....	78
C.	Estimation of Claims or Equity Interests .....	78
D.	Expungement or Adjustment to Claims or Equity Interests Without Objection .....	79
E.	No Interest .....	80
F.	Deadline To File Objections to Claims or Equity Interests .....	80
G.	Disallowance of Claims or Equity Interests .....	80
H.	Amendments to Claims .....	81
ARTICLE VIII.	SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS .....	81
A.	Discharge of Claims and Termination of Equity Interests .....	81
B.	Subordinated Claims .....	81
C.	Compromise and Settlement of Claims and Controversies .....	82
D.	Releases by Debtors .....	82
E.	Exculpation .....	83
F.	Third-Party Releases by Holders of Claims or Equity Interests .....	84
G.	Injunctions .....	85
H.	Release of Liens .....	85
ARTICLE IX.	CONDITIONS PRECEDENT TO CONFIRMATION DATE AND EFFECTIVE DATE OF PLAN .....	86
A.	Conditions Precedent to Confirmation Date .....	86
B.	Conditions Precedent to Effective Date .....	87
C.	Waiver of Conditions .....	89
ARTICLE X.	MODIFICATION, REVOCATION, OR WITHDRAWAL OF PLAN .....	89
A.	Modification and Amendments .....	89
B.	Effect of Confirmation on Modifications .....	90
C.	Revocation or Withdrawal of Plan .....	90
D.	Validity of Certain Plan Transactions If Effective Date Does Not Occur .....	90
ARTICLE XI.	RETENTION OF JURISDICTION .....	90
ARTICLE XII.	MISCELLANEOUS PROVISIONS .....	93
A.	Immediate Binding Effect .....	93
B.	Additional Documents .....	93
C.	Reservation of Rights .....	94
D.	Successors and Assigns .....	94
E.	Service of Documents .....	94



F.	Term of Injunctions or Stays .....	95
G.	Plan Supplement .....	96
H.	Entire Agreement .....	96
I.	Non-severability of Plan Provisions .....	96
J.	Votes Solicited in Good Faith .....	96
K.	Waiver or Estoppel .....	97
L.	Conflicts .....	97

## **INTRODUCTION**

Fortress, Centerbridge, Harbinger, and the Debtors, as the Plan Proponents, hereby respectfully propose the following joint chapter 11 plan for the resolution of outstanding claims against, and interests in, the Debtors pursuant to title 11 of the United States Code, 11 U.S.C. §§ 101-1532. Reference is made to the Disclosure Statement for a discussion of the Debtors' history, businesses, assets, results of operations, and projections of future operations, as well as a summary and description of the Plan and certain related matters. The Plan may be altered, amended, modified, revoked, or withdrawn in accordance with, and subject in all respects to, the terms of the Plan Support Agreement and the Plan, or, in the case of the Debtors, the terms of the Plan only, prior to its substantial consummation.

Among other things, the Plan provides for the satisfaction in full of all Allowed Claims against the Debtors, provides for a recovery to Holders of Existing Inc. Preferred Stock and Existing LP Preferred Units and resolves certain significant issues between the LP Debtors' Estates and the Inc. Debtors' Estates. The Plan is the product of months of mediation and significant negotiations and efforts by the various key constituents in the Chapter 11 Cases, as well as the mediator appointed by the Bankruptcy Court, to broker as much consensus as possible and develop a restructuring plan that will achieve maximum returns for the Estates and stakeholders. Significantly, the Plan is a joint plan for both the Inc. Estates and the LP Estates, which, as numerous parties have consistently stated, is the best means to maximize value for the benefit of all Holders of Claims and Equity Interests and avoids potential litigation over numerous issues that would otherwise arise between the stakeholders of the Inc. Estates and the stakeholders of the LP Estates.

The New Investors, through the provision of new equity investments, new debtor in possession financing and the purchase of certain DIP Claims, are providing the Debtors with additional liquidity to fund the Debtors' operations through the Effective Date and to repay in full the Allowed DIP Inc. Claims and the Allowed DIP LP Claims. Additionally, as set forth herein, the Plan contemplates, among other things, (a) a first lien exit financing facility of \$1.25 billion, (b) the issuance of new debt and equity instruments, (c) the assumption of certain liabilities, and (d) the preservation of the Debtors' litigation claims.

Upon their emergence from bankruptcy, the Reorganized Debtors will have a sustainable capital structure and will be stronger and better positioned to avail themselves of significant upside value of the pending spectrum license modification applications. The Plan Proponents accordingly believe that the Plan is the highest and best restructuring offer available to the Debtors that will maximize the value of the Estates for the benefit of the Debtors' creditors and equity holders.

ALL HOLDERS OF CLAIMS OR EQUITY INTERESTS ENTITLED TO VOTE ON THE PLAN ARE ENCOURAGED TO READ THE PLAN AND THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.

**ARTICLE I.**  
**DEFINED TERMS, RULES OF INTERPRETATION,**  
**COMPUTATION OF TIME, AND GOVERNING LAW**

*A. Defined Terms*

Unless the context otherwise requires, the following terms shall have the following meanings when used in capitalized form herein:

1. **“Accrued Professional Compensation Claims”** means, at any given moment, all accrued fees and expenses (including success fees) for services rendered by all Professionals through and including the Effective Date, to the extent such fees and expenses have not been paid and regardless of whether a fee application has been Filed for such fees and expenses, but in all events subject to estimation as provided in Section VII.C hereof. To the extent that the Bankruptcy Court denies or reduces by a Final Order any amount of a Professional’s fees or expenses, then the amount by which such fees or expenses are reduced or denied shall reduce the applicable Accrued Professional Compensation Claim.

2. **“Acquired DIP Inc. Claims”** means, collectively, the Fortress/Centerbridge Acquired DIP Inc. Claims and the JPM Acquired DIP Inc. Claims.

3. **“Acquired Inc. Facility Claims”** means the Allowed Prepetition Inc. Facility Non-Subordinated Claims (inclusive of principal, Inc. Facility Prepetition Interest, and Inc. Facility Postpetition Interest allocable to the Inc. Facility Non-Subordinated Claims accrued through the Inc. Facilities Claims Purchase Closing Date but exclusive of the Prepetition Inc. Facility Repayment Premium and the Prepetition Inc. Fee Claims) purchased for Cash in an amount equal to the Acquired Inc. Facility Claims Purchase Price by SIG from the Prepetition Inc. Facility Claims Sellers on the Inc. Facilities Claims Purchase Closing Date pursuant to, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement.

4. **“Acquired Inc. Facility Claims Purchase Price”** means an amount equal to the Allowed amount of the Prepetition Inc. Facility Non-Subordinated Claims inclusive of principal, Inc. Facility Prepetition Interest, and Inc. Facility Postpetition Interest allocable to the Prepetition Inc. Facility Non-Subordinated Claims accrued through the Inc. Facilities Claims Purchase Closing Date but exclusive of the Prepetition Inc. Facility Repayment Premium and the Prepetition Inc. Fee Claims, and which amount as of January 15, 2015 equals \$337,879,725.54 (which shall increase on a *per diem* basis through and including the Inc. Facilities Claims Purchase Closing Date to account for the Inc. Facility Postpetition Interest allocable to the Prepetition Inc. Facility Non-Subordinated Claims accrued from January 16, 2015 through the Inc. Facilities Claims Purchase Closing Date).

5. **“Administrative Claim”** means a Claim for costs and expenses of administration pursuant to sections 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date and through the Effective Date of preserving the Estates and operating the businesses of the Debtors (including wages, salaries, or commissions for services, and payments for goods

and other services and leased premises); (b) compensation for legal, financial advisory, accounting, and other services, and reimbursement of expenses pursuant to sections 328, 330(a), or 331 of the Bankruptcy Code or otherwise for the period commencing on the Petition Date and ending on the Effective Date, including Accrued Professional Compensation Claims; (c) all fees and charges assessed against the Estates pursuant to chapter 123 of the Judicial Code, including the U.S. Trustee Fees; (d) the DIP Claims; (e) all requests for compensation or expense reimbursement for making a substantial contribution in the Chapter 11 Cases pursuant to sections 503(b)(3), (4), and (5) of the Bankruptcy Code; (f) any and all KEIP Payments; (g) the Prepetition Inc. Fee Claims; (h) the DIP Inc. Fee Claims; (i) all indemnification claims arising from the postpetition services of the directors serving on the special committee of the boards of directors for LightSquared Inc. and LightSquared GP Inc., as approved by the Bankruptcy Court pursuant to the *Final Order (I) Approving Compensation for Independent Directors, (II) Authorizing Administrative Expense Priority for Indemnification Claims Arising From Postpetition Services of Independent Directors, and (III) Granting Related Relief* [Docket No. 897]; and (j) any fees and expenses that are earned and payable pursuant to the New DIP Facilities, the Working Capital Facility, the Plan, and the other Plan Documents, including the New Investor Fee Claims.

6. “**Administrative Claims Bar Date**” means the deadline for filing requests for payment of Administrative Claims, which shall be thirty (30) days after the Effective Date.

7. “**Affiliate**” has the meaning set forth in section 101(2) of the Bankruptcy Code.

8. “**Allowed**” means, with respect to Claims, any Claim that (a) is evidenced by a Proof of Claim Filed by the applicable Claims Bar Date or that is not required to be evidenced by a Filed Proof of Claim under the Bankruptcy Code or a Final Order, (b) is listed on the Schedules as of the Effective Date as not contingent, not unliquidated, and not disputed, and for which no Proof of Claim has been timely Filed, (c) has been compromised, settled, or otherwise resolved pursuant to the authority granted to the Debtors by a Final Order of the Bankruptcy Court, or (d) is Allowed pursuant to the Plan or a Final Order; provided, however, that with respect to any Claim described in clauses (a) or (b) above, such Claim shall be considered Allowed only if, and to the extent that, with respect to any Claim, no objection to the allowance thereof, request for estimation, motion to deem the Schedules amended, or other challenge has been interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, if any, or such a challenge is so interposed and the Claim shall have been Allowed for distribution purposes only by a Final Order. Any Claim that has been or is hereafter listed on the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim has been timely Filed, is not considered Allowed and shall be expunged without further action by the Debtors or the Reorganized Debtors and without any further notice to or action, order, or approval of the Bankruptcy Court. Notwithstanding anything to the contrary herein, no Claim of any Entity subject to section 502(d) of the Bankruptcy Code shall be deemed Allowed unless and until such Entity pays in full the amount that it owes such Debtor or Reorganized Debtor, as applicable. In addition, “**Allowed**” means, with respect to any Equity Interest, such Equity Interest is reflected as outstanding (other than any such Equity Interest held by any Debtor or

any subsidiary of a Debtor) in the stock transfer ledger or similar register of the applicable Debtor on the Distribution Record Date and is not subject to any objection or challenge.

9. **“Alternative Transaction”** means any agreement, chapter 11 plan, sale, winding up, liquidation, reorganization, merger, or restructuring of the Debtors other than the Plan that pays in full in Cash (unless a particular Holder of Claims or Equity Interests is offered to be paid in full in Cash and agrees to different treatment in lieu of being paid in full in Cash) all Claims against, or Equity Interests in, the Debtors other than those set forth in Classes 13-16B; provided, however, that to the extent that such Alternative Transaction that pays in full in Cash all Claims against, or Equity Interests in, the Debtors (other than (i) those set forth in Classes 13-16B and (ii) in accordance with the foregoing parenthetical, with respect to those Holders of Claims or Equity Interests who have agreed to different treatment in lieu of being paid in full in Cash) is proposed, sponsored, funded, arranged, or otherwise supported by the Holder of a Claim or Equity Interest or such Holder’s equity owner or affiliate (including as to SPSO, any SPSO Affiliate), such Holder’s Claim or Equity Interest (as applicable) shall not be required to be paid (or be offered to be paid) in full in Cash.

10. **“Appeal”** means that certain cause of action captioned *Harbinger Capital Partners LLC, HGW US Holding Company LP, Blue Line DZM Corp., and Harbinger Capital Partners SP, Inc. v. SP Special Opportunities LLC, DISH Network Corporation, EchoStar Corporation, Charles W. Ergen, Sound Point Capital Management LP, and Stephen Ketchum*, No. 14-MC-00234 (S.D.N.Y. filed June 19, 2014).

11. **“Assets”** means all rights, titles, and interest of the Debtors of any nature in property of any kind, wherever located, as specified in section 541 of the Bankruptcy Code.

12. **“Avoidance Actions”** means any and all actual or potential claims and causes of action to avoid a transfer of property or an obligation incurred by the Debtors pursuant to any applicable section of the Bankruptcy Code, including sections 502, 510, 542, 544, 545, 547-553, and 724(a) of the Bankruptcy Code, or under similar or related state or federal statutes and common law, including fraudulent transfer laws.

13. **“Ballot”** means the ballot upon which Holders of Claims or Equity Interests entitled to vote shall cast their vote to accept or reject the Plan.

14. **“Bankruptcy Code”** means title 11 of the United States Code, 11 U.S.C. §§ 101- 1532, as applicable to the Chapter 11 Cases, as may be amended from time to time.

15. **“Bankruptcy Court”** means the United States Bankruptcy Court for the Southern District of New York having jurisdiction over the Chapter 11 Cases, and, to the extent of the withdrawal of any reference under section 157 of the Judicial Code or the General Order of the District Court pursuant to section 151 of the Judicial Code, the United States District Court for the Southern District of New York.

16. “**Bankruptcy Rules**” means the Federal Rules of Bankruptcy Procedure, as applicable to the Chapter 11 Cases, promulgated under section 2075 of the Judicial Code and the general, local, and chambers rules of the Bankruptcy Court.

17. “**Bid Procedures Order**” means the *Order (A) Establishing Bid Procedures, (B) Scheduling Date and Time for Auction, (C) Approving Assumption and Assignment Procedures, (D) Approving Form of Notice, and (E) Granting Related Relief* [Docket No. 892].

18. “**Business Day**” means any day, other than a Saturday, Sunday, or “legal holiday” (as defined in Bankruptcy Rule 9006(a)).

19. “**Canadian Court**” means the Ontario Superior Court of Justice (Commercial List) having jurisdiction over the CCAA Proceedings.

20. “**Canadian Proceeding**” means the proceedings commenced with respect to the Chapter 11 Cases in the Canadian Court pursuant to Part IV of the Companies’ Creditors Arrangement Act.

21. “**Cash**” means the legal tender of the United States of America or the equivalent thereof.

22. “**Causes of Action**” means any claim, cause of action, controversy, demand, right, action, Lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, offset, power, privilege, license, and franchise of any kind or character whatsoever, known, unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law. For purposes of clarity, Causes of Action includes, without limitation, the following: (a) any right of setoff, counterclaim, or recoupment and any claim on contracts or for breaches of duties imposed by law or in equity; (b) the right to object to Claims or Equity Interests; (c) any claim pursuant to section 362 of the Bankruptcy Code; (d) any claim or defense including fraud, mistake, duress, and usury and any other defenses set forth in section 558 of the Bankruptcy Code; (e) any Avoidance Actions; and (f) any cause of action listed on the Schedule of Retained Causes of Action.

23. “**CCAA Proceedings**” means the proceedings commenced by LightSquared LP, in its capacity as foreign representative of the Debtors pursuant to Part IV of the Companies’ Creditors Arrangement Act, R.S.C. 1985, c.C-36.

24. “**Centerbridge**” means Centerbridge Partners, L.P. on behalf of certain of its affiliated funds.

25. “**Certificate**” means any instrument evidencing a Claim or an Equity Interest.

26. “**Chapter 11 Cases**” means (a) when used with reference to a particular Debtor or group of Debtors, the chapter 11 case or cases pending for that Debtor or group of Debtors under chapter 11 of the Bankruptcy Code in the Bankruptcy Court and (b) when used with reference to all Debtors, the jointly administered chapter 11 cases pending for the Debtors in the Bankruptcy Court.

27. “**Claim**” means any claim against a Debtor as defined in section 101(5) of the Bankruptcy Code.

28. “**Claims and Equity Interests Objection Bar Date**” means the deadline for objecting to a Claim or Equity Interest, which shall be on the date that is the later of (a) six (6) months after the Effective Date and (b) such later period of limitation as may be specifically fixed by an order of the Bankruptcy Court.

29. “**Claims and Solicitation Agent**” means Kurtzman Carson Consultants LLC, the notice, claims, solicitation, and balloting agent retained by the Debtors in the Chapter 11 Cases.

30. “**Claims Bar Date**” means, with reference to a Claim, the date by which Proofs of Claim must be or must have been Filed with respect to such Claim, as ordered by the Bankruptcy Court pursuant to the Claims Bar Date Order or another Final Order of the Bankruptcy Court.

31. “**Claims Bar Date Order**” means the *Order Pursuant to 11 U.S.C. § 502(b)(9) and Fed. R. Bankr. P. 2002 and 3003(c)(3) Establishing Deadlines for Filing Proofs of Claim and Procedures Relating Thereto and Approving Form and Manner of Notice Thereof* [Docket No. 266].

32. “**Claims Register**” means the official register of Claims maintained by the Claims and Solicitation Agent.

33. “**Class**” means a category of Holders of Claims or Equity Interests as set forth in Article III hereof pursuant to section 1122(a) of the Bankruptcy Code.

34. “**Collateral**” means any property or interest in property of the Estates subject to a Lien to secure the payment or performance of a Claim, which Lien is not subject to avoidance or otherwise invalid under the Bankruptcy Code or applicable non-bankruptcy law.

35. “**Confirmation**” means the entry of the Confirmation Order on the docket of the Chapter 11 Cases.

36. “**Confirmation Date**” means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

37. **“Confirmation Hearing”** means the hearing held by the Bankruptcy Court on the Confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code, as such hearing may be continued from time to time.

38. **“Confirmation Hearing Date”** means the date of the commencement of the Confirmation Hearing.

39. **“Confirmation Order”** means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code, and granting other related relief, in form and substance satisfactory to each of the New Investors, the Debtors, and MAST (solely with respect to those provisions of the Confirmation Order that relate to MAST Terms) and reasonably satisfactory to MAST as to all other provisions of the Confirmation Order.

40. **“Confirmation Recognition Order”** means an order of the Canadian Court, which shall be in form and substance satisfactory to each of the New Investors, the Debtors, and MAST (solely with respect to those provisions of the Confirmation Recognition Order that relate to MAST Terms) and reasonably satisfactory to MAST as to all other provisions of the Confirmation Recognition Order, recognizing the entry of the Confirmation Order and vesting in the Reorganized Debtors all of the Debtors’ rights, titles, and interest in and to the Assets that are owned, controlled, regulated, or situated in Canada, free and clear of all Liens, Claims, charges, interests, or other encumbrances, in accordance with applicable law.

41. **“Consummation”** means the occurrence of the Effective Date.

42. **“Cure Costs”** means all amounts (or such lesser amount as may be agreed upon by the parties under an Executory Contract or Unexpired Lease) required to cure any monetary defaults under any Executory Contract or Unexpired Lease that is to be assumed, or assumed and assigned, by the Debtors pursuant to sections 365 or 1123 of the Bankruptcy Code.

43. **“D&O Liability Insurance Policies”** means all insurance policies of any of the Debtors for directors’, managers’, and officers’ liability.

44. **“Debtor”** means one of the Debtors, in its individual capacity as a debtor in these Chapter 11 Cases.

45. **“Debtors”** means, collectively, the Inc. Debtors and the LP Debtors.

46. **“DIP Agents”** means the DIP Inc. Agent and the New DIP Agents.

47. **“DIP Claim”** means a DIP Inc. Claim, a DIP LP Claim, or a New DIP Claim.

48. **“DIP Facilities”** means the DIP Inc. Facility, the DIP LP Facility, and the New DIP Facilities.

49. **“DIP Inc. Agent”** means U.S. Bank National Association, as Arranger, Administrative Agent, and Collateral Agent under the DIP Inc. Credit Agreement.



50. **“DIP Inc. Borrower”** means One Dot Six Corp., as borrower under the DIP Inc. Credit Agreement.

51. **“DIP Inc. Claim”** means a Claim held by the DIP Inc. Agent or DIP Inc. Lenders arising under or related to the DIP Inc. Facility, including, without limitation, all principal, interest, default interest, commitment fees, and exit fees provided for thereunder.

52. **“DIP Inc. Claims Sellers”** means the Holders of JPM Acquired DIP Inc. Claims and the Fortress/Centerbridge Acquired DIP Inc. Claims immediately prior to the Inc. Facilities Claims Purchase Closing Date.

53. **“DIP Inc. Credit Agreement”** means that certain Senior Secured, Super-Priority Debtor-in-Possession Credit Agreement, dated as of July 19, 2012 (as amended, supplemented, restated, or otherwise modified from time to time in accordance with the terms thereof), among the DIP Inc. Obligor, the DIP Inc. Agent, and the DIP Inc. Lenders.

54. **“DIP Inc. Facility”** means that certain debtor in possession credit facility provided in connection with the DIP Inc. Credit Agreement and DIP Inc. Order.

55. **“DIP Inc. Fee Claims”** means all Claims for the reasonable, actual documented fees and expenses of the DIP Inc. Lenders and the DIP Inc. Agent, including, but not limited to, the fees and expenses of financial advisors and counsel, in each case to the extent payable pursuant to the DIP Inc. Order.

56. **“DIP Inc. Guarantors”** means LightSquared Inc., One Dot Four Corp., and One Dot Six TVCC Corp., as guarantors under the DIP Inc. Credit Agreement.

57. **“DIP Inc. Lenders”** means the lenders party to the DIP Inc. Credit Agreement from time to time.

58. **“DIP Inc. Obligor”** means the DIP Inc. Borrower and the DIP Inc. Guarantors.

59. **“DIP Inc. Order”** means the Final Order, Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, and 507, (A) Authorizing Inc. Obligor To Obtain Postpetition Financing, (B) Granting Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay [Docket No. 224] (as amended, supplemented, or modified from time to time in accordance with the terms thereof).

60. **“DIP Lenders”** means the DIP Inc. Lenders, the DIP LP Lenders, and the New DIP Lenders.

61. **“DIP LP Borrower”** means LightSquared LP, as borrower under the DIP LP Facility.

62. **“DIP LP Claim”** means a Claim held by the DIP LP Lenders arising under or related to the DIP LP Facility, including, without limitation, all principal, interest, default interest, and fees provided for thereunder.

63. **“DIP LP Facility”** means that certain debtor in possession credit facility provided in connection with the DIP LP Order and related documents.

64. **“DIP LP Lenders”** means the lenders under the DIP LP Facility from time to time.

65. **“DIP LP Order”** means the *Final Order (A) Authorizing LP DIP Obligors To Obtain Seventh Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1927] (as amended, supplemented, or modified from time to time in accordance with the terms thereof).

66. **“Disbursing Agent”** means, for Plan Distributions made prior to the Effective Date, the Debtors or the DIP Inc. Agent, to the extent it makes or facilitates Plan Distributions, and, for Plan Distributions made on or after the Effective Date, the Reorganized Debtors, or the Entity or Entities designated by the Reorganized Debtors, as applicable, to make or facilitate Plan Distributions pursuant to the Plan on or after the Effective Date, including, without limitation, the Prepetition Inc. Agent or the Prepetition LP Agent to the extent they make or facilitate Plan Distributions.

67. **“Disclosure Statement”** means, collectively, (a) the Specific Disclosure Statement and (b) the General Disclosure Statement (as either may be amended, supplemented, or modified from time to time, including all exhibits and schedules thereto and references therein that relate to the Plan, in each case, in accordance with the terms of the Plan Support Agreement or, in the case of the Debtors, the terms of the Plan).

68. **“Disclosure Statement Order”** means the order or orders entered by the Bankruptcy Court in the Chapter 11 Cases, in form and substance satisfactory to each of the New Investors, MAST, and the Debtors, (a) approving the Disclosure Statement as containing adequate information required under section 1125 of the Bankruptcy Code and Bankruptcy Rule 3017, and (b) authorizing the use of the Disclosure Statement for soliciting votes on the Plan.

69. **“Disclosure Statement Recognition Order”** means the order or orders of the Canadian Court, which shall be in form and substance satisfactory to each of the New Investors, MAST, and the Debtors, recognizing the entry of the Disclosure Statement Order.

70. **“Disputed”** means, with respect to any Claim or Equity Interest, any Claim or Equity Interest that is not yet Allowed.

71. **“Disputed Claims and Equity Interests Reserve”** means a reserve to be held by New LightSquared for the benefit of each Holder of a Disputed Claim or Equity Interest, in an amount equal to the Plan Distributions such Disputed Claim or Equity Interest would be

entitled to on the Effective Date if such Disputed Claim or Equity Interest were Allowed in its full amount on the Effective Date.

72. **“Distribution Record Date”** means: (a) for the DIP Inc. Claims, the Inc. Facilities Claims Purchase Closing Date; (b) for the DIP LP Claims, the New LP DIP Closing Date; (c) for the Acquired Inc. Facility Claims and the New DIP Claims, the Effective Date; and (d) for all other Claims and Equity Interests, the Voting Record Date.

73. **“Effective Date”** means the date selected by the New Investors (upon agreement of all of the New Investors) and the Debtors, that is a Business Day after the Confirmation Date on which (a) no stay of the Confirmation Order is in effect and (b) all conditions precedent specified in Section IX.B hereof have been satisfied or waived (in accordance with Section IX.C hereof).

74. **“Effective Date Investments”** means the cash investments to be provided by certain of the New Investors to New LightSquared in the aggregate principal amount of \$89,500,175.01, of which Fortress shall contribute \$68,391,643.16 and Centerbridge shall contribute \$21,108,531.85.

75. **“Eligible Transferee”** means any Person that is not a Prohibited Transferee.

76. **“Entity”** has the meaning set forth in section 101(15) of the Bankruptcy Code.

77. **“Equity Interest”** means any equity security (as defined in section 101(16) of the Bankruptcy Code) in a Debtor, including any issued or unissued share of common stock, preferred stock, or other instrument evidencing an ownership interest in a Debtor, whether or not transferable, including membership interests in limited liability companies and partnership interests in partnerships, and any option, warrant or right, contractual or otherwise, to acquire any such interest in a Debtor that existed immediately prior to the Effective Date, any award of stock options, restricted stock units, equity appreciation rights, restricted equity, or phantom equity granted to an existing employee of the Debtors pursuant to any equity plan maintained by the Debtors or under any existing employment agreement of the Debtors’ existing employees, any Existing Shares, and any Claim against the Debtors subject to subordination pursuant to section 510(b) of the Bankruptcy Code arising from or related to any of the foregoing.

78. **“Estate”** means the bankruptcy estate of any Debtor created by section 541 of the Bankruptcy Code upon the commencement of the Chapter 11 Cases.

79. **“Exculpated Party”** means a Released Party.

80. **“Executory Contract”** means a contract to which one or more of the Debtors is a party that is subject to assumption, assumption and assignment, or rejection under sections 365 or 1123 of the Bankruptcy Code.

81. **“Existing Inc. Common Stock”** means the Equity Interests in LightSquared Inc. (other than the Existing Inc. Preferred Stock).

82. **“Existing Inc. Preferred Stock”** means the Existing Inc. Series A Preferred Stock and Existing Inc. Series B Preferred Stock.

83. **“Existing Inc. Series A Preferred Stock”** means the outstanding shares of Convertible Series A Preferred Stock issued by LightSquared Inc.

84. **“Existing Inc. Series B Preferred Stock”** means the outstanding shares of Convertible Series B Preferred Stock issued by LightSquared Inc.

85. **“Existing LP Common Units”** means the outstanding common units issued by LightSquared LP.

86. **“Existing LP Preferred Units”** means the outstanding non-voting Series A Preferred Units issued by LightSquared LP.

87. **“Existing LP Preferred Units Distribution Amount”** means the outstanding liquidation preference of the Existing LP Preferred Units as of the Effective Date (excluding any prepayment or redemption premium).

88. **“Existing Shares”** means all Equity Interests related to Existing Inc. Common Stock, Existing Inc. Preferred Stock, Existing LP Common Units, Existing LP Preferred Units, and Intercompany Interests.

89. **“Exit Intercreditor Agreement”** means that certain Intercreditor Agreement, dated on or before the Effective Date, between the Working Capital Lenders, the Second Lien Exit Term Lenders, the agents under the Working Capital Facility and the Second Lien Exit Facility, and the other relevant Entities governing, among other things, the respective rights, remedies, and priorities of claims and security interests held by the Working Capital Lenders, the Second Lien Exit Term Lenders, the agents and the other relevant Entities under the Working Capital Facility and the Second Lien Exit Facility, under the Working Capital Facility Credit Agreement and the Second Lien Exit Credit Agreement.

90. **“Expense Reimbursement”** means the (i) “Inc. Expense Reimbursement,” but solely to the extent such Inc. Expense Reimbursement has not yet been paid or is not subject to payment in connection with a prior order of the Bankruptcy Court, and (ii) “LP Expense Reimbursement,” in each case, as such term is used in the Bid Procedures Order.

91. **“FCC”** means the Federal Communications Commission.

92. **“FCC Action”** means that certain cause of action captioned *Harbinger Capital Partners, LLC, et al. v. United States of America*, Civil Action No. 14-cv-00597 (Fed. Cl. 2014).

93. **“FCC Objectives”** means that: (a) the Debtors shall have FCC authority to (i) provide terrestrial communications in the United States on 20 MHz of uplink spectrum comprised of 10 MHz nominally between 1627-1637 MHz and 10 MHz nominally between 1646-1656 MHz, and 10 MHz of downlink spectrum comprised of 5 MHz at 1670-1675 MHz (under the One Dot Six Lease) and 5 MHz at 1675-1680 MHz, (ii) operate in those band

segments at transmit power levels commensurate with existing terrestrially-based 4th generation LTE wireless communications networks, and (iii) provide terrestrial signal coverage of (A) 290 million total POPs calculated on a weighted-average basis over the nominal 1627-1637 MHz and 1646-1656 MHz bands and (B) 265 million total POPs calculated on a weighted-average basis over the 1670-1680 MHz band; (b) any build out conditions that may be imposed by the FCC on the Debtors shall be no more onerous than those in effect for DISH Network Corporation's AWS-4 spectrum as of December 2012; and (c) any specific restrictions that may be imposed by the FCC on the Debtors regarding their possible sale to future buyers must not preclude a sale to AT&T Inc., Verizon Communications Inc., T-Mobile USA, Inc., or Sprint Corporation.

94. **"Federal Judgment Rate"** means the federal judgment rate in effect as of the Petition Date.

95. **"File," "Filed," or "Filing"** means file, filed, or filing with (i) the Bankruptcy Court or its authorized designee in the Chapter 11 Cases or (ii) the Canadian Court, as applicable.

96. **"Final Order"** means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction (including the Canadian Court) with respect to the relevant subject matter, which has not been reversed, stayed, modified, or amended, and as to which the time to appeal or seek certiorari or leave to appeal has expired and no appeal or petition for certiorari or motion for leave to appeal has been timely taken, or as to which any appeal that has been taken or any petition for certiorari or motion for leave to appeal that has been or may be Filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari or leave to appeal was sought; provided, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or under the Ontario Rules of Civil Procedure, may be Filed relating to such order shall not prevent such order from being a Final Order; provided, further, that the New Investors (upon the consent of each New Investor and the Debtors) reserve the right to waive any appeal period.

97. **"First Day Pleadings"** means those certain pleadings Filed by the Debtors on or around the Petition Date.

98. **"Fortress"** means Fortress Credit Opportunities Advisors LLC, on behalf of certain funds and/or accounts managed by it and its affiliates.

99. **"Fortress/Centerbridge Acquired DIP Inc. Claims"** means DIP Inc. Claims purchased for Cash by Fortress and Centerbridge from the DIP Inc. Claims Sellers on the Inc. Facilities Claims Purchase Closing Date pursuant to, and subject to the terms and conditions of, the Fortress/Centerbridge DIP Inc. Claims Purchase Agreement.

100. **"Fortress/Centerbridge DIP Inc. Claims Purchase Agreement"** means that certain purchase agreement to be entered into between Fortress, Centerbridge, and the DIP Inc. Claims Sellers on terms mutually acceptable to the parties thereto, pursuant to which Fortress

and Centerbridge shall agree to backstop the purchase from the DIP Inc. Claims Sellers of up to \$89,500,175.01 of DIP Inc. Claims.

101. “**General Disclosure Statement**” means the *First Amended General Disclosure Statement* [Docket No. 918].

102. “**General Unsecured Claim**” means any Claim against any of the Debtors that is not one of the following Claims: (a) Administrative Claim; (b) Priority Tax Claim; (c) DIP Claim; (d) Other Priority Claim; (e) Other Secured Claim; (f) Prepetition Inc. Facility Claim; (g) Prepetition LP Facility Non-SPSO Claim; (h) Prepetition LP Facility SPSO Claim; (i) Prepetition LP Facility Non-SPSO Guaranty Claim; (j) Prepetition LP Facility SPSO Guaranty Claim; or (i) Intercompany Claim.

103. “**Governmental Unit**” has the meaning set forth in section 101(27) of the Bankruptcy Code.

104. “**GPS Action**” means that certain cause of action captioned *Harbinger Capital Partners LLC v. Deere & Co.*, Case No. 13-cv-5543 (RMB) (S.D.N.Y. 2013).

105. “**Harbinger**” means Harbinger Capital Partners LLC on behalf of itself and each of its and its affiliates’ managed funds and/or accounts that hold Claims and/or Equity Interests.

106. “**Harbinger Litigations**” means, collectively, the Appeal, the FCC Action, the GPS Action, the RICO Action, and any and all of Harbinger’s rights to commence any New Action.

107. “**Holder**” means the Entity holding the beneficial interest in a Claim or Equity Interest.

108. “**Impaired**” means, with respect to a Class of Claims or Equity Interests, a Class of Claims or Equity Interests that is not Unimpaired.

109. “**Inc. Debtors**” means, collectively, LightSquared Inc., One Dot Four Corp., One Dot Six Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, SkyTerra Investors LLC, One Dot Six TVCC Corp., LightSquared Investors Holdings Inc., and TMI Communications Delaware, Limited Partnership.

110. “**Inc. Facilities Claims Purchase Closing Date**” means the date upon which (a) all conditions precedent to the consummation of the JPM Inc. Facilities Claims Purchase Agreement have been waived or satisfied in accordance with the terms thereof, (b) the JPM Inc. Facilities Claims Purchase Agreement is consummated, and (c) the Allowed DIP Inc. Claims that are not JPM Acquired DIP Inc. Claims are paid in full in Cash from the proceeds of the Third Party New Inc. DIP Facility and/or pursuant to the New Investor Commitment Documents, as applicable. Subject to the terms of the JPM Inc. Facilities Claims Purchase Agreement, such date shall be no later than one (1) Business Day following the fourteenth

(14th) day after entry of the Confirmation Order, provided that there is no stay of the Confirmation Order in effect at such time.

111. **“Inc. Facility Postpetition Interest”** means all interest and/or default interest (calculated as is set forth in paragraphs E(ii) and 16(b) of the DIP Inc. Order) owed pursuant to the Prepetition Inc. Loan Documents from and after the Petition Date.

112. **“Inc. Facility Prepetition Interest”** means all interest and/or default interest owed pursuant to the Prepetition Inc. Loan Documents prior to the Petition Date.

113. **“Inc. General Unsecured Claim”** means any General Unsecured Claim asserted against an Inc. Debtor.

114. **“Inc. Other Priority Claim”** means any Other Priority Claim asserted against an Inc. Debtor.

115. **“Inc. Other Secured Claim”** means any Other Secured Claim asserted against an Inc. Debtor.

116. **“Industry Canada”** means the Canadian Federal Department of Industry, or any successor or any department or agency thereof, administering the Radiocommunication Act, R.S.C., 1985, c. R-2, among other statutes, including its staff acting under delegated authority, and includes the Minister of Industry (Canada) and the Commissioner of Competition (Canada).

117. **“Intercompany Claim”** means any Claim against a Debtor held by another Debtor or a non-Debtor Affiliate.

118. **“Intercompany Contract”** means any agreement, contract, or lease, all parties to which are Debtors.

119. **“Intercompany Interest”** means any Equity Interest in a Debtor held by another Debtor, including the Existing LP Common Units.

120. **“Interim Compensation Order”** means the *Order Authorizing and Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [Docket No. 122], as may have been modified by a Bankruptcy Court order approving the retention of the Professionals.

121. **“JPM Acquired DIP Inc. Claims”** means DIP Inc. Claims in the amount of \$41,000,000 purchased for Cash by SIG from the DIP Inc. Claims Sellers on the Inc. Facilities Claims Purchase Closing Date pursuant to, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement.

122. **“JPM Inc. Facilities Claims Purchase Agreement”** means that certain purchase agreement to be entered into between SIG, the DIP Inc. Claims Sellers, and the Prepetition Inc. Facility Claims Sellers on terms mutually acceptable to the parties thereto, pursuant to which SIG shall purchase (a) from the Prepetition Inc. Facility Claims Sellers the

Acquired Inc. Facility Claims in exchange for the Acquired Inc. Facility Claims Purchase Price and (b) from the DIP Inc. Claims Sellers the JPM Acquired DIP Inc. Claims in exchange for \$41,000,000.

123. “**JPM Investment Parties**” means SIG, together with any affiliates (but, with respect to such affiliates, solely with respect to the Credit Trading Group and the Credit Trading Group’s position in any Claims and/or Equity Interests held through such affiliates, and subject to the terms of the Plan Support Agreement) of SIG that become party to the Plan Support Agreement after the date such Plan Support Agreement becomes effective.

124. “**Judicial Code**” means title 28 of the United States Code, 28 U.S.C. §§ 1-4001.

125. “**KEIP Payments**” means any and all amounts payable under (a) the Debtors’ key employee incentive plan approved by the Bankruptcy Court pursuant to the *Order Approving LightSquared’s Key Employee Incentive Plan* [Docket No. 394] or (b) any amended, supplemented, or other employee incentive plan of the Debtors approved pursuant to an order of the Bankruptcy Court.

126. “**LBAC Break-Up Fee**” has the meaning set forth in the Bid Procedures Order.

127. “**License Modification Application**” means, collectively, those certain applications filed by certain of the Debtors with the FCC on or about September 28, 2012, seeking to modify various of their spectrum licenses to (a) authorize their use of the 1675 – 1680 MHz spectrum band on a shared basis with certain government users, including the National Oceanic and Atmospheric Administration, (b) permit them to conduct terrestrial operations “pairing” the 1670-1680 MHz downlink band with two (2) 10 MHz L-band uplink channels in which they currently are authorized to operate, and (c) permanently relinquish their right to use the upper 10 MHz of L-band downlink spectrum for terrestrial purposes (that portion of the spectrum closest to the band designated for Global Positioning System devices).

128. “**Lien**” has the meaning set forth in section 101(37) of the Bankruptcy Code.

129. “**LP Cash Collateral Order**” means the *Amended Agreed Final Order (a) Authorizing Debtors To Use Cash Collateral, (b) Granting Adequate Protection to Prepetition Secured Parties, and (c) Modifying Automatic Stay* [Docket No. 544] (as amended, supplemented, restated, or otherwise modified from time to time in accordance with the terms thereof).

130. “**LP Debtors**” means, collectively, LightSquared LP, ATC Technologies, LLC, LightSquared Corp., LightSquared Finance Co., LightSquared Network LLC, LightSquared Inc. of Virginia, LightSquared Subsidiary LLC, SkyTerra Holdings (Canada) Inc., SkyTerra (Canada) Inc., Lightsquared Bermuda Ltd., and LightSquared GP Inc.

131. “**LP Facility Postpetition Interest**” means all interest owed pursuant to the Prepetition LP Credit Agreement from and after the Petition Date less the amount of adequate protection payments made by LightSquared LP during the Chapter 11 Cases pursuant to the



LP Cash Collateral Order (exclusive of Professional Fees (as defined in the LP Cash Collateral Order) paid in accordance with the LP Cash Collateral Order).

132. “**LP Facility Prepetition Interest**” means all interest owed pursuant to the Prepetition LP Loan Documents prior to the Petition Date.

133. “**LP Facility Repayment Premium**” means the repayment premium due and owing pursuant to Section 2.10(f) of the Prepetition LP Credit Agreement.

134. “**LP General Unsecured Claim**” means any General Unsecured Claim asserted against an LP Debtor.

135. “**LP Group**” means that certain ad hoc group of Prepetition LP Lenders, comprised of holders, advisors or affiliates of advisors to holders, or managers of various accounts with investment authority, contractual authority, or voting authority, of the loans under the Prepetition LP Credit Agreement, which, for the avoidance of doubt, shall exclude SPSO.

136. “**LP Group Advisors**” means White & Case LLP, as counsel to the LP Group, Bennett Jones LLP, as Canadian counsel to the LP Group, and Blackstone Advisory Partners L.P., as financial advisor to the LP Group.

137. “**LP Group Fee Claims**” means all Claims for the reasonable, documented fees and expenses of the LP Group Advisors.

138. “**LP Other Priority Claim**” means any Other Priority Claim asserted against an LP Debtor.

139. “**LP Other Secured Claim**” means any Other Secured Claim asserted against an LP Debtor.

140. “**Management Incentive Plan**” means a post-Effective Date equity incentive plan approved by the New LightSquared Board subject to the terms of the New LightSquared Interest Holders Agreement and approved by each of the New Investors, which shall provide for the issuance of equity and/or equity based awards of New LightSquared (which may include but are not limited to New LightSquared Common Interests), to certain officers and employees of the Reorganized Debtors (subject to the terms and conditions of such plan).

141. “**MAST**” means MAST Capital Management, LLC and its managed funds and accounts that are DIP Inc. Lenders and Holders of Prepetition Inc. Facility Non-Subordinated Claims.

142. “**MAST Terms**” has the meaning set forth in the Plan Support Agreement.

143. “**Material Regulatory Request**” means any of the following: (a) the License Modification Application; (b) the Spectrum Allocation Petition for Rulemaking; and (c) the pending petition for rulemaking in RM-11683.

144. “**New Action**” means any unasserted claim or Cause of Action arising out of, relating to, or in connection with, in any manner, the Chapter 11 Cases, the Debtors or the Debtors’ businesses, or any obligations or securities of, or interests in, the Debtors for things occurring through and including the date of termination of the Plan Support Agreement.

145. “**New DIP Agents**” means the New Inc. DIP Agent and the New LP DIP Agent.

146. “**New DIP Claim**” means a New Inc. DIP Claim or a New LP DIP Claim.

147. “**New DIP Closing Dates**” means the New Inc. DIP Closing Date and the New LP DIP Closing Date.

148. “**New DIP Credit Agreements**” means the New Inc. DIP Credit Agreement and the New LP DIP Credit Agreement.

149. “**New DIP Facilities**” means the New Inc. DIP Facility and the New LP DIP Facility.

150. “**New DIP Lenders**” means the New Inc. DIP Lenders and the New LP DIP Lenders.

151. “**New DIP Orders**” means orders of the Bankruptcy Court, in forms and substance satisfactory to each of the New Investors, MAST (solely with respect to any provision in the New DIP Orders relating to MAST Terms), and the Debtors, approving the New DIP Facilities (as may be amended, supplemented, or modified from time to time in accordance with the terms thereof), or amending, supplementing or otherwise modifying the DIP LP Order.

152. “**New DIP Recognition Order**” means an order of the Canadian Court, which shall be in form and substance satisfactory to each of the New Investors, MAST (solely with respect to any provision in the New DIP Recognition Order relating to MAST Terms), and the Debtors, recognizing the entry of the New DIP Orders to the extent necessary.

153. “**New Inc. DIP Agent**” means the administrative agent under the New Inc. DIP Credit Agreement or any successor agent appointed in accordance with the New Inc. DIP Credit Agreement.

154. “**New Inc. DIP Claim**” means a Claim held by the New Inc. DIP Agent or New Inc. DIP Lenders arising under, or related to, New Inc. DIP Loans, including, without limitation, all outstanding principal, interest, default interest, and fees provided for thereunder.

155. “**New Inc. DIP Closing Date**” means the date upon which the New Inc. DIP Credit Agreement shall have been executed by all of the parties thereto, and all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof, and the incurrence of the obligations pursuant to the New Inc. DIP Facility shall have occurred.

156. **“New Inc. DIP Credit Agreement”** means that certain senior secured, priming, superpriority debtor-in-possession credit agreement with respect to the New Inc. DIP Facility to be entered into among the New Inc. DIP Obligors and the New Inc. DIP Lenders, in form and substance satisfactory to each of the New Investors and the Debtors.

157. **“New Inc. DIP Facility”** means, as applicable, either the New Investor New Inc. DIP Facility or the Third Party New Inc. DIP Facility.

158. **“New Inc. DIP Lenders”** means the lenders party to the New Inc. DIP Credit Agreement from time to time.

159. **“New Inc. DIP Loans”** means the loans to be made, or deemed made, under the New Inc. DIP Facility.

160. **“New Inc. DIP Obligors”** means LightSquared Inc., as borrower, and certain of the other Inc. Debtors, as guarantors, under the New Inc. DIP Credit Agreement.

161. **“New Investor Break-Up Fee”** means a break-up fee of \$200,000,000, which shall be payable on the following basis: (a) 47.65% to Fortress; (b) 37.65% to SIG; and (c) 14.71% to Centerbridge, allowed and irrevocably payable in Cash only (i) upon the closing of an Alternative Transaction as per the New Investor Break-Up Fee Order, which order may be the Confirmation Order, and (ii) if (A) the Plan has not been withdrawn, (B) the Bankruptcy Court has not denied Confirmation of the Plan, and (C) as of the Inc. Facilities Claims Purchase Closing Date, the Plan Support Agreement, the JPM Inc. Facilities Claims Purchase Agreement, and the New Investor Commitment Documents are in full force and effect, in each case, as to the New Investors.

162. **“New Investor Break-Up Fee Order”** means an order of the Bankruptcy Court approving the New Investor Break-Up Fee in form and substance satisfactory to each of the New Investors and the Debtors.

163. **“New Investor Commitment Documents”** means (a) the Fortress/Centerbridge DIP Inc. Claims Purchase Agreement and (b) the New Investor New Inc. DIP Commitment Letter.

164. **“New Investor Fee Claims”** means all Claims for the reasonable, actual documented fees and expenses of the advisors to the New Investors in an aggregate amount not to exceed \$15,000,000, to be shared as agreed to by each of the New Investors.

165. **“New Investor New Inc. DIP Commitment Letter”** means the commitment letter from the New Investors or certain of their affiliates, dated as of January 15, 2015, as amended by that certain Amendment to Debtor-in-Possession Facility Commitment Letter, dated February 9, 2015 (as amended, supplemented, or otherwise modified from time to time in accordance with the terms thereof), pursuant to which the New Investors or their affiliates commit to provide, among other things, New Inc. DIP Loans of up to \$210,811,224.48,

comprised of the conversion of the Acquired DIP Inc. Claims into New DIP Loans in the amount of not less than \$130,500,175.01 and new money loans of up to \$80,311,049.47.

166. **“New Investor New Inc. DIP Facility”** means that certain debtor-in-possession credit facility provided by the New Investors in connection with the New Inc. DIP Credit Agreement and New DIP Orders on substantially the terms set forth in the New Investor New Inc. DIP Commitment Letter in an aggregate principal amount not less than the aggregate principal amount set forth in the New Investor New Inc. DIP Commitment Letter (after giving effect to the conversion of the Acquired DIP Inc. Claims into New Inc. DIP Loans).

167. **“New Investors”** means Fortress, SIG, Centerbridge, and Harbinger.

168. **“New LightSquared”** means LightSquared LP as reorganized under, and pursuant to, the Plan, or any successor thereto, by merger, consolidation, or otherwise, on or after the Effective Date.

169. **“New LightSquared Board”** means the board of directors, board of managers, or equivalent governing body of New LightSquared, as initially comprised as set forth in the Plan and as comprised thereafter in accordance with the terms of the applicable Reorganized Debtors Governance Documents.

170. **“New LightSquared Common Interests”** means those certain limited liability company common interests to be issued by New LightSquared in connection with, and subject to, the Plan, the Confirmation Order, and the New LightSquared Interest Holders Agreement.

171. **“New LightSquared Entities Shares”** means, collectively, the New LightSquared Interests, the Reorganized LightSquared Inc. Common Shares, and the Reinstated Intercompany Interests.

172. **“New LightSquared Interest Holders Agreement”** means that certain limited liability company operating agreement of New LightSquared with respect to the New LightSquared Interests, to be effective on the Effective Date and binding on all holders of the New LightSquared Interests.

173. **“New LightSquared Interests”** means, collectively, the New LightSquared Common Interests, and the New LightSquared Preferred Interests.

174. **“New LightSquared Obligor”** means New LightSquared and its subsidiaries.

175. **“New LightSquared Preferred Interests”** means, collectively, the New LightSquared Series A Preferred Interests, New LightSquared Series B Preferred Interests, and New LightSquared Series C Preferred Interests.

176. **“New LightSquared Series A Preferred Interests”** means, collectively, the New LightSquared Series A-1 Preferred Interests and the New LightSquared Series A-2 Preferred Interests.

177. **“New LightSquared Series A-1 Preferred Interests”** means those certain series A-1 preferred payable-in-kind interests having an original liquidation preference equal to the New LightSquared Series A-1 Preferred Interests Original Liquidation Preference, issued by New LightSquared in connection with, and subject to, the Plan, the Confirmation Order, and the New LightSquared Interest Holders Agreement.

178. **“New LightSquared Series A-1 Preferred Interests Original Liquidation Preference”** means a liquidation preference of (subject to any modification pursuant to the proviso of Section IV.B.2(d)(iv)) not less than the sum of (a) the Allowed amount of the Acquired Inc. Facility Claims and the Prepetition Inc. Facility Subordinated Claims, in each case as of the Effective Date, plus (b) \$122,000,000.

179. **“New LightSquared Series A-2 Preferred Interests”** means those certain series A-2 preferred payable-in-kind interests having an original liquidation preference equal to the New LightSquared Series A-2 Preferred Interests Original Liquidation Preference, issued by New LightSquared in connection with, and subject to, the Plan, the Confirmation Order, and the New LightSquared Interest Holders Agreement.

180. **“New LightSquared Series A-2 Preferred Interests Original Liquidation Preference”** means a liquidation preference of (subject to any modification pursuant to the proviso of Section IV.B.2(d)(iv)) not less than the amount of the Existing LP Preferred Units Distribution Amount attributable to those Holders of Existing LP Preferred Units who elect to receive New LightSquared Series A-2 Preferred Interests under the Plan.

181. **“New LightSquared Series B Preferred Interests”** means those certain series B preferred payable-in-kind interests having an original liquidation preference of not less than \$130,500,175.01, issued by New LightSquared in connection with, and subject to, the Plan, the Confirmation Order, and the New LightSquared Interest Holders Agreement.

182. **“New LightSquared Series C Preferred Interests”** means those certain series C preferred payable-in-kind interests having an original liquidation preference equal to the New LightSquared Series C Preferred Interests Original Liquidation Preference, issued by New LightSquared in connection with, and subject to, the Plan, the Confirmation Order, and the New LightSquared Interest Holders Agreement.

183. **“New LightSquared Series C Preferred Interests Original Liquidation Preference”** means a liquidation preference of (subject to any modification pursuant to the proviso of Section IV.B.2(d)(iv)) not less than (a) the amount of the Existing LP Preferred Units Distribution Amount attributable to those Holders of Existing LP Preferred Units who elect to receive New LightSquared Series C Preferred Interests under the Plan, plus (b) the outstanding liquidation preference of the Existing Inc. Preferred Stock held by the Other Existing Inc. Preferred Equity Holders as of the Effective Date (excluding any prepayment or redemption premium), plus (c) \$73,000,000.

184. **“New LP DIP Agent”** means the administrative agent under the New LP DIP Credit Agreement or any successor agent appointed in accordance with the New LP DIP Credit Agreement.

185. **“New LP DIP Claim”** means a Claim held by the New LP DIP Agent or New LP DIP Lenders arising under, or related to, New LP DIP Loans, including, without limitation, all outstanding principal, interest, default interest, and fees provided for thereunder.

186. **“New LP DIP Closing Date”** means the date upon which the New LP DIP Credit Agreement shall have been executed by all of the parties thereto, and all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof, and the incurrence of the obligations pursuant to the New LP DIP Facility shall have occurred.

187. **“New LP DIP Credit Agreement”** means that certain senior secured, priming, superpriority debtor-in-possession credit agreement with respect to the New LP DIP Facility to be entered into among the New LP DIP Obligors and the New LP DIP Lenders, in form and substance satisfactory to each of the New Investors and the Debtors.

188. **“New LP DIP Facility”** means that certain debtor-in-possession credit facility provided in connection with the New LP DIP Credit Agreement and New DIP Orders.

189. **“New LP DIP Lenders”** means the lenders party to the New LP DIP Credit Agreement from time to time.

190. **“New LP DIP Loans”** means the loans to be made under the New LP DIP Facility.

191. **“New LP DIP Obligors”** means LightSquared LP, as borrower, and the other LP Debtors, as guarantors, under the New LP DIP Credit Agreement.

192. **“NOAA Spectrum”** means that 5 MHz of spectrum between 1675-1680 MHz in the United States, currently used on a primary basis by the National Oceanic and Atmospheric Administration.

193. **“One Dot Six Lease”** has the meaning set forth in the Disclosure Statement.

194. **“Other Existing Inc. Preferred Equity Holder”** means each Holder of Existing Inc. Preferred Stock other than SIG.

195. **“Other Priority Claim”** means any Claim accorded priority in right of payment under section 507(a) of the Bankruptcy Code, other than an Administrative Claim or a Priority Tax Claim.

196. **“Other Secured Claim”** means any Secured Claim that is not a DIP Claim or Prepetition Facility Claim.

197. **“Person”** has the meaning set forth in section 101(41) of the Bankruptcy Code.

198. **“Petition Date”** means May 14, 2012.

199. **“Plan”** means this *Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* (as amended, supplemented, or modified from time to time in accordance with the terms hereof), including, without limitation, the Plan Supplement, which is incorporated herein by reference.

200. **“Plan Consideration”** means a payment or distribution of Cash, assets, securities, or instruments evidencing an obligation to Holders of Allowed Claims or Equity Interests under the Plan. Unless otherwise expressly specified herein, any Plan Consideration in the form of Cash shall be paid from proceeds of the Working Capital Facility, the Second Lien Exit Facility, and the Debtors’ Cash on hand.

201. **“Plan Distribution”** means a payment or distribution to Holders of Allowed Claims, Allowed Equity Interests, or other eligible Entities under the Plan or Plan Supplement documents.

202. **“Plan Documents”** means the documents other than the Plan, to be executed, delivered, assumed, or performed in conjunction with the Consummation of the Plan on the Effective Date, including, without limitation, any documents included in the Plan Supplement, in each case, in forms and substance satisfactory to each of the New Investors and the Debtors.

203. **“Plan Proponents”** means Fortress, Centerbridge, Harbinger, and the Debtors.

204. **“Plan Supplement”** means the compilation of documents and forms of documents, schedules, and exhibits to the Plan (as may be altered, amended, modified, or supplemented from time to time in accordance with the terms hereof and in accordance with the Bankruptcy Code and the Bankruptcy Rules and, in each case, (x) in form and substance satisfactory to each of the New Investors and the Debtors and (y) with respect to documents (f) and (g) below, in form and substance satisfactory to MAST in all respects, and with respect to all other documents, in form and substance satisfactory to MAST solely with respect to the MAST Terms (except as otherwise provided by the Plan or Plan Support Agreement)) to be Filed no later than the Plan Supplement Date or such other date as may be approved by the Bankruptcy Court, including: (a) executed commitment letters, engagement letters, highly confident letters, or form and/or definitive agreements, and related documents with respect to (i) the Working Capital Facility Credit Agreement, (ii) the Second Lien Exit Facility, (iii) the Reorganized LightSquared Inc. Credit Agreement, and (iv) the Effective Date Investments; (b) the Reorganized Debtors Corporate Governance Documents; (c) the terms of a transition plan for the Debtors as may be agreed to among the Debtors and each of the New Investors; (d) the Schedule of Assumed Agreements; (e) the Schedule of Retained Causes of Action; (f) the JPM Inc. Facilities Claims Purchase Agreement; and (g) the New Investor Commitment Documents.

205. **“Plan Supplement Date”** means (a) January 30, 2015 or (b) such other date agreed to by each of the New Investors and the Debtors or established by the Bankruptcy

Court; provided, that such date shall not be later than five (5) days prior to the Confirmation Hearing Date; provided, further, that the Plan Proponents reserve the right to File amended Plan Documents at any time prior to the conclusion of the Confirmation Hearing.

206. **“Plan Support Agreement”** means that certain Amended and Restated Plan Support Agreement, dated as of January 15, 2015, by and among Fortress, Centerbridge, Harbinger, the JPM Investment Parties, MAST, and the Prepetition Inc. Agent, as may be amended, supplemented, or modified from time to time in accordance with the terms thereof, which agreement is attached hereto as Exhibit A.

207. **“Plan Support Parties”** means collectively, the Plan Proponents, the JPM Investment Parties, MAST, the Prepetition Inc. Agent and any subsequent person or entity that becomes a party to the Plan Support Agreement.

208. **“Plan Transactions”** means one or more transactions to occur on or before the Effective Date or as soon thereafter as reasonably practicable, that may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including: (a) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, equity issuance, sale, dissolution, certificates of incorporation, certificates of partnership, operating agreements, bylaws, or other documents containing terms that are consistent with or reasonably necessary to implement the terms of the Plan and that satisfy the requirements of applicable law; (b) the execution and delivery of appropriate instruments of equity issuance, transfer, assignment, assumption, or delegation of any property, right, liability, duty, or obligation on terms consistent with the terms of the Plan; and (c) all other actions that are consistent with the terms of the Plan that the New Investors, the Debtors, Reorganized LightSquared Inc. or New LightSquared, as applicable, determine are necessary or appropriate.

209. **“Prepetition Facilities”** means the Prepetition Inc. Facility and the Prepetition LP Facility.

210. **“Prepetition Facility Claim”** means a Prepetition Inc. Facility Claim or a Prepetition LP Facility Claim.

211. **“Prepetition Inc. Agent”** means U.S. Bank National Association, as successor administrative agent to UBS AG, Stamford Branch under the Prepetition Inc. Credit Agreement.

212. **“Prepetition Inc. Borrower”** means LightSquared Inc., as borrower under the Prepetition Inc. Credit Agreement.

213. **“Prepetition Inc. Credit Agreement”** means that certain Credit Agreement, dated as of July 1, 2011 (as amended, supplemented, restated, or otherwise modified from time to time in accordance with the terms thereof), among the Prepetition Inc. Obligors, the Prepetition Inc. Agent, and the Prepetition Inc. Lenders.



214. **“Prepetition Inc. Facility”** means that certain \$278,750,000 term loan credit facility provided in connection with the Prepetition Inc. Credit Agreement.

215. **“Prepetition Inc. Facility Claim”** means, collectively, any Prepetition Inc. Facility Non-Subordinated Claim and Prepetition Inc. Facility Subordinated Claim.

216. **“Prepetition Inc. Facility Claims Sellers”** means the Holders of Prepetition Inc. Facility Non-Subordinated Claims immediately prior to the Inc. Facilities Claims Purchase Closing Date.

217. **“Prepetition Inc. Facility Lender Subordination Agreement”** means that certain Lender Subordination Agreement, dated as of March 29, 2012, between and among certain Affiliate Lenders and Non-Affiliate Lenders (each as defined therein), by which the Affiliate Lenders agreed to subordinate their Liens (as such term is used therein) and Claims under the Prepetition Inc. Loan Documents to the Liens and Claims of the Non-Affiliate Lenders.

218. **“Prepetition Inc. Facility Non-Subordinated Claim”** means a Claim held by the Prepetition Inc. Agent or Prepetition Inc. Lenders arising under, or related to, the Prepetition Inc. Loan Documents, but excluding any Prepetition Inc. Facility Subordinated Claim.

219. **“Prepetition Inc. Facility Repayment Premium”** means any repayment or prepayment premium owed pursuant to the Prepetition Inc. Loan Documents.

220. **“Prepetition Inc. Facility Subordinated Claim”** means a Claim held by a Prepetition Inc. Lender arising under, or related to, the Prepetition Inc. Loan Documents that is subordinated to the Prepetition Inc. Facility Non-Subordinated Claims pursuant to the Prepetition Inc. Facility Lender Subordination Agreement.

221. **“Prepetition Inc. Fee Claims”** means all Claims for the reasonable, actual documented fees and expenses of the Holders of Inc. Facility Non-Subordinated Claims and the Prepetition Inc. Agent, including, but not limited to, the fees and expenses of financial advisors and counsel.

222. **“Prepetition Inc. Guarantors”** means One Dot Four Corp., One Dot Six Corp., and One Dot Six TVCC Corp., as guarantors under the Prepetition Inc. Credit Agreement.

223. **“Prepetition Inc. Lenders”** means the lenders party to the Prepetition Inc. Credit Agreement from time to time.

224. **“Prepetition Inc. Loan Documents”** means the Prepetition Inc. Credit Agreement together with all related security agreements, notes, guarantees, pledge agreements, mortgages, fixture filings, transmitting utility filings, deeds of trust, financing statements, instruments, agreements, documents, assignments, account control agreements, or other security documents (as each of the foregoing may be amended, supplemented, restated, or otherwise modified from time to time in accordance with the terms thereof).

225. **“Prepetition Inc. Obligors”** means the Prepetition Inc. Borrower and the Prepetition Inc. Guarantors.

226. **“Prepetition Loan Documents”** means the Prepetition Inc. Loan Documents and the Prepetition LP Loan Documents.

227. **“Prepetition LP Agent”** means, collectively, Wilmington Savings Fund Society, FSB, as administrative agent, and Wilmington Trust FSB, as collateral trustee, under the Prepetition LP Credit Agreement.

228. **“Prepetition LP Borrower”** means LightSquared LP, as borrower, under the Prepetition LP Credit Agreement.

229. **“Prepetition LP Credit Agreement”** means that certain Credit Agreement, dated as of October 1, 2010 (as amended, supplemented, restated, or otherwise modified from time to time in accordance with the terms thereof), among the Prepetition LP Obligors, the Prepetition LP Agent, and the Prepetition LP Lenders.

230. **“Prepetition LP Facility”** means that certain \$1,500,000,000 term loan credit facility provided in connection with the Prepetition LP Credit Agreement.

231. **“Prepetition LP Facility Claim”** means a Claim held by the Prepetition LP Agent or Prepetition LP Lenders arising under, or related to, the Prepetition LP Loan Documents.

232. **“Prepetition LP Facility Non-SPSO Claim”** means a Prepetition LP Facility Claim that is not a Prepetition LP Facility SPSO Claim.

233. **“Prepetition LP Facility Non-SPSO Guaranty Claim”** means a Prepetition LP Facility Non-SPSO Claim against any of the Inc. Debtors.

234. **“Prepetition LP Facility SPSO Claim”** means a Prepetition LP Facility Claim held by SPSO, its affiliates, or each of their successors or assigns.

235. **“Prepetition LP Facility SPSO Guaranty Claim”** means a Prepetition LP Facility SPSO Claim against any of the Inc. Debtors.

236. **“Prepetition LP Fee Claims”** means all Claims for the reasonable, actual documented fees and expenses, if any, of the Holders of Prepetition LP Facility Claims, including, but not limited to, the fees and expenses of financial advisors and counsel, to the extent Allowed by Final Order of the Bankruptcy Court under section 506(b) of the Bankruptcy Code.

237. **“Prepetition LP Guarantors”** means LightSquared Inc., LightSquared Investors Holdings Inc., LightSquared GP Inc., TMI Communications Delaware, Limited Partnership, ATC Technologies, LLC, LightSquared Corp., LightSquared Inc. of Virginia, LightSquared

Subsidiary LLC, SkyTerra Holdings (Canada) Inc., and SkyTerra (Canada) Inc., as guarantors under the Prepetition LP Credit Agreement.

238. **“Prepetition LP Lenders”** means the lenders party to the Prepetition LP Credit Agreement from time to time.

239. **“Prepetition LP Loan Documents”** means the Prepetition LP Credit Agreement together with all related security agreements, notes, guarantees, pledge agreements, mortgages, fixture filings, transmitting utility filings, deeds of trust, financing statements, instruments, agreements, documents, assignments, account control agreements, or other security documents (as each of the foregoing may be amended, supplemented, restated, or otherwise modified from time to time in accordance with the terms thereof).

240. **“Prepetition LP Obligors”** means the Prepetition LP Borrower and the Prepetition LP Guarantors.

241. **“Priority Tax Claim”** means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

242. **“Professional”** means an Entity employed pursuant to a Bankruptcy Court order in accordance with sections 327, 328, 330, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered prior to or on the Effective Date, pursuant to sections 327, 328, 329, 330, 363, and 331 of the Bankruptcy Code or awarded compensation and reimbursement by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code (excluding those Entities entitled to compensation for services rendered after the Petition Date in the ordinary course of business pursuant to a Final Order granting such relief).

243. **“Professional Fee Escrow Account”** means an interest-bearing account in an amount equal to the Professional Fee Reserve Amount funded and maintained by New LightSquared on and after the Effective Date for the purpose of paying all Allowed and unpaid Accrued Professional Compensation Claims.

244. **“Professional Fee Reserve”** means Cash in an amount equal to the Professional Fee Reserve Amount to be held in reserve by New LightSquared in the Professional Fee Escrow Account.

245. **“Professional Fee Reserve Amount”** means the aggregate Accrued Professional Compensation Claims through the Effective Date as estimated in accordance with Section II.B.3 hereof.

246. **“Prohibited Transferee”** means SPSO, any SPSO Affiliate, and any other Entity that may be a competitor of one or more of the Debtors and is identified by the New Investors (upon agreement of all of the New Investors) or the Debtors (with the consent of each of the New Investors) in the Plan Supplement as a Prohibited Transferee and such Entity’s successors or any other Entity directly or indirectly controlling, controlled by, or under common control with, any such Entity or its successors; provided, that, for the purposes of this definition, **“control”** (including, with correlative meanings, the terms “controlled by” and

“under common control with”), as used with respect to any Entity, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Entity, whether through the ownership of voting securities, by agreement or otherwise; provided, further, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”) as used with respect to any Entity shall also include (a) any Entity that directly or indirectly owns, or in which such Entity directly or indirectly owns more than ten percent (10%) of any class of capital stock or other equity interest of such Entity, (b) in the case of a corporation, any officer or director of such corporation, (c) in the case of a partnership, any general partner of such partnership, (d) in the case of a trust, any trustee or beneficiary of such trust, (e) any spouse, parent, sibling, or child or lineal descendant of any individual described in clauses (a) through (d) above, and (f) any trust for the benefit of any individual described in clauses (a) through (e) above.

247. **“Proof of Claim”** means a proof of Claim Filed against any of the Debtors in the Chapter 11 Cases.

248. **“Reinstated”** or **“Reinstatement”** means (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim or Equity Interest entitles the Holder of such Claim or Equity Interest so as to leave such Claim or Equity Interest Unimpaired or (b) notwithstanding any contractual provision or applicable law that entitles the Holder of a Claim or Equity Interest to demand or receive accelerated payment of such Claim or Equity Interest after the occurrence of a default (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) of the Bankruptcy Code expressly does not require to be cured, (ii) reinstating the maturity (to the extent such maturity has not otherwise accrued by the passage of time) of such Claim or Equity Interest as such maturity existed before such default, (iii) compensating the Holder of such Claim or Equity Interest for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law, (iv) if such Claim or Equity Interest arises from a failure to perform a nonmonetary obligation other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A) of the Bankruptcy Code, compensating the Holder of such Claim or Equity Interest (other than the Debtors or an insider) for any actual pecuniary loss incurred by such Holder as a result of such failure, and (v) not otherwise altering the legal, equitable, or contractual rights to which such Claim or Equity Interest entitles the Holder.

249. **“Reinstated Intercompany Interests”** means the Intercompany Interests that are Reinstated under, and pursuant to, the Plan.

250. **“Released Party”** means each of the following: (a) the Debtors; (b) the Reorganized Debtors; (c) each New Investor; (d) each Plan Support Party; (e) each DIP Agent, (f) each DIP Lender (other than any SPSO Party), and each arranger and book runner of the DIP Facilities; (g) MAST; (h) the Prepetition Inc. Agent; (i) the Second Lien Exit Agent, the agent under the Working Capital Facility, and each arranger and book runner of the Second Lien Exit Facility and the Working Capital Facility; (j) the holder of Reorganized LightSquared Inc. Exit Facility and each agent, arranger, and book runner of the Reorganized LightSquared Inc. Exit Facility; (k) each Holder of an Allowed Prepetition Facility Claim that

votes to accept, or is deemed to accept, the Plan (in each case, other than any SPSO Party); (l) the Prepetition LP Agent; (m) the LP Group, (n) each Holder of Allowed Existing Inc. Preferred Stock that votes to accept, or is deemed to accept, the Plan; (o) each Holder of Allowed Existing LP Preferred Units that votes to accept, or is deemed to accept, the Plan; (p) the JPM Investment Parties; and (q) each of the foregoing Entities' respective predecessors, successors and assigns, and current and former shareholders, affiliates, subsidiaries, members (including ex-officio members), officers, directors, principals, managers, trustees, employees, partners, attorneys, financial advisors, accountants, investment bankers, investment advisors, actuaries, professionals, consultants, agents, and representatives (in each case, in his, her, or its capacity as such). Notwithstanding anything contained in the Plan, the Confirmation Order, or any Plan Document, in no instance shall any SPSO Party be, or be deemed to be, a Released Party.

251. **"Releasing Party"** has the meaning set forth in Section VIII.F hereof.

252. **"Reorganized Debtors"** means, collectively, New LightSquared and each of the Debtors other than LightSquared LP, as reorganized under, and pursuant to, the Plan, on or after the Effective Date.

253. **"Reorganized Debtors Boards"** means, collectively, the Board and the boards of directors or similar governing bodies of each of the Reorganized Debtors other than New LightSquared.

254. **"Reorganized Debtors Governance Documents"** means, as applicable, the certificates of incorporation, certificates of formation, bylaws, operating agreements, shareholders agreements, and any other applicable organizational or operational documents with respect to the Reorganized Debtors, including the New LightSquared Interest Holders Agreement.

255. **"Reorganized Inc. Entity"** means Reorganized LightSquared Inc. or any of its wholly owned direct or indirect subsidiaries after the Effective Date. Neither New LightSquared nor any of its subsidiaries shall be deemed a Reorganized Inc. Entity for purposes hereunder.

256. **"Reorganized LightSquared Inc."** means LightSquared Inc., as reorganized under, and pursuant to, the Plan, or any successor thereto, by merger, consolidation, or otherwise, on or after the Effective Date.

257. **"Reorganized LightSquared Inc. Common Shares"** means those certain common shares issued by Reorganized LightSquared Inc. in connection with, and subject to, the Plan and the Confirmation Order.

258. **"Reorganized LightSquared Inc. Credit Agreement"** means that certain credit agreement with respect to the Reorganized LightSquared Inc. Exit Facility, to be entered into on the Effective Date among Reorganized LightSquared Inc. and SIG.

259. **“Reorganized LightSquared Inc. Exit Facility”** means a term loan facility in the aggregate principal amount equal to the amount of the Acquired Inc. Facility Claims as of the Effective Date and \$41 million of the JPM Acquired DIP Inc. Claims as of the Effective Date, which shall be secured by liens on substantially all of the assets of Reorganized LightSquared Inc.

260. **“Retained Causes of Action”** means the Causes of Action of the Debtors listed on the Schedule of Retained Causes of Action.

261. **“Retained Causes of Action Proceeds”** means all proceeds, damages, or other relief obtained or realized from the pursuit and prosecution of any and all Retained Causes of Action.

262. **“RICO Action”** means that certain cause of action captioned *Harbinger Capital Partners LLC, HGW US Holding Company LP, Blue Line DZM Corp., and Harbinger Capital Partners SP, LLC v. Charles W. Ergen, Dish Network Corporation, L-Band Acquisition LLC, SP Special Opportunities LLC, Special Opportunities Holdings LLC, Sound Point Capital Management LP, and Stephen Ketchum*, No. 14-01907 (D. Co. July 8, 2014).

263. **“Schedule of Assumed Agreements”** means the schedule of certain Executory Contracts and Unexpired Leases to be assumed, or assumed and assigned, by the Debtors pursuant to the Plan, including any Cure Costs related thereto (as the same may be amended, modified, or supplemented from time to time with the consent of each New Investor and the Debtors).

264. **“Schedule of Retained Causes of Action”** means the schedule of certain Causes of Action of the Debtors that are not released, waived, or transferred pursuant to the Plan or otherwise (as the same may be amended, modified, or supplemented from time to time with the consent of each New Investor and the Debtors).

265. **“Schedules”** means the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases, and statements of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code, the official bankruptcy forms, and the Bankruptcy Rules (as they may be amended, modified, or supplemented from time to time).

266. **“Second Lien Exit Agent”** means the arranger and administrative agent under the Second Lien Exit Credit Agreement or any successor agent appointed in accordance with the Second Lien Exit Credit Agreement.

267. **“Second Lien Exit Credit Agreement”** means that certain credit agreement, dated as of the Effective Date (as amended, supplemented, restated, or otherwise modified from time to time in accordance with the terms thereof), among the New LightSquared Obligor, the Second Lien Exit Agent, and the Second Lien Exit Term Lenders, in form and substance satisfactory to each of the New Investors and the Debtors.

268. **“Second Lien Exit Facility”** means that certain second lien term loan facility provided in connection with the Second Lien Exit Credit Agreement in the original aggregate principal amount of (a) the Prepetition LP Facility Claims as of the Effective Date, plus (b) any commitment fees paid pursuant to the Second Lien Exit Facility Commitment Letter in the form of Second Lien Exit Term Loans.

269. **“Second Lien Exit Facility Commitment Letter”** means that certain commitment letter by and among certain of the Second Lien Exit Term Lenders and the Debtors pursuant to which such Second Lien Exit Term Lenders have committed to fund to New LightSquared, on the Effective Date, Cash in an amount equal to the Prepetition LP Facility SPSO Claims as of the Effective Date.

270. **“Second Lien Exit Term Lenders”** means the lenders under the Second Lien Exit Facility that are party to the Second Lien Exit Credit Agreement from time to time.

271. **“Second Lien Exit Term Loans”** means the term loans to be made under the Second Lien Exit Facility.

272. **“Secured”** means, when referring to a Claim, (a) secured by a Lien on property in which the Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Bankruptcy Court order, or that is subject to a valid right of setoff pursuant to section 553 of the Bankruptcy Code as determined pursuant to section 506(a) of the Bankruptcy Code, or (b) Allowed pursuant to the Plan as a Secured Claim.

273. **“Securities Act”** means the Securities Act of 1933, 15 U.S.C. §§ 77a-77aa, as now in effect and hereafter amended, or any similar federal, state, or local law.

274. **“Securities Exchange Act”** means the Securities Exchange Act of 1934, 15 U.S.C. §§ 78a-78nn, as now in effect and hereafter amended, or any similar federal, state, or local law.

275. **“Security”** has the meaning set forth in section 2(a)(1) of the Securities Act.

276. **“SIG”** means SIG Holdings, Inc. and/or one or more of its designated affiliates.

277. **“Special Committee”** means the special committee of the boards of directors of LightSquared Inc. and LightSquared GP Inc.

278. **“Specific Disclosure Statement”** means the *Second Amended Specific Disclosure Statement for the Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 2035].

279. **“Spectrum Allocation Petition for Rulemaking”** has the meaning set forth in the Disclosure Statement.

280. **“SPSO”** means SP Special Opportunities, LLC.

281. **“SPSO Affiliate”** means (a) Charles W. Ergen, Candy Ergen, and L-Band Acquisition, LLC and their successors and any member of a Group (as defined under Regulation 13D under the Securities Exchange Act of 1934, as amended) of which SPSO, Charles W. Ergen, Candy Ergen, and L-Band Acquisition, LLC or their successors are a member, and (b) any other Entity or Group directly or indirectly controlling, controlled by, or under common control with, SPSO, Charles W. Ergen, Candy Ergen, and/or L-Band Acquisition, LLC or their successors or any member of any Group of which SPSO, Charles W. Ergen, Candy Ergen, and/or L-Band Acquisition, LLC or their successors is a member; provided, that, for the purposes of this definition, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”), as used with respect to any Entity, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Entity, whether through the ownership of voting securities, by agreement or otherwise; provided, further, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”) as used with respect to any Entity shall also include (u) any Entity that directly or indirectly owns, or in which such Entity directly or indirectly owns more than ten percent (10%) of any class of capital stock or other equity interest of such Entity, (v) in the case of a corporation, any officer or director of such corporation, (w) in the case of a partnership, any general partner of such partnership, (x) in the case of a trust, any trustee or beneficiary of such trust, (y) any spouse, parent, sibling, or child or lineal descendant of any individual described in clauses (u) through (x) above, and (z) any trust for the benefit of any individual described in clauses (u) through (y) above. For the avoidance of doubt, it is understood that DISH Network Corporation, EchoStar Corporation, and any other Entity directly or indirectly controlling, controlled by, or under common control with, DISH Network Corporation or EchoStar Corporation are currently SPSO Affiliates.

282. **“SPSO Parties”** means SPSO or any SPSO Affiliate.

283. **“Stalking Horse Agreement”** has the meaning set forth in the Bid Procedures Order.

284. **“Standing Motion”** means that certain *Motion of the Ad Hoc Secured Group of LightSquared LP Lenders for Entry of an Order Granting Leave, Standing and Authority To Commence, Prosecute and/or Settle Certain Claims of the Debtors’ Estates* [Docket No. 323].

285. **“Standing Motion Stipulation”** means the *Stipulation and Order Resolving the Motion of the Ad Hoc Secured Group of LightSquared LP Lenders for Entry of an Order Granting Leave, Standing and Authority To Commence, Prosecute and/or Settle Certain Claims of the Debtors’ Estates* [Docket No. 323] *Solely with Respect to the Prepetition Inc. Facility Non-Subordinated Claims* [Docket No. 2054].

286. **“Standing Motion Stipulation Order”** means an order of the Bankruptcy Court approving the Standing Motion Stipulation.

287. **“Third Party New Inc. DIP Facility”** means that certain debtor-in-possession credit facility provided either (a) solely by one or more third parties other than the New Investors or (b) by one or more third parties other than the New Investors together with one or



more of the New Investors, in connection with the New Inc. DIP Credit Agreement and New DIP Orders in form and substance satisfactory to the New Investors and the Debtors in an aggregate principal amount not less than the aggregate principal amount of the New Inc. DIP Facility as set forth in the New Investor New Inc. DIP Commitment Letter (after giving effect to the conversion of the Acquired DIP Inc. Claims into New Inc. DIP Loans).

288. **“Unexpired Lease”** means a lease to which one or more of the Debtors is a party that is subject to assumption, assumption and assignment, or rejection under sections 365 or 1123 of the Bankruptcy Code, or may be amended by mutual agreement of the parties thereto.

289. **“Unimpaired”** means, with respect to a Class of Claims or Equity Interests, a Claim or an Equity Interest that is not impaired within the meaning of section 1124 of the Bankruptcy Code.

290. **“U.S. Trustee”** means the United States Trustee for the Southern District of New York.

291. **“U.S. Trustee Fees”** means fees arising under section 1930(a)(6) of the Judicial Code and, to the extent applicable, accrued interest thereon arising under 31 U.S.C. § 3717.

292. **“Voting Record Date”** means the date upon which the Disclosure Statement Order is entered by the Bankruptcy Court.

293. **“Working Capital Facility”** means that certain first lien credit facility in an original aggregate principal amount of \$1,250,000,000 provided in connection with the Working Capital Facility Credit Agreement.

294. **“Working Capital Facility Credit Agreement”** means that certain credit agreement or equivalent instrument with respect to the Working Capital Facility, to be entered into on the Effective Date among the New LightSquared Obligors and the Working Capital Lenders.

295. **“Working Capital Facility Loans”** means the working capital term loans or equivalent securities to be made or issued under the Working Capital Facility. The Working Capital Facility Loans shall have market terms and conditions satisfactory to New LightSquared, each of the New Investors, and the Debtors.

296. **“Working Capital Lenders”** means the lenders party to the Working Capital Facility Credit Agreement from time to time.

*B. Rules of Interpretation*

The following rules for interpretation and construction shall apply to the Plan: (1) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (2) any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a

particular form or on particular terms and conditions means that the referenced document shall be substantially in such form or substantially on such terms and conditions; (3) any reference herein to an existing document or exhibit having been Filed or to be Filed shall mean that document or exhibit as it may thereafter be amended, modified, or supplemented; (4) unless otherwise stated, all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time; (5) any reference herein to an Entity as a Holder of a Claim or Equity Interest includes that Entity's successors and assigns; (6) unless otherwise specified, all references herein to "Articles" or "Sections" are references to Articles or Sections hereof or hereto; (7) unless otherwise stated, the words "herein," "hereof," and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan; (8) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (9) unless otherwise stated, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; and (10) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules, as applicable.

*C. Computation of Time*

The provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein.

*D. Governing Law*

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and the Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of New York, without giving effect to the principles of conflict of laws (other than section 5-1401 and section 5-1402 of the New York General Obligations Law), shall govern the rights, obligations, construction, and implementation of the Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control), and corporate governance matters; provided, however, that corporate governance matters relating to the Debtors or the Reorganized Debtors, as applicable, not incorporated in New York shall be governed by the laws of the state or other jurisdiction of incorporation of the applicable Debtor or Reorganized Debtor, as applicable.

*E. Reference to Monetary Figures*

All references in the Plan to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided.

*F. Approval Rights Over Plan Documents*

Unless otherwise expressly provided in the Plan, all approval rights over the Plan or the Plan Documents for Plan Support Parties other than the New Investors and the Debtors shall be governed by the terms and conditions of the Plan Support Agreement.

*G. Rights of the Debtors Under the Plan*

Notwithstanding anything to the contrary contained in the Plan, to the extent any term or provision of the Plan provides the Debtors with (1) consent, approval or similar rights, including, without limitation, with respect to the form of, the substance of or amendments to the Plan, any documents or transactions contemplated by the Plan, or the other Plan Documents or (2) decision making rights, and either (a) the Debtors seek to exercise such rights in a circumstance not consented to by each of the New Investors or (b) the New Investors collectively seek to act or refrain from acting in a certain fashion, or collectively consent to the form of, the substance of, or amendments to the Plan or any documents contemplated by the Plan, and the Debtors fail to consent thereto, then the position of the New Investors shall govern, and the Debtors' sole right shall be to withdraw as a Plan Proponent, in which case all such consent, approval, or similar rights of the Debtors under the Plan shall be void and of no force and effect and shall be automatically deemed deleted from the Plan without further action by any Entity.

*H. Nonconsolidated Plan*

Although for purposes of administrative convenience and efficiency the Plan has been filed as a joint plan for each of the Debtors and presents together Classes of Claims against, and Equity Interests in, the Debtors, the Plan does not provide for the substantive consolidation of any of the Debtors.

**ARTICLE II.**

**ADMINISTRATIVE CLAIMS, ACCRUED PROFESSIONAL COMPENSATION CLAIMS, DIP CLAIMS, PRIORITY TAX CLAIMS, AND U.S. TRUSTEE FEES**

All Claims and Equity Interests (except Administrative Claims, Accrued Professional Compensation Claims, DIP Claims, Priority Tax Claims, and U.S. Trustee Fees) are placed in the Classes set forth in Article III hereof. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Accrued Professional Compensation Claims, DIP Claims, Priority Tax Claims, and U.S. Trustee Fees have not been classified, and the Holders thereof are not entitled to vote on the Plan. A Claim or Equity Interest is placed in a particular Class only to the extent that the Claim or Equity Interest falls within the description of that Class, and is classified in other Classes to the extent that any portion of the Claim or Equity Interest falls within the description of such other Classes.

*A. Administrative Claims*

Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtors, each Holder of an Allowed Administrative Claim (other than of an Accrued Professional Compensation Claim, DIP Claim, and KEIP Payment) shall receive in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Administrative Claim, Plan Consideration in the form of Cash in an amount equal to such Allowed Administrative Claim either: (1) on the Effective Date or as soon thereafter as reasonably practicable, or, if not then due, when such Allowed Administrative Claim is due or as soon thereafter as reasonably practicable; (2) if the Administrative Claim is not Allowed as

of the Effective Date, no later than thirty (30) days after the date on which an order of the Bankruptcy Court Allowing such Administrative Claim becomes a Final Order, or as soon thereafter as reasonably practicable or, if not then due, when such Allowed Administrative Claim is due or as soon thereafter as reasonably practicable; (3) if the Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their businesses after the Petition Date, pursuant to the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claims, without any further action by the Holders of such Allowed Administrative Claims; (4) at such other time that is agreed to by all of the New Investors (in consultation with the Debtors) or New LightSquared, as applicable, and the Holder of such Allowed Administrative Claim; or (5) at such other time and on such other terms set forth in an order (including, without limitation, the Confirmation Order and the New DIP Order) of the Bankruptcy Court; provided, that, to the extent any Allowed Administrative Claims are due and payable after the Effective Date, such Claims shall be paid by, and be the sole obligation of, New LightSquared and/or its subsidiaries and such Administrative Claims shall not be an obligation of any Reorganized Inc. Entity.

Except for Accrued Professional Compensation Claims, DIP Claims, U.S. Trustee Fees, and KEIP Payments, and unless previously Filed, requests for payment of Administrative Claims must be Filed and served on New LightSquared no later than the Administrative Claims Bar Date pursuant to the procedures specified in the Confirmation Order and the notice of the occurrence of the Effective Date. Objections to such requests must be Filed and served on New LightSquared and the requesting party by the later of (1) one hundred and eighty (180) days after the Effective Date and (2) one hundred and eighty (180) days after the Filing of the applicable request for payment of Administrative Claims, if applicable. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior Bankruptcy Court orders, the Allowed amounts, if any, of Administrative Claims shall be determined by, and satisfied in accordance with an order of, the Bankruptcy Court.

Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not File and serve such a request by the Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, the Reorganized Debtors or their property, and such Administrative Claims shall be deemed discharged as of the Effective Date without the need for any objection from the Reorganized Debtors or any action by the Bankruptcy Court.

Notwithstanding anything to the contrary herein, (1) a New Investor, the DIP Inc. Lenders, the DIP Inc. Agent, the Holders of Prepetition Inc. Facility Non-Subordinated Claims, and the Prepetition Inc. Agent shall not be required to File any request for payment of any Administrative Claims, including, but not limited to, any New Investor Fee Claims, DIP Claims, DIP Inc. Fee Claims, or Prepetition Inc. Fee Claims, and (2) any New Investor, the DIP Inc. Lenders, the DIP Inc. Agent, the Holders of Prepetition Inc. Facility Non-Subordinated Claims, and the Prepetition Inc. Agent shall be paid in accordance with the terms of the Plan, Confirmation Order, DIP Inc. Order, DIP LP Order, or other applicable governing documents.

Notwithstanding anything to the contrary herein, (1) the New Investor Fee Claims incurred through and including the Confirmation Date shall be paid in full, in Cash following the Inc. Facilities Claims Purchase Closing Date from the proceeds of the New DIP Facilities or Cash on hand, to the extent available up to \$10 million, with any such unpaid New Investor Fee Claims being paid on the Effective Date, and (2) the New Investor Fee Claims incurred after the Confirmation Date through and including the Effective Date (to the extent not previously paid), shall be paid monthly from the proceeds of the New DIP Facilities or Cash on hand, subject to the New Investors and the Debtors' prior receipt of invoices and reasonable documentation in connection therewith and without the requirement to File a fee application with the Bankruptcy Court. The Confirmation Order shall provide that the New Investor Fee Claims shall be deemed Allowed Administrative Claims following the Inc. Facilities Claims Purchase Closing Date.

*B. Accrued Professional Compensation Claims*

1. Final Fee Applications

All final requests for payment of Claims of a Professional shall be Filed no later than forty-five (45) days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior Bankruptcy Court orders, the Allowed amounts of such Accrued Professional Compensation Claims shall be determined by the Bankruptcy Court and satisfied in accordance with an order of the Bankruptcy Court.

2. Professional Fee Escrow Account

In accordance with Section II.B.3 hereof, on the Effective Date, New LightSquared shall establish and fund the Professional Fee Escrow Account in the form of Cash in an amount equal to the aggregate Professional Fee Reserve Amount for all Professionals. The Professional Fee Escrow Account shall be maintained in trust for the Professionals. Such funds shall not be considered property of the Debtors or Reorganized Debtors. The amount of Accrued Professional Compensation Claims owing to the Professionals shall be paid in Cash to such Professionals from funds held in the Professional Fee Escrow Account when such Claims are Allowed by a Final Order. When all Allowed Accrued Professional Compensation Claims are paid in full in Cash, amounts remaining in the Professional Fee Escrow Account, if any, shall revert to New LightSquared.

3. Professional Fee Reserve Amount

To receive payment for unbilled fees and expenses incurred through the Effective Date, the Professionals shall estimate their Accrued Professional Compensation Claims prior to and as of the Confirmation Date, along with an estimate of fees and expenses to be incurred through the Effective Date, and shall deliver such estimate to the Debtors and each of the New Investors no later than five (5) days prior to the anticipated Confirmation Date; provided, that such estimate shall not be considered an admission with respect to the fees and expenses of such Professional. If a Professional does not provide an estimate, the Debtors may estimate the unbilled fees and expenses of such Professional. The total amount so estimated and agreed to

by each of the New Investors and the Debtors as of the Confirmation Date shall comprise the Professional Fee Reserve Amount.

4. Post-Confirmation Date Fees and Expenses

Except as otherwise specifically provided in the Plan, on and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of, the Bankruptcy Court, and upon five (5) Business Days' advance notice to all of the New Investors, pay in Cash the reasonable legal, Professional, or other fees and expenses related to the Consummation and implementation of the Plan incurred by the Debtors on or after the Confirmation Date through the Effective Date. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 of the Bankruptcy Code or the Interim Compensation Order in seeking retention or compensation for services rendered from the Confirmation Date through the Effective Date shall terminate, and the Debtors may employ and pay any Professional in the ordinary course of business without any further notice to, or action, order, or approval of, the Bankruptcy Court, subject to the terms of the New DIP Orders. The payments contemplated by this section shall be included in all final requests for payment of Claims of a Professional as contemplated by Section II.B.1 hereof.

C. *DIP Inc. Claims*

The DIP Inc. Claims shall be Allowed and deemed to be Allowed Claims in the amount of \$122,437,327.70 as of January 15, 2015 (as increased on a per diem basis through and including the Inc. Facilities Claims Purchase Closing Date in accordance with the DIP Inc. Credit Agreement and DIP Inc. Order), plus any additional incremental funding provided by the DIP Inc. Lenders under the DIP Inc. Credit Agreement pursuant to a budget provided by the Debtors that is acceptable to the DIP Inc. Lenders together with related interest, default interest, fees, and expenses. The total amount of the Allowed DIP Inc. Claims shall be increased to include the 2% exit fee owed pursuant to the DIP Inc. Credit Agreement and DIP Inc. Order upon the repayment and/or conversion of all amounts outstanding under the DIP Inc. Facility, which amount of exit fee shall be calculated based upon the aggregate principal and interest outstanding under the DIP Inc. Facility immediately prior to the Inc. Facilities Claims Purchase Closing Date. For the avoidance of doubt, the economics of any incremental funding provided under the DIP Inc. Credit Agreement shall remain consistent with prior amendments thereto, including the accrual of interest at the default rate of 17.5%, payment of a financing fee of 3.5% in connection with each funding to be paid in kind at the time such future amendment(s) are approved by the Bankruptcy Court, the payment of a 2% exit fee upon repayment of the DIP Inc. Claims, and other terms and conditions otherwise acceptable to MAST.

In accordance with, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement, SIG shall purchase in Cash from the DIP Inc. Claims Sellers all rights, title, and interest to the JPM Acquired DIP Inc. Claims on the Inc. Facilities Claims Purchase Closing Date. On, and after giving effect to, the Inc. Facilities Claims Purchase

Closing Date, the JPM Acquired DIP Inc. Claims held by SIG shall be converted into New Inc. DIP Loans on a dollar-for-dollar basis.

In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each DIP Inc. Claim that is not a JPM Acquired DIP Inc. Claim, each Holder of such Allowed DIP Inc. Claim shall receive, on the Inc. Facilities Claims Purchase Closing Date, and concurrent with SIG's purchase of the JPM Acquired DIP Inc. Claims and the Acquired Inc. Facility Claims, Cash in an amount equal to such Allowed DIP Inc. Claims either (a) from the proceeds of the Third Party New Inc. DIP Facility or (b) as contemplated by the New Investor Commitment Documents.

*D. DIP LP Claims*

In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each DIP LP Claim, except to the extent that a Holder of an Allowed DIP LP Claim agrees to less favorable or other treatment, each Holder of an Allowed DIP LP Claim shall receive, on the New LP DIP Closing Date, Plan Consideration in the form of Cash from the proceeds of the New LP DIP Facility in an amount equal to such Allowed DIP LP Claim.

*E. New Inc. DIP Claims*

In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed New Inc. DIP Claim, and except to the extent that a Holder of an Allowed New Inc. DIP Claim agrees to less favorable or other treatment (including with respect to the New Inc. DIP Claims held by SIG), each Holder of an Allowed New Inc. DIP Claim shall receive, on the Effective Date, Plan Consideration in the form of Cash in an amount equal to its Allowed New Inc. DIP Claim; provided that, \$41 million of the New Inc. DIP Claims held by SIG shall be satisfied by converting such Claims on the Effective Date into the Reorganized LightSquared Inc. Exit Facility on a dollar-for-dollar basis with the remainder of the New Inc. DIP Claims held by SIG being satisfied with Plan Consideration in the form of Cash.

*F. New LP DIP Claims*

In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed New LP DIP Claim, except to the extent that a Holder of an Allowed New LP DIP Claim agrees to a less favorable or other treatment, each Holder of an Allowed New LP DIP Claim shall receive, on the Effective Date, Plan Consideration in the form of Cash in an amount equal to such Allowed New LP DIP Claims.

*G. Priority Tax Claims*

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable or other treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Priority Tax Claim, each Holder of an Allowed Priority Tax Claim due and payable on or prior to the Effective Date shall receive on the Effective Date or as soon thereafter as reasonably practicable: (1) Plan Consideration in the form of Cash in an amount equal to such Allowed Priority Tax Claim; (2) Plan Consideration in the

form of Cash in an amount agreed to by such Holder and New LightSquared; or (3) at the option of New LightSquared, Plan Consideration in the form of Cash in an aggregate amount equal to such Allowed Priority Tax Claim payable in installment payments over a period of not more than five (5) years after the Petition Date pursuant to section 1129(a)(9)(C) of the Bankruptcy Code. To the extent any Allowed Priority Tax Claim is not due and owing on the Effective Date, the Holder of such Claim shall receive Plan Consideration in the form of Cash in accordance with the terms of any agreement between New LightSquared and the Holder of such Claim, or as may be due and payable under applicable non-bankruptcy law or in the ordinary course of business.

*H. Payment of Statutory Fees*

On the Effective Date or as soon thereafter as reasonably practicable, the Reorganized Debtors shall pay all U.S. Trustee Fees that are due and owing on the Effective Date. Following the Effective Date, New LightSquared shall pay the U.S. Trustee Fees for each quarter (including any fraction thereof) until the first to occur of the Chapter 11 Cases being converted, dismissed, or closed.

**ARTICLE III.  
CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS**

*A. Summary*

The categories listed in Section III.B hereof classify Claims against, and Equity Interests in, each of the Debtors for all purposes, including voting, Confirmation, and distribution pursuant hereto and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or Equity Interest is classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Equity Interest qualifies within the description of such other Classes. A Claim or Equity Interest is also classified in a particular Class for the purpose of receiving Plan Distributions pursuant to the Plan only to the extent that such Claim or Equity Interest is an Allowed Claim or Allowed Equity Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

*B. Classification and Treatment of Claims and Equity Interests*

To the extent a Class contains Allowed Claims or Allowed Equity Interests with respect to a particular Debtor, the treatment provided to each Class for distribution purposes is specified below:

1. Class 1 – Inc. Other Priority Claims

- (a) *Classification:* Class 1 consists of all Inc. Other Priority Claims.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Inc. Other Priority Claim, on the Effective Date or as soon thereafter as reasonably



practicable, except to the extent that a Holder of an Allowed Inc. Other Priority Claim agrees to any other treatment, each Holder of an Allowed Inc. Other Priority Claim against an individual Inc. Debtor shall receive Plan Consideration in the form of Cash in an amount equal to such Allowed Inc. Other Priority Claim.

- (c) *Voting:* Class 1 is Unimpaired by the Plan. Each Holder of a Class 1 Inc. Other Priority Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 1 Inc. Other Priority Claim is entitled to vote to accept or reject the Plan.

2. Class 2 – LP Other Priority Claims

- (a) *Classification:* Class 2 consists of all LP Other Priority Claims.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed LP Other Priority Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed LP Other Priority Claim agrees to any other treatment, each Holder of an Allowed LP Other Priority Claim against an individual LP Debtor shall receive Plan Consideration in the form of Cash in an amount equal to such Allowed LP Other Priority Claim.
- (c) *Voting:* Class 2 is Unimpaired by the Plan. Each Holder of a Class 2 LP Other Priority Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 2 LP Other Priority Claim is entitled to vote to accept or reject the Plan.

3. Class 3 – Inc. Other Secured Claims

- (a) *Classification:* Class 3 consists of all Inc. Other Secured Claims.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Inc. Other Secured Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Inc. Other Secured Claim agrees to any other treatment, each Holder of an Allowed Inc. Other Secured Claim against an individual Inc. Debtor shall receive one of the following treatments, in the sole discretion of the New Investors (upon agreement of all of the New Investors) or the Reorganized Debtors, as applicable: (i) Plan Consideration in the form of Cash in an amount equal to such Allowed Inc. Other Secured Claim; (ii) delivery of the Collateral securing such Allowed Inc. Other Secured Claim and payment of interest required to be paid under section 506(b)

of the Bankruptcy Code, if any; or (iii) treatment of such Allowed Inc. Other Secured Claim in any other manner such that the Allowed Inc. Other Secured Claim shall be rendered Unimpaired.

- (c) *Voting:* Class 3 is Unimpaired by the Plan. Each Holder of a Class 3 Inc. Other Secured Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 3 Inc. Other Secured Claim is entitled to vote to accept or reject the Plan.

4. Class 4 – LP Other Secured Claims

- (a) *Classification:* Class 4 consists of all LP Other Secured Claims.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed LP Other Secured Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed LP Other Secured Claim agrees to any other treatment, each Holder of an Allowed LP Other Secured Claim against an individual LP Debtor shall receive one of the following treatments, in the sole discretion of the New Investors (upon agreement of all of the New Investors) or the Reorganized Debtors, as applicable: (i) Plan Consideration in the form of Cash in an amount equal to such Allowed LP Other Secured Claim; (ii) delivery of the Collateral securing such Allowed LP Other Secured Claim and payment of interest required to be paid under section 506(b) of the Bankruptcy Code, if any; or (iii) treatment of such Allowed LP Other Secured Claim in any other manner such that the Allowed LP Other Secured Claim shall be rendered Unimpaired.
- (c) *Voting:* Class 4 is Unimpaired by the Plan. Each Holder of a Class 4 LP Other Secured Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 4 LP Other Secured Claim is entitled to vote to accept or reject the Plan.

5. Class 5 - Prepetition Inc. Facility Non-Subordinated Claims

- (a) *Classification:* Class 5 consists of all Prepetition Inc. Facility Non-Subordinated Claims.
- (b) *Allowance:* Prepetition Inc. Facility Non-Subordinated Claims shall be Allowed Claims in the aggregate amount of \$337,879,725.54 as of January 15, 2015 (and as increased on a *per diem* basis through and including the Effective Date to account for Inc. Facility Postpetition Interest allocable to the Prepetition Inc. Facility Non-Subordinated Claims accrued from January 16, 2015 through the Effective Date) for

all purposes and, for the avoidance of doubt, shall include all principal, Inc. Facility Prepetition Interest, and Inc. Facility Postpetition Interest allocable to the Prepetition Inc. Facility Non-Subordinated Claims through and including the Effective Date, but shall exclude any Prepetition Inc. Facility Repayment Premium allocable to the Prepetition Inc. Facility Non-Subordinated Claims (which amount shall not be Allowed).

- (c) *Treatment:* In accordance with, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement, on the Inc. Facilities Claims Purchase Closing Date, SIG shall purchase in Cash from the Prepetition Inc. Facility Claims Sellers all rights, title, and interest to the Acquired Inc. Facility Claims in exchange for the Acquired Inc. Facility Claims Purchase Price. In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Acquired Inc. Facility Claim and the termination of Liens securing such Claims, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Acquired Inc. Facility Claim agrees to any other treatment, each Acquired Inc. Facility Claim, which shall include all Inc. Facility Postpetition Interest allocable to the Acquired Inc. Facility Claims through and including the Effective Date, shall be converted into the Reorganized LightSquared Inc. Exit Facility on a dollar-for-dollar basis on the Effective Date.
- (d) *Voting:* Class 5 is Impaired by the Plan. Each Holder of a Class 5 Prepetition Inc. Facility Non-Subordinated Claim as of the Voting Record Date is entitled to vote to accept or reject the Plan.

6. Class 6 - Prepetition Inc. Facility Subordinated Claims

- (a) *Classification:* Class 6 consists of all Prepetition Inc. Facility Subordinated Claims.
- (b) *Allowance:* Prepetition Inc. Facility Subordinated Claims shall be Allowed Claims in the aggregate amount of \$188,903,095.98 as of December 31, 2014 (and as increased on a *per diem* basis through and including the Effective Date to account for Inc. Facility Postpetition Interest allocable to the Prepetition Inc. Facility Subordinated Claims accrued from January 1, 2015 through the Effective Date) for all purposes and, for the avoidance of doubt, shall include all principal, Inc. Facility Prepetition Interest and Inc. Facility Postpetition Interest allocable to the Prepetition Inc. Facility Subordinated Claims through and including the Effective Date, but shall exclude the Prepetition Inc. Facility Repayment Premium allocable to the Prepetition Inc. Facility Subordinated Claims (which amount shall not be Allowed).

- (c) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Prepetition Inc. Facility Subordinated Claim and the termination of Liens securing such Claims and Harbinger's contribution to New LightSquared of the Harbinger Litigations, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Prepetition Inc. Facility Subordinated Claim agrees to any other treatment, each Holder of an Allowed Prepetition Inc. Facility Subordinated Claim shall receive Plan Consideration in the form of such Holder's pro rata share of (i) New LightSquared Series A Preferred Interests having an original liquidation preference equal to the Allowed amount of the principal amount of Prepetition Inc. Facility Subordinated Claims, plus the Inc. Facility Prepetition Interest and the Inc. Facility Postpetition Interest allocable to the Prepetition Inc. Facility Subordinated Claims as of the Effective Date, plus \$122,000,000, and (ii) 44.45% of the New LightSquared Common Interests. For the avoidance of doubt, the treatment provided to Class 6 herein shall satisfy in full any and all Claims (including, without limitation, guarantee claims and adequate protection claims) that may be asserted by the Holders of Prepetition Inc. Facility Subordinated Claims against any and all Debtors.
- (d) *Voting:* Class 6 is Impaired by the Plan. Each Holder of a Class 6 Prepetition Inc. Facility Subordinated Claim as of the Voting Record Date is entitled to vote to accept or reject the Plan.

7. Class 7A - Prepetition LP Facility Non-SPSO Claims

- (a) *Classification:* Class 7A consists of all Prepetition LP Facility Non-SPSO Claims.
- (b) *Allowance:* The Prepetition LP Facility Non-SPSO Claims against the LP Debtors shall be Allowed Claims on the Effective Date for all purposes, and, for the avoidance of doubt, shall include all LP Facility Postpetition Interest, all LP Facility Prepetition Interest, the LP Facility Repayment Premium, and the Prepetition LP Fee Claims.
- (c) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Prepetition LP Facility Non-SPSO Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Prepetition LP Facility Non-SPSO Claim agrees to any other treatment, each such Holder of an Allowed Prepetition LP Facility Non-SPSO Claim against the LP Debtors shall receive Second Lien Exit Term Loans in a principal amount equal to such Holder's Allowed Prepetition LP Facility Non-SPSO Claim as of the Effective Date; provided, that any Allowed Prepetition LP Fee Claims of Holders of Prepetition LP Facility Non-SPSO Claims (including any LP Group Fee Claim) shall be

payable in Cash or in Second Lien Exit Term Loans, and at such time(s), as determined by the New Investors and either the Debtors or the Reorganized Debtors, as applicable; provided, further, that any determination by the New Investors and either the Debtors or the Reorganized Debtors, as applicable, as to the form and manner of payment of the Prepetition LP Fee Claims of Holders of Prepetition LP Facility Non-SPSO Claims shall apply equally to all such Prepetition LP Fee Claims; provided, further, that the Plan Proponents reserve the right to modify the treatment of Class 7A to provide for the payment of all Allowed Prepetition LP Facility Non-SPSO Claims in full in Cash on the Effective Date.

- (d) *Voting:* Class 7A is Impaired by the Plan. Each Holder of a Class 7A Prepetition LP Facility Non-SPSO Claim as of the Voting Record Date is entitled to vote to accept or reject the Plan.

8. Class 7B - Prepetition LP Facility SPSO Claims

- (a) *Classification:* Class 7B consists of all Prepetition LP Facility SPSO Claims.
- (b) *Allowance:* The Prepetition LP Facility SPSO Claims against the LP Debtors shall include all LP Facility Postpetition Interest, all LP Facility Prepetition Interest, the LP Facility Repayment Premium, and the Prepetition LP Fee Claims. All parties in interest shall have the right to assert all claims and defenses to the allowance of any and all Prepetition LP Facility SPSO Claims previously sought and currently subject to the Appeal, except for equitable subordination of the Prepetition LP Facility SPSO Claims; provided, however, that in the case of any Prepetition LP Fee Claims requested by SPSO, all parties in interest shall have the right to assert all claims and defenses to the allowance thereof.
- (c) *Treatment:* In full and final satisfaction and discharge of, and in exchange for, each Prepetition LP Facility SPSO Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of a Prepetition LP Facility SPSO Claim agrees to any other treatment, each such Holder of a Prepetition LP Facility SPSO Claim against the LP Debtors shall receive Plan Consideration in the form of Cash in an amount equal to such Holder's Prepetition LP Facility SPSO Claim as of the Effective Date; provided, that in the case of any Prepetition LP Fee Claims asserted by SPSO, such Cash shall only be distributed to the Holder of such Claim upon the allowance thereof.

The Cash received by the Holders of the Prepetition LP Facility SPSO Claims shall be subject to disgorgement to New LightSquared without the further approval of any Entity, to the extent that the Bankruptcy

Court or any other court of competent jurisdiction, at the request of any party in interest, disallows (on the grounds set forth in Section III.B.8(b)) all or any part of the Prepetition LP Facility SPSO Claims.

- (d) *Voting:* Class 7B is Unimpaired by the Plan. Each Holder of a Class 7B Prepetition LP Facility SPSO Claim as of the Voting Record Date is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 7B Prepetition LP Facility SPSO Claim is entitled to vote to accept or reject the Plan.

9. Class 8A – Prepetition LP Facility Non-SPSO Guaranty Claims

- (a) *Classification:* Inc. Class 8A consists of all Prepetition LP Facility Non SPSO Guaranty Claims.
- (b) *Allowance:* The Prepetition LP Facility Non-SPSO Guaranty Claims shall be Allowed Claims on the Effective Date for all purposes, and for the avoidance of doubt shall include all LP Facility Postpetition Interest, all LP Facility Prepetition Interest, the LP Facility Repayment Premium, and the Prepetition LP Fee Claims.
- (c) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Prepetition LP Facility Non-SPSO Guaranty Claim, on the Effective Date, and except to the extent that a Holder of an Allowed Prepetition LP Facility Non-SPSO Guaranty Claim agrees to any other treatment, the Inc. Debtors who are New LightSquared Obligor shall each provide to the agent under the Second Lien Exit Facility guaranties of New LightSquared's obligations under the Second Lien Exit Facility, which guaranty shall be secured by the assets of such New LightSquared Obligor, and the New LightSquared Obligor will grant liens to the agent under the Second Lien Exit Facility on all other assets received by the New LightSquared Obligor from the Reorganized Inc. Entities pursuant to Section IV.B.2(c)(i) hereof.
- (d) *Voting:* Class 8A is Impaired by the Plan. Each Holder of a Class 8A Prepetition LP Facility Non-SPSO Guaranty Claim as of the Voting Record Date is entitled to vote to accept or reject the Plan. If the Holder of a Class 8A Prepetition LP Facility Non-SPSO Guaranty Claim votes to accept the Plan, such vote also shall be deemed an acceptance of the Plan with respect to Claims held by such Holder in Class 7A.

10. Class 8B –Prepetition LP Facility SPSO Guaranty Claims

- (a) *Classification:* Class 8B consists of all Prepetition LP Facility SPSO Guaranty Claims.

- (b) *Allowance:* The Prepetition LP Facility SPSO Guaranty Claims shall include all LP Facility Postpetition Interest, all LP Facility Prepetition Interest, the LP Facility Repayment Premium, and the Prepetition LP Fee Claims. All parties in interest shall have the right to assert all claims and defenses to the allowance of any and all Prepetition LP Facility SPSO Guaranty Claims previously sought and currently subject to the Appeal, except for equitable subordination of the Prepetition LP Facility SPSO Guaranty Claims; provided, however, that in the case of any Prepetition LP Fee Claims requested by SPSO, all parties in interest shall have the right to assert all claims and defenses to the allowance thereof.
- (c) *Treatment:* The Cash received by the Holders of the Prepetition LP Facility SPSO Claims shall be deemed to be in full and final satisfaction and discharge of, and in exchange for, each Prepetition LP Facility SPSO Guaranty Claim on the Effective Date.

The Cash received by the Holders of the Prepetition LP Facility SPSO Claims shall be subject to disgorgement to New LightSquared without the further approval of any Entity, to the extent that the Bankruptcy Court or any other court of competent jurisdiction, at the request of any party in interest, disallows (on the grounds set forth in Section III.B.8(b)) all or any part of the Prepetition LP Facility SPSO Claims.

- (d) *Voting:* Class 8B is Unimpaired by the Plan. Each Holder of a Class 8B Prepetition LP Facility SPSO Guaranty Claim as of the Voting Record Date is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 8B Prepetition LP Facility SPSO Guaranty Claim is entitled to vote to accept or reject the Plan.

11. Class 9 – Inc. General Unsecured Claims

- (a) *Classification:* Class 9 consists of all Inc. General Unsecured Claims.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Inc. General Unsecured Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Inc. General Unsecured Claim agrees to any other treatment, each Holder of an Allowed Inc. General Unsecured Claim against an individual Inc. Debtor shall receive Plan Consideration in the form of Cash in an amount equal to such Allowed Inc. General Unsecured Claim, including interest from the Petition Date to the Effective Date.
- (c) *Voting:* Class 9 is Unimpaired by the Plan. Each Holder of a Class 9 Inc. General Unsecured Claim is conclusively presumed to have

accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 9 Inc. General Unsecured Claim is entitled to vote to accept or reject the Plan.

12. Class 10 – LP General Unsecured Claims

- (a) *Classification:* Class 10 consists of all LP General Unsecured Claims.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed LP General Unsecured Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed LP General Unsecured Claim agrees to any other treatment, each Holder of an Allowed LP General Unsecured Claim against an individual LP Debtor shall receive Plan Consideration in the form of Cash in an amount equal to such Allowed LP General Unsecured Claim, including interest from the Petition Date to the Effective Date.
- (c) *Voting:* Class 10 is Unimpaired by the Plan. Each Holder of a Class 10 LP General Unsecured Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 10 LP General Unsecured Claim is entitled to vote to accept or reject the Plan.

13. Class 11 – Existing LP Preferred Units

- (a) *Classification:* Class 11 consists of all Existing LP Preferred Units.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Existing LP Preferred Units, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Existing LP Preferred Units agrees to any other treatment, each Holder of an Allowed Existing LP Preferred Units shall, at the Holder's option, receive Plan Consideration in the form of either (1) New LightSquared Series A-2 Preferred Interests having a liquidation preference equal to such Holder's pro rata share of Existing LP Preferred Units Distribution Amount or (2) New LightSquared Series C Preferred Interests having a liquidation preference equal to such Holder's pro rata share of Existing LP Preferred Units Distribution Amount. Each Holder must identify their election to receive New LightSquared Series A-2 Preferred Interests or New LightSquared Series C Preferred Interests in writing to the Debtors and each of the New Investors within ten (10) Business Days after entry of the Confirmation Order. If no election is timely made by a Holder of Allowed Existing LP Preferred Units, then such Holder shall be deemed to have elected to receive New LightSquared Series C Preferred Interests. For the avoidance of doubt, any New Investor that



holds Allowed Existing LP Preferred Units shall be deemed, and hereby agrees, to elect to receive New LightSquared Series C Preferred Interests solely on account of the Allowed Existing LP Preferred Units held by such New Investor as of the Distribution Record Date.

- (c) *Voting:* Class 11 is Impaired by the Plan. Each Holder of a Class 11 Existing LP Preferred Units as of the Voting Record Date is entitled to vote to accept or reject the Plan.

14. Class 12 – Existing Inc. Preferred Stock Equity Interests

- (a) *Classification:* Class 12 consists of all Existing Inc. Preferred Stock Equity Interests.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Existing Inc. Preferred Stock Equity Interest, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Existing Inc. Preferred Stock Equity Interest agrees to any other treatment:
  - (i) each Other Existing Inc. Preferred Equity Holder shall receive on account of its Allowed Existing Inc. Preferred Stock Equity Interest Plan Consideration in the form of such Holder's pro rata share of New LightSquared Series C Preferred Interests having an original liquidation preference equal to the outstanding liquidation preference of the Existing Inc. Preferred Stock held by such Other Existing Inc. Preferred Equity Holder as of the Effective Date (excluding any prepayment or redemption premium) in the manner set forth in Section IV.B.2(d)(iii) below; and
  - (ii) SIG shall receive 100% of the Reorganized LightSquared Inc. Common Shares issued as of the Effective Date.
- (c) *Voting:* Class 12 is Impaired by the Plan. Each Holder of a Class 12 Existing Inc. Preferred Stock Equity Interest as of the Voting Record Date is entitled to vote to accept or reject the Plan.

15. Class 13 – Existing LP Common Units Equity Interests

- (a) *Classification:* Class 13 consists of all Existing LP Common Units Equity Interests.
- (b) *Treatment:* All Existing LP Common Units Equity Interests shall be cancelled as of the Effective Date, and Holders of Existing LP Common

Units Equity Interests shall not receive any distribution under the Plan on account of such Existing LP Common Units Equity Interests.

- (c) *Voting:* Class 13 is Impaired by the Plan. Each Holder of a Class 13 Existing LP Common Units Equity Interest is deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. No Holder of a Class 13 Existing LP Common Units Equity Interest is entitled to vote to accept or reject the Plan.

16. Class 14 – Existing Inc. Common Stock Equity Interests

- (a) *Classification:* Class 14 consists of all Existing Inc. Common Stock Equity Interests.
- (b) *Treatment:* All Existing Inc. Common Stock Equity Interests shall be cancelled as of the Effective Date, and Holders of Existing Inc. Common Stock Equity Interests shall not receive any distribution under the Plan on account of such Existing Inc. Common Stock Equity Interests.
- (c) *Voting:* Class 14 is Impaired by the Plan. Each Holder of a Class 14 Existing Inc. Common Stock Equity Interest is deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. No Holder of a Class 14 Existing Inc. Common Stock Equity Interest is entitled to vote to accept or reject the Plan.

17. Class 15A – Inc. Debtor Intercompany Claims

- (a) *Classification:* Class 15A consists of all Intercompany Claims against the Inc. Debtors.
- (b) *Treatment:* Holders of Allowed Intercompany Claims against an Inc. Debtor shall not receive any distribution from Plan Consideration on account of such Intercompany Claims.
- (c) *Voting:* Class 15A is Impaired by the Plan. Each Holder of a Class 15A Inc. Debtor Intercompany Claim is conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. No Holder of a Class 15A – Inc. Debtor Intercompany Claim is entitled to vote to accept or reject the Plan.

18. Class 15B – LP Debtor Intercompany Claims

- (a) *Classification:* Class 15B consists of all Intercompany Claims against the LP Debtors.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Intercompany Claim

against an LP Debtor, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Intercompany Claim against an LP Debtor agrees to any other treatment, each Allowed Intercompany Claim against an LP Debtor shall be Reinstated for the benefit of the Holder thereof; provided, that the Inc. Debtors agree that they shall not receive any recovery on account of, and shall discharge, any and all of the Intercompany Claims that they can assert against each of the LP Debtors. After the Effective Date, the Reorganized LP Debtors, in their sole discretion, shall have the right to resolve or compromise Allowed Intercompany Claims against an LP Debtor without further notice to or action, order, or approval of the Bankruptcy Court.

- (c) *Voting:* Class 15B is Unimpaired by the Plan. Each Holder of a Class 15B LP Debtor Intercompany Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 15B LP Debtor Intercompany Claim is entitled to vote to accept or reject the Plan.

19. Class 16A – LP Debtor Intercompany Interests

- (a) *Classification:* Class 16A consists of all Intercompany Interests in an LP Debtor.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Intercompany Interest in an LP Debtor, other than Allowed Existing LP Common Units, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Intercompany Interest in an LP Debtor agrees to any other treatment, each Allowed Intercompany Interest in an LP Debtor, other than Allowed Existing LP Common Units, shall be Reinstated for the benefit of the Holder thereof and treated in accordance with the Plan, as applicable.
- (c) *Voting:* Class 16A is Unimpaired by the Plan. Each Holder of a LP Debtor Class 16A Intercompany Interest is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a LP Debtor Class 16A Intercompany Interest is entitled to vote to accept or reject the Plan.

20. Class 16B – Inc. Debtor Intercompany Interests

- (a) *Classification:* Class 16B consists of all Intercompany Interests in an Inc. Debtor.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Intercompany Interest

in an Inc. Debtor, on the Effective Date or as soon thereafter as reasonably practicable, and except to the extent an Intercompany Interest in an Inc. Debtor is assigned or otherwise transferred pursuant to Section IV.B.2(c) hereof, each Allowed Intercompany Interest in an Inc. Debtor shall be Reinstated for the benefit of the Holder thereof and treated in accordance with the Plan, as applicable.

- (c) *Voting*: Class 16B is Unimpaired by the Plan. Each Holder of an Inc. Debtor Class 16B Intercompany Interest is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of an Inc. Debtor Class 16B Intercompany Interest is entitled to vote to accept or reject the Plan.

*C. Special Provision Governing Unimpaired Claims and Equity Interests*

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' rights in respect of any Unimpaired Claims or Equity Interests, including, without limitation, all rights in respect of legal and equitable defenses to, or setoffs or recoupments against, any such Unimpaired Claims or Equity Interests.

*D. Acceptance or Rejection of Plan*

1. Voting Classes Under Plan

Under the Plan, Classes 5, 6, 7A, 8A, 11, and 12 are Impaired, and each Holder of a Claim or Equity Interest as of the Voting Record Date in such Classes is entitled to vote to accept or reject the Plan.

2. Presumed Acceptance Under Plan

Under the Plan, (a) Classes 1, 2, 3, 4, 7B, 8B, 9, 10, 15B, 16A, and 16B are Unimpaired, (b) the Holders of Claims in such Classes are conclusively presumed to have accepted the Plan, and (c) such Holders are not entitled to vote to accept or reject the Plan.

3. Acceptance by Impaired Classes of Claims or Equity Interests

Pursuant to section 1126(c) of the Bankruptcy Code, and except as otherwise provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Claims has accepted the Plan if the Holders of at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the Allowed Claims in such Class actually voting have voted to accept the Plan.

Pursuant to section 1126(d) of the Bankruptcy Code, and except as otherwise provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Equity Interests has accepted the Plan if the Holders of at least two-thirds (2/3) in amount of the Allowed Equity Interests in such Class actually voting have voted to accept the Plan.

4. Presumed Acceptance by Non-Voting Classes

If a Class contains Claims or Equity Interests eligible to vote and no Holders of Claims or Equity Interests eligible to vote in such Class vote to accept or reject the Plan, the Plan shall be presumed accepted by the Holders of such Claims or Equity Interests in such Class.

5. Deemed Rejection of the Plan

Under the Plan, Classes 13, 14, and 15A are Impaired, and the Holders of Claims and Equity Interests in such Classes (a) shall receive no distributions under the Plan on account of their Claims or Equity Interests, (b) are deemed to have rejected the Plan, and (c) are not entitled to vote to accept or reject the Plan, and the votes of such Holders shall not be solicited.

*E. Elimination of Vacant Classes*

Any Class of Claims or Equity Interests that does not contain a Holder of an Allowed Claim or Allowed Equity Interest, or a Claim or Equity Interest temporarily Allowed by the Bankruptcy Court as of the Confirmation Hearing Date, shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

*F. Confirmation Pursuant to Section 1129(b) of Bankruptcy Code*

The Plan Proponents will request Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any Impaired Class that is deemed to reject the Plan or votes to reject the Plan. The Plan Proponents reserve the right, with the consent of the JPM Investment Parties and, solely with respect to the Plan, the JPM Inc. Facilities Claims Purchase Agreement, the New Investor Commitment Documents, and the Second Lien Exit Credit Agreement, MAST, to revoke or withdraw the Plan or any document in the Plan Supplement, subject to and in accordance with the Plan Support Agreement and the terms of the Plan. The Plan Proponents, with the consent of MAST (to the extent provided herein and in the Plan Support Agreement), also reserve the right to alter, amend, or modify the Plan or any document in the Plan Supplement, including amending or modifying it to satisfy the requirements of section 1129(b) of the Bankruptcy Code, if necessary, subject to and in accordance with the Plan Support Agreement or, in the case of the Debtors, the terms of the Plan, as applicable. Any alternative treatment to be provided to a Holder of Claims or Equity Interests instead of the treatment expressly provided in this Article III shall require the prior consent of each New Investor and the Debtors and, prior to the Inc. Facilities Claims Purchase Closing Date and solely with respect to the treatment of the Prepetition Inc. Facility Non-Subordinated Claims, MAST.

*G. Controversy Concerning Impairment*

If a controversy arises as to whether any Claims or Equity Interests, or any Class of Claims or Equity Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

**ARTICLE IV.  
MEANS FOR IMPLEMENTATION OF PLAN**

*A. Sources of Consideration for Plan Distributions*

All consideration necessary for the Disbursing Agent to make Plan Distributions shall be derived from Cash on hand and proceeds from the New DIP Facilities, the JPM Inc. Facilities Claims Purchase Agreement, the New Investor Commitment Documents (as applicable), the Working Capital Facility, the Second Lien Exit Facility, the Reorganized LightSquared Inc. Exit Facility as well as the New LightSquared Entities Shares.

*B. Plan Transactions*

The Confirmation Order shall be deemed to authorize, among other things, the Plan Transactions. On and after the Confirmation Date or the Effective Date, as applicable, the Plan Proponents, with the consent of each New Investor, or the Reorganized Debtors, as applicable, may take all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan and this Article IV, including: (1) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, reorganization, or dissolution containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable law; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any property, right, liability, duty, or obligation on terms consistent with the terms of the Plan; (3) the filing of appropriate certificates of incorporation, certificates of partnership, merger, amalgamation, consolidation, conversion, reconstitution, or dissolution with the appropriate governmental authorities pursuant to applicable law; and (4) all other actions that each of the New Investors or the Reorganized Debtors, as applicable, determine are necessary or appropriate.

1. Confirmation Date Plan Transactions. Certain Plan Transactions occurring prior to, on, or as soon as practicable after the Confirmation Date shall include, without limitation, the following:

- (a) On the Inc. Facilities Claims Purchase Closing Date, the New Inc. DIP Obligors, the New Inc. DIP Lenders, and other relevant Entities shall enter into the New Inc. DIP Credit Agreement and, subject to the terms of the New Inc. DIP Credit Agreement, the New Inc. DIP Lenders shall fund the New Inc. DIP Facility (including by converting Acquired DIP Inc. Claims into New Inc. DIP Loans to the extent applicable) and the proceeds thereof shall be used (i) to indefeasibly repay the Allowed DIP Inc. Claims (other than the Acquired DIP Inc. Claims to the extent

applicable) in full in Cash, and (ii) for general corporate purposes and to fund the working capital needs of the Inc. Debtors through the Effective Date. The New Inc. DIP Facility may be combined with the New LP DIP Facility, but only to the extent that the Inc. Facilities Claims Purchase Closing Date has occurred (or will occur concurrently therewith) and the Allowed DIP Inc. Claims that are not JPM Acquired DIP Inc. Claims have been indefeasibly paid in full in Cash either (i) from the proceeds of the Third Party New Inc. DIP Facility or (ii) as contemplated by the New Investor Commitment Documents.

- (b) On the New LP DIP Closing Date, the New LP DIP Obligors, New LP DIP Lenders, and other relevant Entities shall enter into the New LP DIP Credit Agreement. The New LP DIP Facility may be combined with the New Inc. DIP Facility. On the New LP DIP Closing Date, subject to the terms of the New LP DIP Credit Agreement, the New LP DIP Lenders shall fund the New LP DIP Facility, and the proceeds thereof shall be used to indefeasibly repay in full in Cash the Allowed DIP LP Claims and for general corporate purposes and to fund the working capital needs of the LP Debtors through the Effective Date.
- (c) Pursuant to, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement, SIG shall purchase from the DIP Inc. Claims Sellers in Cash all right, title, and interest to the JPM Acquired DIP Inc. Claims upon the Inc. Facilities Claims Purchase Closing Date. On the New Inc. DIP Closing Date, the JPM Acquired DIP Inc. Claims purchased by SIG shall be converted into New Inc. DIP Loans on a dollar-for-dollar basis, of which on the Effective Date, \$41,000,000 shall be converted into the Reorganized LightSquared Inc. Exit Facility as set forth in Section IV.B.2(d)(i) and the remainder of New Inc. DIP Claims held by SIG (including any accrued and unpaid interest thereon) shall be paid in Cash.
- (d) To the extent applicable, pursuant to, and subject to the terms and conditions of, the New Investor Commitment Documents, Fortress and Centerbridge shall purchase from the DIP Inc. Claims Sellers in Cash all right, title, and interest to the Fortress/Centerbridge Acquired DIP Inc. Claims upon the Inc. Facilities Claims Purchase Closing Date. On the New Inc. DIP Closing Date, the Fortress/Centerbridge Acquired DIP Inc. Claims purchased by Fortress and Centerbridge shall be converted into New Inc. DIP Loans on a dollar-for-dollar basis.
- (e) Pursuant to, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement, SIG shall purchase from the Prepetition Inc. Facility Claim Sellers in Cash all right, title, and interest to the Acquired Inc. Facility Claims upon the Inc. Facilities Claims Purchase Closing Date. For the avoidance of doubt, the Inc. Facility Postpetition Interest shall continue to accrue on the Acquired Inc.

Facility Claims after the Inc. Facilities Claims Purchase Closing Date through the Effective Date. On the Effective Date, the Acquired Inc. Facility Claims shall be converted into the Reorganized LightSquared Inc. Exit Facility as set forth in Section IV.B.2(d)(i) below. For the avoidance of doubt, the Inc. Facilities Claims Purchase Closing Date shall coincide with the payment in full in Cash of the DIP Inc. Claims that are not Acquired DIP Inc. Claims as set forth in Section IV.B.1(a).

2. Effective Date Plan Transactions. Plan Transactions occurring on the Effective Date shall include, without limitation, the following:

- (a) LightSquared LP shall be converted to a Delaware limited liability company pursuant to applicable law.
- (b) Fortress and Centerbridge shall fund to New LightSquared their Effective Date Investments. As consideration for such Effective Date Investments, New LightSquared shall issue: (i) to Fortress, 26.20% of New LightSquared Common Interests and New LightSquared Series B Preferred Interests having an original liquidation preference of \$68,391,643.16; and (ii) to Centerbridge, 8.10% of New LightSquared Common Interests and New LightSquared Series B Preferred Interests having an original liquidation preference of \$21,108,531.85.
- (c) Certain Transactions Between New LightSquared and Reorganized Inc. Entities.
  - (i) On the Effective Date, each Reorganized Inc. Entity shall assign, contribute or otherwise transfer to New LightSquared substantially all of its assets, including all legal, equitable, and beneficial right, title, and interest thereto and therein, including, without limitation, all of its equity interests, if any, in any Reorganized Debtor (except as provided below), intellectual property, contractual rights, Retained Causes of Action, and the right to prosecute such Retained Causes of Action and receive the benefits therefrom; but excluding each Reorganized Inc. Entity's tax attributes and direct or indirect equity interests in One Dot Four Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, TMI Communications Delaware, Limited Partnership, LightSquared Investors Holdings Inc. and SkyTerra Investors LLC; and
  - (ii) As consideration for the Reorganized Inc. Entities assigning, contributing or otherwise transferring their assets to New LightSquared as described in clause (i) above, on the Effective Date, New LightSquared shall (A) issue to the Reorganized Inc. Entities (1) 21.25% of the New LightSquared Common Interests, (2) New LightSquared Series C Preferred Interests having an



original liquidation preference equal to (y) the outstanding liquidation preference of the Existing Inc. Preferred Stock held by the Other Existing Inc. Preferred Equity Holders as of the Effective Date (excluding any prepayment or redemption premium) plus (z) \$73,000,000 (subject to the distribution obligations set forth in Section IV.B.2(d)(iii)), (3) New LightSquared Series B Preferred Interests having an original liquidation preference of \$41,000,000 and (4) New LightSquared Series A-1 Preferred Interests having an original liquidation preference equal to the Allowed Prepetition Inc. Facility Non-Subordinated Claims held by SIG as of the Effective Date; and (B) assume all obligations with respect to, and make the Plan Distributions required to be made under the Plan with respect to Allowed Inc. Other Priority Claims, Allowed Inc. Other Secured Claims, Allowed Prepetition Inc. Facility Subordinated Claims, and Allowed Inc. General Unsecured Claims.

(d) Certain Transactions Regarding Claims Against and Equity Interests in the Inc. Debtors.

- (i) The Acquired Inc. Facility Claims (including all Inc. Facility Postpetition Interest) and \$41,000,000 of the New Inc. DIP Loans held by SIG (as a result of the conversion of its JPM Acquired DIP Inc. Claims into such New Inc. DIP Loans in accordance with Section II.C.), will be converted into the Reorganized LightSquared Inc. Exit Facility on a dollar-for-dollar basis (with the remainder of the New Inc. DIP Loans held by SIG to be repaid in full in Cash);
- (ii) Reorganized LightSquared Inc. shall issue 100% of the Reorganized LightSquared Inc. Common Shares to SIG in satisfaction of its Existing Inc. Preferred Stock Equity Interests as set forth in Section III.B.14(b)(ii) hereof;
- (iii) The Reorganized Inc. Entities shall distribute to Other Existing Inc. Preferred Equity Holders in satisfaction of their Existing Inc. Preferred Stock Equity Interests as set forth in Section III.B.14(b)(i) hereof, New LightSquared Series C Preferred Interests having an original liquidation preference equal to the outstanding liquidation preference of the Existing Inc. Preferred Stock held by the Other Existing Inc. Preferred Equity Holders as of the Effective Date (excluding any prepayment or redemption premium); and
- (iv) After giving effect to the transfer of assets contemplated by Section IV.B.2(c) above, and to the distributions of New LightSquared Series C Preferred Interests contemplated by

Section IV.B.2(d)(iii) above, Reorganized Inc. Entities will, collectively, hold 21.25% of New LightSquared Common Interests, New LightSquared Series C Preferred Interests having an original liquidation preference of \$73,000,000, New LightSquared Series B Preferred Interests having an original liquidation preference of \$41,000,000 and New LightSquared Series A-1 Preferred Interests having an original liquidation preference equal to the Prepetition Inc. Facility Non-Subordinated Claims held by SIG as of the Effective Date, and will retain their tax attributes and Reorganized LightSquared Inc. will retain 100% of the equity interests in One Dot Four Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, TMI Communications Delaware, Limited Partnership, LightSquared Investors Holdings Inc. and SkyTerra Investors LLC; provided that, on the Effective Date, the Reorganized Inc. Entities shall have the option to exchange on a dollar-for-dollar basis all or a portion of their New LightSquared Series A-1 Preferred Interests into New LightSquared Series A-2 Preferred Interests and/or additional New LightSquared Series C Preferred Interests.

3. New LightSquared Loan Facilities.

- (a) New LightSquared and the other relevant Entities shall enter into the Working Capital Facility and the Second Lien Exit Facility. Confirmation of the Plan shall constitute (i) approval of the Working Capital Facility, Second Lien Exit Facility, and all transactions contemplated thereby, including any and all actions to be taken, undertakings to be made, and obligations to be incurred by the New LightSquared Obligor in connection therewith, including the payment of all fees, indemnities, and expenses provided for therein, and (ii) authorization for the New LightSquared Obligor to enter into and execute the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement and such other documents as may be required or appropriate. On the Effective Date, the Working Capital Facility and the Second Lien Exit Facility, together with any new promissory notes evidencing the obligations of the New LightSquared Obligor, and all other documents, instruments, mortgages, and agreements to be entered into, delivered, or confirmed thereunder, shall become effective, valid, binding, and enforceable in accordance with their terms, and each party thereto shall be bound thereby. The obligations incurred by the New LightSquared Obligor pursuant to the Working Capital Facility and the Second Lien Exit Facility and related documents shall be secured and paid or otherwise satisfied pursuant to, and as set forth in, the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement and related documents.

- (i) Working Capital Facility. The New LightSquared Obligor, Working Capital Lenders, and other relevant Entities shall enter into the Working Capital Facility. The Working Capital Lenders shall fund the Working Capital Facility through the provision of new financing, in accordance with the Plan, Confirmation Order, and Working Capital Facility Credit Agreement, and shall provide for loans in the aggregate principal amount of up to \$1,250,000,000.

The Working Capital Facility Loans shall be secured by senior liens on all assets of the New LightSquared Obligor, and shall have market terms and conditions satisfactory to New LightSquared, each of the New Investors, and the Debtors.

New LightSquared shall use the proceeds from the Working Capital Facility for the purposes specified in the Plan, including to satisfy Allowed Administrative Claims, repay the New DIP Facilities (other than \$41 million of the New Inc. DIP Loans held by SIG on account of the JPM Acquired DIP Inc. Claims), for general corporate purposes and working capital needs, and to make Plan Distributions.

The Working Capital Facility Loans may not be made by or assigned or otherwise transferred (including by participation) to any Prohibited Transferee and any assignment or other transfer (including by participation) to a Prohibited Transferee shall be *void ab initio*.

- (ii) Second Lien Exit Facility. The New LightSquared Obligor and the other relevant Entities shall enter into the Second Lien Exit Facility. The Second Lien Exit Facility shall be funded through (a) the provision of new financing in Cash by certain of the Second Lien Exit Term Lenders in an amount equal to the Prepetition LP Facility SPSO Claims as of the Effective Date and (b) the conversion of the Prepetition LP Facility Non-SPSO Claims as of the Effective Date into loans under the Second Lien Exit Facility in accordance with the Plan, Confirmation Order, and Second Lien Exit Credit Agreement. The Second Lien Exit Facility shall provide for loans in the aggregate principal amount of the Prepetition LP Facility Claims as of the Effective Date plus the amount of the commitment fee under the Second Lien Exit Facility Commitment Letter. Second Lien Exit Term Loans shall be secured by second liens on all assets of the New LightSquared Obligor, have a five (5) year term, bear interest at the rate of the higher of (a) 12% and (b) 300 basis points greater than the interest rate of the Working Capital Facility per annum, payable in kind, and not be callable for the first two (2) years

after the Effective Date, subject in each case to the terms of the Second Lien Exit Facility Credit Agreement.

The Second Lien Exit Term Loans made pursuant to the Second Lien Exit Facility shall be made by the Holders of Prepetition LP Facility Non-SPSO Claims and certain third parties. In connection with the Second Lien Exit Facility, certain of the Second Lien Exit Term Lenders have entered into the Second Lien Exit Facility Commitment Letter, pursuant to which the Debtors have agreed to pay to the Second Lien Exit Term Lenders party thereto a commitment fee in an amount of Second Lien Exit Term Loans in accordance with the terms of such commitment letter.

No Prohibited Transferee (including SPSO Parties) shall be permitted to hold (either by assignment, participation or otherwise) any Second Lien Exit Term Loans and any assignment or other transfer (including by participation) thereof to a Prohibited Transferee (including SPSO Parties) shall be void *ab initio*.

The Second Lien Exit Credit Agreement shall also provide that, prior to a vote or other consent solicitation on any matter requiring a vote or consent by Second Lien Exit Term Lenders (or any portion thereof), the administrative agent under the Second Lien Exit Facility must receive prior to each such vote or consent solicitation a written certification from each Second Lien Exit Term Lender that no Prohibited Transferee has any direct or indirect interest (including, without limitation, pursuant to any participation or voting agreement) in such Second Lien Exit Term Lender's Second Lien Exit Term Loans (and if no such certificate is delivered by a particular Second Lien Exit Term Lender, such Second Lien Exit Term Lender's Second Lien Exit Term Loans shall be excluded from such vote or consent solicitation).

4. Reorganized LightSquared Inc. Exit Facility.

- (a) Reorganized LightSquared Inc. and SIG shall enter into the Reorganized LightSquared Inc. Exit Facility, which shall provide for loans in the aggregate principal amount equal to \$41 million of the New Inc. DIP Loans held by SIG on account of the JPM Acquired DIP Inc. Claims as of the Effective Date and the Acquired Inc. Facility Claims as of the Effective Date, and which shall be secured by liens on all assets of Reorganized LightSquared Inc. The Reorganized LightSquared Inc. Exit Facility shall be funded through the conversion of the Acquired Inc. Facility Claims and \$41 million of the New Inc. DIP Loans held by SIG

into loans under the Reorganized LightSquared Inc. Exit Facility in accordance with the Plan.

- (b) Confirmation of the Plan shall constitute (i) approval of the Reorganized LightSquared Inc. Exit Facility and all transactions contemplated thereby, including any and all actions to be taken, undertakings to be made, and obligations to be incurred by Reorganized LightSquared Inc. in connection therewith, and (ii) authorization for Reorganized LightSquared Inc. to enter into and execute the Reorganized LightSquared Inc. Credit Agreement and such other documents as may be required or appropriate.
- (c) On the Effective Date, the Reorganized LightSquared Inc. Exit Facility, together with any new promissory notes evidencing the obligations of Reorganized LightSquared Inc. and all other documents, instruments, mortgages, and agreements to be entered into, delivered, or confirmed thereunder, shall become effective, valid, binding, and enforceable in accordance with their terms, and each party thereto shall be bound thereby. The obligations incurred by Reorganized LightSquared Inc. pursuant to the Reorganized LightSquared Inc. Exit Facility and related documents shall be secured and paid or otherwise satisfied pursuant to, and as set forth in, the Reorganized LightSquared Inc. Credit Agreement and related documents.

*C. Issuance of New LightSquared Entities Shares; Reinstatement of Reinstated Intercompany Interests*

On the Effective Date or as soon thereafter as reasonably practicable, except as otherwise provided herein, (1) New LightSquared or Reorganized LightSquared Inc., as applicable, shall (a) issue the New LightSquared Entities Shares required to be issued in accordance with the Plan and all related instruments, certificates, and other documents required to be issued or distributed pursuant to the Plan, and (2) all Intercompany Interests shall be Reinstated for the benefit of the Holders thereof and treated in accordance with the Plan, as applicable. The issuance of the New LightSquared Entities Shares and the Reinstatement of the Reinstated Intercompany Interests are authorized without the need for any further corporate action or without further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity. All of the New LightSquared Entities Shares issued (or Reinstated) pursuant to the Plan shall be duly authorized, validly issued, and, if applicable, fully paid and non-assessable.

The applicable Reorganized Debtors Governance Documents shall contain provisions necessary to (1) except as consented to by the initial holder thereof, prohibit the issuance of nonvoting equity securities as required by section 1123(a)(6) of the Bankruptcy Code, subject to further amendment of the applicable Reorganized Debtors Governance Documents as permitted by applicable law, and (2) effectuate the provisions of the Plan, in each case without

any further action by the holders of New LightSquared Entities Shares or directors of the Debtors or the Reorganized Debtors.

On the Effective Date, New LightSquared shall issue the New LightSquared Series A Preferred Interests, the New LightSquared Series B Preferred Interests and the New LightSquared Series C Preferred Interests, the respective terms and rights of which shall be set forth in the New LightSquared Interest Holders Agreement.

*D. Section 1145 and Other Exemptions*

The offering, issuance, and distribution of the securities contemplated by the Plan and any and all agreements incorporated herein, including the New LightSquared Entities Shares, shall be exempt from, among other things, the registration and prospectus delivery requirements of section 5 of the Securities Act, and any other applicable state and federal law requiring registration or delivery of a prospectus prior to the offering, issuance, distribution, or sale of securities, pursuant to section 1145 of the Bankruptcy Code or pursuant to another applicable exemption from registration requirements of the Securities Act. In addition, any securities contemplated by the Plan and any and all agreements incorporated therein, including the New LightSquared Entities Shares, shall be subject to (1) if issued pursuant to section 1145 of the Bankruptcy Code, the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act, (2) compliance with any rules and regulations of the Securities and Exchange Commission, if any, applicable at the time of any future transfer of such securities or instruments, (3) the restrictions, if any, on the transferability of such securities and instruments, including those set forth in the Reorganized Debtors Governance Documents, and (4) applicable regulatory approval, if any.

*E. Listing of New LightSquared Entities Shares; Reporting Obligations*

Except as may be determined in accordance with the Reorganized Debtors Governance Documents, the Reorganized Debtors shall not be (1) obligated to list the New LightSquared Entities Shares on a national securities exchange, (2) reporting companies under the Securities Exchange Act, (3) required to file reports with the Securities and Exchange Commission or any other Entity or party, or (4) required to file monthly operating reports, or any other type of report, with the Bankruptcy Court after the Effective Date. In order to prevent the Reorganized Debtors from becoming subject to the reporting requirements of the Securities Exchange Act, except in connection with a public offering, the Reorganized Debtors Governance Documents may impose certain trading restrictions, and the New LightSquared Entities Shares shall be subject to certain transfer and other restrictions pursuant to the Reorganized Debtors Governance Documents.

*F. New LightSquared Interest Holders Agreement*

On the Effective Date, New LightSquared shall enter into and deliver the New LightSquared Interest Holders Agreement.

Confirmation of the Plan shall constitute (1) approval of the New LightSquared Interest Holders Agreement and all transactions contemplated thereby, including any and all actions to be taken, undertakings to be made, and obligations to be incurred by New LightSquared, and (2) authorization for New LightSquared to enter into and execute the New LightSquared Interest Holders Agreement and such other documents as may be required or appropriate. On the Effective Date, the New LightSquared Interest Holders Agreement, together with all other documents, instruments, and agreements to be entered into, delivered, or confirmed thereunder, shall become effective, valid, binding, and enforceable in accordance with their terms, and each party thereto shall be bound thereby. The obligations incurred by New LightSquared pursuant to the New LightSquared Interest Holders Agreement and related documents shall be satisfied pursuant to, and as set forth in, the New LightSquared Interest Holders Agreement and related documents.

The New LightSquared Interest Holders Agreement shall provide that, among other things, Harbinger shall have, in accordance with the terms set forth in the Plan Support Agreement, a call option to purchase from Reorganized LightSquared Inc. three percent (3%) of the New LightSquared Common Interests. The New LightSquared Interest Holders Agreement shall also provide that after redemption in full of all New LightSquared Preferred Interests but prior to any distributions on account of the New LightSquared Common Interests, Harbinger shall receive an additional allocation on account of (1) the issuance of additional New LightSquared Preferred Interests as compared with the amount contemplated in the Plan Support Agreement, (2) the addition of the two (2)-year no call provision with respect to the Second Lien Exit Term Loans, and (3) the commitment fee on the first \$400,000,000 of the new financing referenced in Section IV.B.3(a)(ii) of the Plan all as provided in greater detail in the New LightSquared Interest Holders Agreement.

If each of the New Investors and the Debtors determine, on a Holder by Holder basis, that it is necessary or advisable from a regulatory approval standpoint, certain potential holders of New LightSquared Interests shall be issued warrants to acquire such New LightSquared Interests in lieu of direct ownership of New LightSquared Interests.

The New LightSquared Board shall be comprised of seven (7) members, which shall include: two (2) members appointed by Fortress; one (1) member appointed by Reorganized LightSquared Inc.; one (1) member appointed by Centerbridge; one (1) independent member; the Chief Executive Officer of New LightSquared; and the Chairman of the New LightSquared Board. The New LightSquared Board shall not include any Harbinger employees, affiliates or representatives. If agreed to by each of the New Investors, the New LightSquared Board can be expanded in size. In addition, New LightSquared shall have a separate advisory committee of the New LightSquared Board, with five (5) members, one (1) of which shall be appointed by Reorganized LightSquared Inc., two (2) of which shall be appointed by Fortress, one (1) of which shall be appointed by Centerbridge, and one (1) of which shall be appointed as provided in the New LightSquared Interest Holders Agreement.

*G. Indemnification Provisions in Reorganized Debtors Governance Documents*

Except as provided in the Plan Supplement and except as may be agreed to by SIG with respect to the Reorganized Debtors Governance Documents of the Reorganized Inc.

Entities, as of the Effective Date, the Reorganized Debtors Governance Documents shall provide for the indemnification, defense, reimbursement, exculpation, and limitation of liability of, and advancement of fees and expenses to, the Reorganized Debtors' then current directors, officers, employees, or agents (and such directors, officers, employees, or agents that held such positions as of the Confirmation Date) at least to the same extent as the organizational documents of each of the respective Debtors on the Petition Date, against any claims or Causes of Action whether direct or derivative, liquidated or unliquidated, fixed or contingent, disputed or undisputed, matured or unmatured, known or unknown, foreseen or unforeseen, or asserted or unasserted, and none of the Reorganized Debtors, other than the Reorganized Inc. Entities, shall amend or restate the Reorganized Debtors Governance Documents before or after the Effective Date to terminate or materially adversely affect any of the Reorganized Debtors' obligations to provide such indemnification rights or such directors', officers', employees', or agents' indemnification rights.

*H. Management Incentive Plan*

On or as soon as practicable following the Consummation of the Plan, the New LightSquared Board shall adopt a Management Incentive Plan in accordance with the terms of the New LightSquared Interest Holders Agreement and subject to the approval of each of the New Investors.

*I. Corporate Governance*

As shall be set forth in the Reorganized Debtors Governance Documents, the Reorganized Debtors Boards shall consist of a number of members and be appointed in a manner, subject to applicable law, to be agreed upon by each of the New Investors (including as specified in Section IV.F) or otherwise provided in the Reorganized Debtors Governance Documents. In accordance with section 1129(a)(5) of the Bankruptcy Code, the Debtors shall disclose the following at, or prior to, the Confirmation Hearing: (1) the identities and affiliations of any Person proposed to serve as a member of the Reorganized Debtors Boards or officer of the Reorganized Debtors and (2) the nature of compensation for any officer employed or retained by the Reorganized Debtors who is an "insider" under section 101(31) of the Bankruptcy Code.

*J. Vesting of Assets in Reorganized Debtors*

Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated therein, on the Effective Date, notwithstanding any prohibition of assignability under applicable non-bankruptcy law and in accordance with section 1141 of the Bankruptcy Code, all property in each Estate, all Retained Causes of Action, and any property acquired by any of the Debtors pursuant to the Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, or other encumbrances (except for (1) any Liens granted to secure the Working Capital Facility and any rights of any of the parties under the Working Capital Facility Credit Agreement or any related documents, (2) any Liens granted to secure the Second Lien Exit Facility and any rights of any of the parties under the Second Lien Exit Credit Agreement or any related documents, (3) any Liens granted to secure the Reorganized LightSquared Inc. Exit Facility and any rights of any of the parties under the



Reorganized LightSquared Inc. Credit Agreement or any related documents, and (4) any rights of any of the parties under any of Reorganized Debtors Governance Documents) without further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity.

On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Equity Interests, or Retained Causes of Action without further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

**EXCEPT AS OTHERWISE PROVIDED IN THE PLAN, AFTER THE EFFECTIVE DATE, NO REORGANIZED DEBTOR AND NO AFFILIATE OF ANY SUCH REORGANIZED DEBTOR SHALL HAVE, OR BE CONSTRUED TO HAVE OR MAINTAIN, ANY LIABILITY, CLAIM, OR OBLIGATION THAT IS BASED IN WHOLE OR IN PART ON ANY ACT, OMISSION, TRANSACTION, EVENT, OR OTHER OCCURRENCE OR THING OCCURRING OR IN EXISTENCE ON OR PRIOR TO THE EFFECTIVE DATE OF THE PLAN (INCLUDING, WITHOUT LIMITATION, ANY LIABILITY, CLAIM, OR OBLIGATION ARISING UNDER APPLICABLE NON-BANKRUPTCY LAW AS A SUCCESSOR TO LIGHTSQUARED INC., LIGHTSQUARED LP, OR ANY OTHER DEBTOR) AND NO SUCH LIABILITY, CLAIM, OR OBLIGATION FOR ANY ACTS SHALL ATTACH TO ANY OF THE REORGANIZED DEBTORS OR ANY OF THEIR AFFILIATES.**

*K. Cancellation of Securities and Agreements*

On the Effective Date (or the New DIP Closing Date with respect to the DIP Inc. Facility and the DIP LP Facility), except as otherwise specifically provided for in the Plan, including with respect to the Acquired Inc. Facility Claims and JPM Acquired DIP Inc. Claims: (1) the obligations of the Debtors under the DIP Facilities, the Prepetition Loan Documents, the Existing Shares, and any other Certificate, share, note, bond, indenture, purchase right, option, warrant, or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of, or ownership interest in, the Debtors giving rise to any Claim or Equity Interest (except such Certificates, Equity Interests, notes, or other instruments or documents evidencing indebtedness or obligations of the Debtors that may be Reinstated pursuant to the Plan), shall be cancelled solely as to the Debtors, and the Reorganized Debtors shall not have any continuing obligations thereunder; and (2) the obligations of the Debtors pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the shares, Certificates, notes, bonds, indentures, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of the Debtors (except such agreements, Certificates, notes, or other instruments evidencing indebtedness or obligations of the Debtors that are specifically Reinstated pursuant to the Plan) shall be released and discharged; provided, however, that any agreement that governs the rights of the Holder of a Claim or Equity Interest shall continue in effect solely for the purposes of allowing such Holders to receive Plan Distributions under the Plan; provided, further, that (1) the preceding proviso shall not affect the discharge of Claims or

Equity Interests pursuant to the Bankruptcy Code, the Confirmation Order, the Confirmation Recognition Order, or the Plan or result in any expense or liability to the Reorganized Debtors and (2) the terms and provisions of the Plan shall modify any existing contract or agreement that would in any way be inconsistent with distributions under the Plan.

On the Confirmation Date, but subject to the Effective Date, (1) the obligations of the Debtors Stalking Horse Agreement and the Bid Procedures Order shall be cancelled as to the Debtors, and the Reorganized Debtors shall not have any continuing obligations thereunder and (2) the obligations of the Debtors pursuant, relating, or pertaining to the Stalking Horse Agreement or the Bid Procedures Order to pay any LBAC Break-Up Fee or Expense Reimbursement, to the extent payable in accordance with the terms thereof, shall be released and discharged. For the avoidance of doubt, no party shall be entitled to, or receive (nor shall any reserve be required on account of), any LBAC Break-Up Fee or Expense Reimbursement.

*L. Corporate Existence*

Except as otherwise provided in the Plan or as contemplated by the Plan Transactions, each Debtor shall continue to exist after the Effective Date as a separate corporate Entity, limited liability company, unlimited liability company, partnership, or other form, as applicable, with all the powers of a corporation, limited liability company, unlimited liability company, partnership, or other form, as applicable, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other formation documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or other formation documents) are amended by the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan without further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court (to the extent permitted by Canadian law), or any other Entity.

*M. Corporate Action*

Upon the Effective Date, all actions contemplated by the Plan shall be deemed authorized, approved, and, to the extent taken prior to the Effective Date, ratified without any requirement for further action by Holders of Claims or Equity Interests, directors, managers, or officers of the Debtors, the Reorganized Debtors, or any other Entity or Person, including, without limitation, the following: (1) execution of, and entry into, the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, the Reorganized LightSquared Inc. Credit Agreement, the Exit Intercreditor Agreement, the Reorganized Debtors Governance Documents, the Management Incentive Plan, and commitment letters and such other documents as may be required or appropriate with respect to the foregoing; (2) consummation of the reorganization and restructuring transactions contemplated by the Plan and performance of all actions and transactions contemplated thereby; (3) rejection, assumption, or assumption and assignment, as applicable, of Executory Contracts and Unexpired Leases; (4) selection of the managers and officers for the Reorganized Debtors; (5) the issuance, reinstatement, and distribution of the New LightSquared Entities Shares; and (6) all other acts or actions contemplated or reasonably necessary or appropriate to promptly consummate the transactions contemplated by the Plan (whether to occur before, on, or after the Effective Date). All

matters specifically provided for in the Plan involving the company structure of the Debtors, and any company action required by the Debtors in connection therewith, shall be deemed to have occurred on, and shall be in effect as of, the Effective Date, without any requirement of further action by the security holders, directors, managers, authorized persons, or officers of the Debtors.

On or, as applicable, prior to the Effective Date, the appropriate officers, managers, or authorized person of the Debtors (including, any president, vice-president, chief executive officer, treasurer, general counsel, or chief financial officer thereof) shall be authorized and directed to issue, enter, execute, and deliver the agreements, documents, securities, certificates of incorporation, certificates of formation, bylaws, operating agreements, and instruments contemplated by the Plan (or necessary or desirable to effect the transactions contemplated by the Plan) in the name, and on behalf, of the Debtors, including, as appropriate: (1) the Working Capital Facility Credit Agreement (2) the Second Lien Exit Credit Agreement; (3) the Reorganized LightSquared Inc. Credit Agreement; (4) the Exit Intercreditor Agreement; (5) the Reorganized Debtors Governance Documents; (6) the Management Incentive Plan; and (7) any and all other agreements, documents, securities, and instruments related to the foregoing. The authorizations and approvals contemplated by this Section IV.M shall be effective notwithstanding any requirements under non-bankruptcy law.

*N. Effectuating Documents; Further Transactions*

On and after the Effective Date, the Reorganized Debtors and the officers and members of the boards of directors or managers thereof, are authorized to and may issue, execute, deliver, file, or record such contracts, securities, instruments, releases, and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan and the securities issued pursuant to the Plan in the name, and on behalf, of the Reorganized Debtors, without further notice to or action, order, or approval of the Bankruptcy Court, the Canadian Court, or any other Entity.

*O. Exemption from Certain Taxes and Fees*

Pursuant to section 1146(a) of the Bankruptcy Code, any transfer from a Debtor to a Reorganized Debtor or to any Entity pursuant to, in contemplation of, or in connection with the Plan or pursuant to (1) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the Reorganized Debtors, (2) the creation, modification, consolidation, or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means, (3) the making, assignment, or recording of any lease or sublease, or (4) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles, or similar tax, mortgage tax, real estate transfer tax, sales or use tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, FCC filing or recording fee, Industry Canada filing or recording fee, or other similar tax or governmental assessment, and the appropriate state or local governmental officials or agents shall forego the collection of any

such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

*P. Preservation, Transfer, and Waiver of Rights of Action*

In accordance with section 1123(b) of the Bankruptcy Code, but subject to Article VIII hereof, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including any Retained Causes of Actions that may be described in the Plan Supplement, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the Reorganized Debtors, as applicable, shall not pursue any and all available Causes of Action against them. The Debtors or the Reorganized Debtors, as applicable, expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan. Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Bankruptcy Court order, the Reorganized Debtors expressly reserve all Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the Confirmation or Consummation. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in New LightSquared.

The Cash received by the Holders of the Prepetition LP Facility SPSO Claims and Prepetition LP Facility SPSO Guaranty Claims shall be subject to disgorgement to New LightSquared without the further approval of any Entity, to the extent that the Bankruptcy Court or any other court of competent jurisdiction, at the request of any party in interest, disallows (on the grounds set forth in Sections III.B.8(b) and III.B.10(b)) all or any part of the Prepetition LP Facility SPSO Claims or the Prepetition LP Facility SPSO Guaranty Claims. For the avoidance of doubt, the Prepetition LP Facility SPSO Claims, Prepetition LP Facility SPSO Guaranty Claims, and any Cash received on account thereof shall be subject to any equitable or legal remedy previously sought and currently subject to the Appeal, other than equitable subordination of the Prepetition LP Facility SPSO Claims and the Prepetition LP Facility SPSO Guaranty Claims.

Upon the Effective Date of the Plan, Harbinger shall irrevocably assign to New LightSquared all Harbinger Litigations, and the New Investors shall irrevocably assign to New LightSquared any and all of their rights to commence any New Actions. New LightSquared will receive all Retained Causes of Action Proceeds, which, for the avoidance of doubt, shall include any and all proceeds from any of the Harbinger Litigations and New Actions.

*Q. Assumption of D&O Liability Insurance Policies*

To the extent that the D&O Liability Insurance Policies are considered to be Executory Contracts, then, notwithstanding anything in the Plan to the contrary, the Debtors shall be deemed to have assumed all of the Debtors' unexpired D&O Liability Insurance Policies pursuant to section 365(a) of the Bankruptcy Code effective as of the Effective Date; provided that, all D&O Liability Insurance Policies to which a Reorganized Inc. Entity would be a counterparty or obligor shall be assigned to New LightSquared on the Effective Date and no Reorganized Inc. Entity shall have any liability or obligations with respect to any D&O Liability Insurance Policies. Entry of the Confirmation Order shall constitute, subject to the occurrence of the Effective Date, the Bankruptcy Court's approval of the Debtors' foregoing assumption of each of the unexpired D&O Liability Insurance Policies. Notwithstanding anything to the contrary contained in the Plan, but without limiting the proviso in the first sentence of this paragraph, Confirmation of the Plan shall not discharge, impair, or otherwise modify any indemnity obligations assumed by the foregoing assumption of the D&O Liability Insurance Policies, and each such indemnity obligation shall be deemed and treated as an Executory Contract that has been assumed by the Debtors under the Plan as to which no Proof of Claim need be filed.

In addition, but subject to the proviso in the first sentence of the first paragraph in this Section IV.Q, after the Effective Date, none of the Reorganized Debtors shall terminate or otherwise reduce the coverage under any D&O Liability Insurance Policies (including any "tail policy") in effect on the Petition Date, with respect to conduct occurring prior thereto, and all directors and officers of the Debtors who served in such capacity at any time prior to the Effective Date shall be entitled to the full benefits of any such policy for the full term of such policy regardless of whether such directors and officers remain in such positions after the Effective Date. As of the Effective Date, New LightSquared shall purchase and maintain continuing director and officer insurance coverage for a tail period of six (6) years.

*R. Employee and Retiree Benefits*

Except as otherwise provided in the Plan, on and after the Effective Date, New LightSquared shall assume and continue to perform the Debtors' obligations to: (1) honor, in the ordinary course of business, any contracts, agreements, policies, programs, and plans, in each case, to the extent disclosed in the Disclosure Statement or the First Day Pleadings, for, among other things, compensation and wages (including equity based and bonus compensation), health care benefits, disability benefits, deferred compensation benefits, travel benefits, savings, severance or termination benefits, retirement benefits, welfare benefits, workers' compensation insurance, and accidental death and dismemberment insurance for the directors, officers, and current and former employees of any of the Debtors who served in such capacity at any time; and (2) honor, in the ordinary course of business, Claims of current and former employees employed as of the Effective Date for accrued vacation time arising prior to the Petition Date; provided, however, that the Debtors' or Reorganized Debtors' performance of any employment agreement shall not entitle any Person or Entity to any benefit or alleged entitlement under any policy, program, or plan that has expired or been terminated before the Effective Date, or restore, reinstate, or revive any such benefit or alleged entitlement under any such policy, program, or plan. In addition, as of the Effective Date, (1)

Equity Interests granted to an existing employee of the Debtors pursuant to any equity plan maintained by the Debtors or under any existing employment agreement of the Debtors, and any such applicable equity plan, shall be (a) fully vested and (b) cancelled and terminated and (2) Holders of such Equity Interests shall be treated in accordance with Class 12 in Section III.B.14 hereof; provided, that the applicable Reorganized Debtors Boards shall maintain the discretion to execute and implement agreements or plans that grant current and former employees of the applicable Reorganized Debtors awards of stock options, equity appreciation rights, restricted equity, phantom equity, or any other Cash or performance-based awards as the Reorganized Debtors Boards deem appropriate.

Nothing in the Plan shall limit, diminish, or otherwise alter the Reorganized Debtors' defenses, claims, Causes of Action, or other rights with respect to any such contracts, agreements, policies, programs, and plans. Notwithstanding the foregoing, pursuant to section 1129(a)(13) of the Bankruptcy Code, on and after the Effective Date, all retiree benefits (as that term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid to the extent required by applicable law.

## **ARTICLE V.**

### **TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

#### *A. Assumption and Rejection of Executory Contracts and Unexpired Leases*

##### 1. Rejection of Executory Contracts and Unexpired Leases

Except as otherwise provided herein (including Section IV.R hereof), each Executory Contract and Unexpired Lease shall be deemed automatically rejected pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date, unless any such Executory Contract or Unexpired Lease (a) is listed on the Schedule of Assumed Agreements in the Plan Supplement, (b) has been previously assumed, assumed and assigned, or rejected by the Debtors by Final Order of the Bankruptcy Court or has been assumed, assumed and assigned, or rejected by the Debtors by order of the Bankruptcy Court as of the Effective Date, which order becomes a Final Order after the Effective Date, (c) is the subject of a motion to assume, assume and assign, or reject pending as of the Effective Date, (d) is an Intercompany Contract, or (e) is otherwise assumed, or assumed and assigned, pursuant to the terms herein.

The Confirmation Order shall constitute an order of the Bankruptcy Court approving such rejections pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. Non-Debtor parties to Executory Contracts or Unexpired Leases that are rejected as of the Effective Date shall have the right to assert a Claim on account of the rejection of such Executory Contracts or Unexpired Leases, including under section 502(g) of the Bankruptcy Code; provided, however, that the non-Debtor parties must comply with Section V.B hereof.

##### 2. Assumption of Executory Contracts and Unexpired Leases

In connection with the Confirmation and Consummation of the Plan, the New Investors (upon agreement of all of the New Investors) and the Debtors shall designate the Executory Contracts and Unexpired Leases to be assumed, or assumed and assigned, pursuant to, and in

accordance with, the Plan, which designated Executory Contracts and Unexpired Leases will be listed on the Schedule of Assumed Agreements in the Plan Supplement. On the Effective Date, the Debtors shall assume, or assume and assign, all of the Executory Contracts and Unexpired Leases listed on the Schedule of Assumed Agreements in the Plan Supplement; provided, that all assumed Executory Contracts and Unexpired Leases to which a Reorganized Inc. Entity would be a counterparty or obligor shall be assigned to New LightSquared on the Effective Date and no Reorganized Inc. Entity shall have any liability or obligations with respect to any such Executory Contracts and Unexpired Leases.

With respect to each Executory Contract and Unexpired Lease listed on the Schedule of Assumed Agreements in the Plan Supplement, the Debtors shall have designated a proposed amount of the Cure Costs, and the assumption, or assumption and assignment, of such Executory Contract and Unexpired Lease may be conditioned upon the disposition of all issues with respect to such Cure Costs. The Confirmation Order shall constitute an order of the Bankruptcy Court approving any such assumptions, or assumptions and assignments, pursuant to sections 365(a) and 1123 of the Bankruptcy Code.

Any and all Proofs of Claim based upon Executory Contracts or Unexpired Leases that have been assumed, or assumed and assigned, in the Chapter 11 Cases, including hereunder, except Proofs of Claim asserting Cure Costs pursuant to the order approving such assumption, or assumption and assignment, including the Confirmation Order, shall be deemed disallowed and expunged from the Claims Register as of the Effective Date without any further notice to, or action, order, or approval of, the Bankruptcy Court.

*B. Claims Based on Rejection of Executory Contracts or Unexpired Leases*

Notwithstanding anything in the Claims Bar Date Order to the contrary, if the rejection of an Executory Contract or Unexpired Lease, including pursuant hereto, gives rise to a Claim by the non-Debtor party or parties to such contract or lease, such Claim shall be forever barred and shall not be enforceable against the Debtors, their respective successors, or their respective property unless a Proof of Claim is Filed and served on the Reorganized Debtors no later than thirty (30) days after the Effective Date. All Allowed Claims arising from the rejection of the Inc. Debtors' Executory Contracts and Unexpired Leases shall be classified as Inc. General Unsecured Claims and shall be treated in accordance with Class 9 in Section III.B.11 hereof, and all Allowed Claims arising from the rejection of the LP Debtors' Executory Contracts and Unexpired Leases shall be classified as LP General Unsecured Claims and shall be treated in accordance with Class 10 in Section III.B.12 hereof.

*C. Cure of Defaults for Executory Contracts and Unexpired Leases Assumed Pursuant to Plan*

With respect to any Executory Contract or Unexpired Lease to be assumed, or assumed and assigned, pursuant hereto, all Cure Costs shall be satisfied as Administrative Claims of the applicable Debtors' Estates at the option of the New Investors (upon agreement of all of the New Investors) and the Debtors or the Reorganized Debtors (as applicable) (1) by payment of the Cure Costs with Plan Consideration in the form of Cash on the Effective Date or as soon thereafter as reasonably practicable or (2) on such other terms as the parties to each such

Executory Contract or Unexpired Lease may otherwise agree without further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity, provided that no Reorganized Inc. Entity shall have any obligation with respect to such Cure Costs.

In accordance with the Bid Procedures Order, on November 22, 2013, the Debtors Filed with the Bankruptcy Court and served upon all counterparties to such Executory Contracts and Unexpired Leases, a notice regarding any potential assumption, or assumption and assignment, of their Executory Contracts and Unexpired Leases and the proposed Cure Costs in connection therewith, which notice (1) listed the applicable Cure Costs, if any, (2) described the procedures for filing objections to the proposed assumption, assumption and assignment, or Cure Costs, and (3) explained the process by which related disputes shall be resolved by the Bankruptcy Court. Any objection by a counterparty to an Executory Contract or Unexpired Lease to any potential assumption, assumption and assignment, or related Cure Costs must have been Filed, served, and actually received by (1) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005 (Attn: Matthew S. Barr, Esq., Steven Z. Szanzer, Esq., and Karen Gartenberg, Esq.), counsel to the Debtors, and (2) any other notice parties identified on the notice no later than 4:00 p.m. (prevailing Eastern time) on November 29, 2013; provided, however, that any objection by a counterparty to an Executory Contract or Unexpired Lease solely to the Reorganized Debtors' financial wherewithal must be Filed, served, and actually received by the appropriate notice parties no later than February 25, 2015 at 11:59 p.m. (prevailing Eastern time). Any counterparty to an Executory Contract or Unexpired Lease that failed to timely object to the proposed assumption, assumption and assignment, or Cure Costs shall be deemed to have assented to such assumption, assumption and assignment, or Cure Costs, as applicable. For the avoidance of doubt, if there is any discrepancy between the Schedule of Assumed Agreements and the notice referenced above in this paragraph, the Schedule of Assumed Agreements shall govern and any objection on account of such discrepancy shall also be filed by no later than February 25, 2015 at 11:59 p.m. (prevailing Eastern time).

In the event of a dispute regarding (1) the amount of any Cure Costs, (2) the ability of the Reorganized Debtors to provide adequate assurance of future performance (within the meaning of section 365 of the Bankruptcy Code) under such Executory Contract or Unexpired Lease to be assumed, or assumed and assigned, or (3) any other matter pertaining to assumption, or assumption and assignment, of such Executory Contract or Unexpired Lease, the payment of any Cure Costs shall be made following the entry of a Final Order resolving the dispute and approving the assumption, or assumption and assignment, of such Executory Contract or Unexpired Lease; provided, however, that the New Investors (upon agreement of all of the New Investors) and the Debtors or New LightSquared, as applicable, may settle any dispute regarding the amount of any Cure Costs without further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity; provided, further, that notwithstanding anything to the contrary herein, prior to the Effective Date, the Debtors (with the consent of each of the New Investors) reserve the right to reject any Executory Contract or Unexpired Lease; provided, further, that the Bankruptcy Court shall adjudicate and decide any unresolved disputes relating to the assumption of Executory Contracts and Unexpired Leases, including, without limitation, disputed issues relating to Cure Costs,



financial wherewithal, or adequate assurance of future performance, at a hearing scheduled for a date and time set forth in the Confirmation Order.

Assumption, or assumption and assignment, of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed, or assumed and assigned, Executory Contract or Unexpired Lease at any time prior to the effective date of assumption, or assumption and assignment.

*D. Pre-existing Obligations to Debtors Under Executory Contracts and Unexpired Leases*

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of pre-existing obligations owed to the Debtors under such contracts or leases. In particular, notwithstanding any non-bankruptcy law to the contrary, each of the New Investors and the Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased by the Debtors or New LightSquared, as applicable, contracting from non-Debtor counterparties to rejected Executory Contracts or Unexpired Leases.

*E. Intercompany Contracts, Contracts, and Leases Entered into After Petition Date, Assumed Executory Contracts, and Unexpired Leases*

Any (1) Intercompany Contracts, (2) contracts and leases entered into after the Petition Date by any Debtor to the extent not rejected prior to the Effective Date, and (3) any Executory Contracts and Unexpired Leases assumed, or assumed and assigned, by any Debtor and not rejected prior to the Effective Date, may be performed by the applicable Reorganized Debtor in the ordinary course of business. Any such contracts and leases described in the foregoing clauses (1) through (3) to which a Reorganized Inc. Entity or any of its subsidiaries is a counterparty or obligor shall be assigned to New LightSquared and, upon such assignment, no Reorganized Inc. Entity shall retain any obligations or liabilities thereunder.

*F. Modifications, Amendments, Supplements, Restatements, or Other Agreements*

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed, or assumed and assigned, shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or is rejected under the Plan.

Modifications, amendments, supplements, and restatements to Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall

not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

*G. Postpetition Contracts and Leases*

Each Reorganized Debtor shall perform its obligations under each contract and lease entered into by the respective Debtor or applicable Reorganized Debtor after the Petition Date to the extent not rejected prior to the Effective Date, including any Executory Contract and Unexpired Lease assumed by such Debtor or Reorganized Debtor, in each case, in accordance with, and subject to, the then applicable terms; provided that each Reorganized Inc. Entity shall assign such obligations to New LightSquared on the Effective Date. Accordingly, such contracts and leases to the extent not rejected prior to the Effective Date (including any assumed Executory Contracts or Unexpired Leases) shall survive, and remain unaffected by, entry of the Confirmation Order.

*H. Reservation of Rights*

Neither the exclusion nor inclusion of any contract or lease by the New Investors on any exhibit to the Plan Supplement, nor anything contained in the Plan, shall constitute an admission by any of the New Investors that any such contract or lease is or is not, in fact, an Executory Contract or Unexpired Lease or that the Debtors, or their respective Affiliates, have any liability thereunder.

The Debtors and New LightSquared, with the consent of each New Investor, reserve the right to alter, amend, modify, or supplement the Schedule of Assumed Agreements until and including the Effective Date or as otherwise provided by Bankruptcy Court order; provided, however, that if there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption, assumption and assignment, or with respect to asserted Cure Costs, then the New Investors and the Reorganized Debtors shall have thirty (30) days following the entry of a Final Order resolving such dispute to amend the decision to assume, or assume and assign, such Executory Contract or Unexpired Lease.

*I. Nonoccurrence of Effective Date*

In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any consensual request to extend the deadline for assuming, assuming and assigning, or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code.

**ARTICLE VI.  
PROVISIONS GOVERNING DISTRIBUTIONS**

*A. Distribution Record Date*

As of the close of business on the Distribution Record Date, the various transfer registers for each of the Classes of Claims or Equity Interests as maintained by the Debtors, the DIP Inc. Lenders, the DIP LP Lenders, and the New DIP Lenders, the Prepetition Lenders,

or their respective agents, shall be deemed closed, and there shall be no further changes in the record Holders of any of the Claims or Equity Interests. Except as otherwise provided in the Plan (including with respect to the Acquired Inc. Facility Claims and the Acquired DIP Inc. Claims), the Debtors and the Reorganized Debtors, as applicable, shall have no obligation to recognize any transfer of the Claims or Equity Interests occurring on or after the Distribution Record Date. Except as otherwise provided in the Plan (including with respect to the Acquired Inc. Facility Claims and the Acquired DIP Inc. Claims), the Debtors and the Reorganized Debtors, as applicable, shall be entitled to recognize and deal for all purposes hereunder only with those record Holders stated on the transfer ledgers as of the close of business on the Distribution Record Date, to the extent applicable.

*B. Timing and Calculation of Amounts To Be Distributed*

Unless otherwise provided in the Plan, including with respect to distributions contemplated hereunder to Holders of DIP Inc. Claims and DIP LP Claims on the New DIP Closing Date and/or the Inc. Facilities Claims Purchase Closing Date, as applicable, on the Effective Date or as soon thereafter as reasonably practicable (or if a Claim or an Equity Interest is not Allowed on the Effective Date, on the date that such a Claim or an Equity Interest is Allowed, or as soon thereafter as reasonably practicable), each Holder of an Allowed Claim or an Allowed Equity Interest shall receive the full amount of the Plan Distribution that such Holder is entitled to pursuant to the Plan; provided, however, that Allowed Administrative Claims with respect to liabilities incurred by the Debtors in the ordinary course of business during the Chapter 11 Cases, or assumed by the Debtors on or prior to the Effective Date, shall be paid or performed in the ordinary course of business in accordance with the terms and conditions of any controlling agreements, course of dealing, course of business, or industry practice.

Upon the Consummation of the Plan, the New LightSquared Entities Shares shall be deemed to be issued to (and the Reinstated Intercompany Interests shall be deemed to be Reinstated for the benefit of), as of the Effective Date, the eligible Holders of Allowed Claims or Allowed Equity Interests, and the other eligible Entities hereunder, as applicable, without the need for further action by any Debtor, Disbursing Agent, Reorganized Debtor, or any other Entity, including, without limitation, the issuance or delivery of any certificate evidencing any such debts, securities, shares, units, or interests, as applicable. Except as otherwise provided herein, the eligible Holders of Allowed Claims and Allowed Equity Interests, and the other eligible Entities hereunder entitled to receive Plan Distributions pursuant to the terms of the Plan shall not be entitled to interest, dividends, or accruals on such Plan Distributions, regardless of whether such Plan Distributions are delivered on or at any time after the Effective Date.

The Disbursing Agent is authorized to make periodic Plan Distributions on account of Allowed Claims and Allowed Equity Interests and, if such periodic Plan Distributions are made, the Disbursing Agent shall reserve any applicable Plan Consideration from Plan Distributions to applicable Holders equal to the Plan Distributions to which Holders of Disputed Claims or Disputed Equity Interests would be entitled if such Disputed Claims or Disputed Equity Interests become Allowed.

*C. Disbursing Agent*

All Plan Distributions shall be made by New LightSquared as Disbursing Agent, or such other Entity designated by the New Investors (upon agreement of all of the New Investors) or New LightSquared, as applicable, as Disbursing Agent, including Reorganized LightSquared Inc. to the extent set forth in Section IV.B.2(d). A Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court. Additionally, in the event that a Disbursing Agent is so otherwise ordered, all costs and expenses of procuring any such bond or surety shall be as agreed by and between all of the New Investors or the Reorganized Debtors, as applicable, and such Disbursing Agent.

Except as otherwise provided herein, Plan Distributions of Plan Consideration under the Plan shall be made by the Debtors or the Reorganized Debtors, as applicable, to the Disbursing Agent for the benefit of the Holders of Allowed Claims or Allowed Equity Interests, and the other eligible Entities hereunder, as applicable. All Plan Distributions by the Disbursing Agent shall be at the discretion of the Debtors or the Reorganized Debtors, as applicable, and the Disbursing Agent shall not have any liability to any Entity for Plan Distributions made by them under the Plan.

*D. Rights and Powers of Disbursing Agent*

1. Powers of Disbursing Agent

The Disbursing Agent shall be empowered to: (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all Plan Distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions hereof without any further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity.

2. Expenses Incurred On or After Effective Date

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes), and any reasonable compensation and expense reimbursement claims (including reasonable attorneys' fees and expenses) made by the Disbursing Agent, shall be paid in Cash by New LightSquared.

*E. Plan Distributions on Account of Claims and Equity Interests Allowed After Effective Date*

1. Payments and Plan Distributions on Disputed Claims and Disputed Equity Interests

Plan Distributions made after the Effective Date to Holders of Claims or Equity Interests that are not Allowed as of the Effective Date, but which later become Allowed Claims or Allowed Equity Interests, shall be deemed to have been made on the Effective Date.

2. Special Rules for Plan Distributions to Holders of Disputed Claims and Disputed Equity Interests

Notwithstanding any provision otherwise in the Plan and except as otherwise agreed to by the relevant parties and all of the New Investors, (a) no partial payments and no partial Plan Distributions shall be made with respect to a Disputed Claim or Disputed Equity Interest until all such disputes in connection with such Disputed Claim or Disputed Equity Interest, respectively, have been resolved by settlement or Final Order, and (b) any Entity that holds both (i) an Allowed Claim or an Allowed Equity Interest and (ii) a Disputed Claim or a Disputed Equity Interest shall not receive any Plan Distribution on the Allowed Claim or Allowed Equity Interest unless and until all objections to the Disputed Claim or Disputed Equity Interest, respectively, have been resolved by settlement or Final Order; provided, however, that, for all purposes, the foregoing shall not apply to the Prepetition LP Facility SPSO Claims or the Prepetition LP Facility SPSO Guaranty Claims, which Claims shall not be treated as Disputed Claims and shall, on the Effective Date, receive their distributions in accordance with, and subject to, the terms and conditions of Sections III.B.8 and 10 hereof.

*F. Delivery of Plan Distributions and Undeliverable or Unclaimed Plan Distributions*

1. Delivery of Plan Distributions in General

Except as otherwise provided herein, the Disbursing Agent shall make Plan Distributions to Holders of Allowed Claims and Allowed Equity Interests at the address for each such Holder as indicated on the Debtors' or the Reorganized Debtors' records as of the date of any such Plan Distribution; provided, however, that the manner of such Plan Distributions shall be determined at the discretion of the New Investors (upon agreement of all of the New Investors) or New LightSquared; provided, further, that the address for each Holder of an Allowed Claim shall be deemed to be the address set forth in any Proof of Claim Filed by that Holder. Any payment in Cash to be made pursuant to the Plan shall be made at the election of the Disbursing Agent by check or by wire transfer.

Each Plan Distribution referred to in Article VI hereof shall be governed by the terms and conditions set forth herein applicable to such Plan Distribution and by the terms and conditions of the instruments evidencing or relating to such Plan Distribution, if any, which terms and conditions shall bind each Entity receiving such Plan Distribution.

2. Delivery of Plan Distributions to Holders of Allowed DIP Inc. Claims

The Plan Distributions provided for Allowed DIP Inc. Claims (other than the Acquired DIP Inc. Claims) pursuant to Section II.C hereof shall be made to the DIP Inc. Agent or MAST, as directed by MAST, by the Debtors or the New Inc. DIP Lenders, on behalf of the Debtors, or the New Investors pursuant to the New Investor Commitment Documents, as applicable, on the Inc. Facilities Claims Purchase Closing Date.

3. Delivery of Plan Distributions to Holders of Allowed DIP LP Claims

The Plan Distributions provided for Allowed DIP LP Claims pursuant to Section II.D hereof shall be made to the DIP LP Lenders by the Debtors or the New LP DIP Lenders, on behalf of the Debtors, on the New LP DIP Closing Date.

4. Delivery of Plan Distributions to Holders of Allowed New DIP Claims

The Plan Distributions provided for Allowed New DIP Claims pursuant to Sections II.E and F hereof shall be made to the New Inc. DIP Agent and New LP DIP Agent, as applicable. To the extent possible, the Reorganized Debtors and the Disbursing Agent shall provide that the applicable Plan Consideration is eligible to be distributed to the New DIP Lenders at the direction of the New Inc. DIP Agent and New LP DIP Agent, as applicable.

5. Delivery of Plan Distributions to Holders of Allowed Prepetition LP Facility Claims or Allowed Prepetition Inc. Facility Claims

Other than as provided by the JPM Inc. Facilities Claims Purchase Agreement, the Plan Distributions provided for Allowed Prepetition Inc. Facility Claims and Allowed Prepetition LP Facility Claims in Sections III.B.5, III.B.6, III.B.7, III.B.8, III.B.9, and III.B.10 hereof shall be made to applicable Holders of Allowed Prepetition Inc. Facility Claims and Allowed Prepetition LP Facility Claims by the Debtors or the Disbursing Agent, as applicable.

6. Minimum Plan Distributions

Notwithstanding anything herein to the contrary, the Disbursing Agent shall not be required to make Plan Distributions or payments of Cash of less than the amount of \$100 and shall not be required to make partial Plan Distributions or payments of fractions of dollars. Whenever any payment or Plan Distributions of a fraction of a dollar under the Plan would otherwise be called for, the actual payment or Plan Distribution shall reflect a rounding of such fraction to the nearest whole dollar, with half dollars or less being rounded down. The Disbursing Agent shall not be required to make partial or fractional Plan Distributions of New LightSquared Entities Shares and such fractions shall be deemed to be zero.

7. Undeliverable Plan Distributions and Unclaimed Property

In the event that any Plan Distribution to any Holder is returned as undeliverable, no Plan Distribution to such Holder shall be made unless and until the Disbursing Agent has determined the then current address of such Holder, at which time such Plan Distribution shall be made to such Holder without interest; provided, however, that such Plan Distribution shall

be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of one (1) year from the Effective Date. After such date, all unclaimed property or interests in property shall revert to New LightSquared (notwithstanding any applicable federal or state escheat, abandoned, or unclaimed property laws to the contrary), and the Claim of any Holder to such property or Equity Interest in such property shall be discharged and forever barred.

*G. Compliance with Tax Requirements/Allocations*

In connection with the Plan, to the extent applicable, the Reorganized Debtors and the Disbursing Agent shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all Plan Distributions pursuant hereto shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors and the Disbursing Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the Plan Distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding Plan Distributions pending receipt of information necessary to facilitate such Plan Distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Reorganized Debtors reserve the right to allocate all Plan Distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, Liens, and encumbrances.

Plan Distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent that the consideration exceeds the principal amount of the Allowed Claims, to any portion of such Allowed Claims for accrued but unpaid interest.

*H. Setoffs*

Each Debtor, or such Entity's designee as instructed by such Debtor, may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Allowed Claim (other than an Allowed Prepetition LP Facility Non-SPSO Claim, an Allowed Prepetition Inc. Facility Claim, an Allowed DIP LP Claim, or an Allowed DIP Inc. Claim) or any Allowed Equity Interest (other than an Allowed Existing Inc. Preferred Stock or Allowed Existing LP Preferred Units), and the Plan Distributions on account of such Allowed Claim or Allowed Equity Interest, any and all claims, rights, and Causes of Action that a Debtor or its successors may hold against the Holder of such Allowed Claim or Allowed Equity Interest after the Effective Date; provided, however, that neither the failure to effect a setoff or recoupment nor the allowance of any Claim or Equity Interest (other than an Allowed Prepetition LP Facility Non-SPSO Claim, an Allowed Prepetition Inc. Facility Claim, an Allowed DIP LP Claim, an Allowed DIP Inc. Claim, Allowed Existing Inc. Preferred Stock, or Allowed Existing LP Preferred Units) hereunder shall constitute a waiver or release by a Debtor or its successor of any and all claims, rights, and Causes of Action that a Debtor or its successor may possess against such Holder.

*I. Recoupment*

In no event shall any Holder of Claims against, or Equity Interests in, the Debtors be entitled to recoup any such Claim or Equity Interest against any claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors on or before the Confirmation Date, notwithstanding any indication in any Proof of Claim or proof of Equity Interest or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

*J. Claims Paid or Payable by Third Parties*

1. Claims Paid by Third Parties

The Debtors or the Reorganized Debtors, as applicable, shall reduce in full a Claim, and such Claim shall be disallowed without a Claims objection having to be Filed and without any further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity, to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not a Debtor or Reorganized Debtor or the Disbursing Agent; provided, that the foregoing shall not apply with respect to Claims purchased pursuant to the JPM Inc. Facilities Claims Purchase Agreement or the Fortress/Centerbridge DIP Inc. Claims Purchase Agreement, to the extent applicable, which Claims so purchased shall be deemed satisfied upon Consummation of the Plan. Subject to the last sentence of this paragraph, to the extent a Holder of a Claim receives a Plan Distribution on account of such Claim and receives payment from an Entity that is not a Debtor or a Reorganized Debtor or the Disbursing Agent on account of such Claim, such Holder shall, within two (2) weeks of receipt thereof, repay or return the Plan Distribution to the applicable Reorganized Debtor or the Disbursing Agent, to the extent that the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such Plan Distribution under the Plan. The failure of such Holder to timely repay or return such Plan Distribution shall result in the Holder owing the applicable Reorganized Debtor annualized interest at the Federal Judgment Rate on such amount owed for each calendar day after the two (2)-week grace period specified above until the amount is repaid.

2. Claims Payable by Third Parties

No Plan Distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtors' insurers agrees to satisfy in full a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, such Claim may be expunged without a Claims objection having to be Filed and without further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity.



3. Preservation of Insurance Rights

Pursuant to section 524(e) of the Bankruptcy Code, nothing in the Plan shall release or discharge any insurer from any obligations to any Person under applicable law or any policy of insurance under which any of the Debtors is an insured or a beneficiary, nor shall anything contained herein constitute or be deemed a waiver by any of the Debtors' insurers of any defenses, including coverage defenses, held by such insurers.

**ARTICLE VII.  
PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED,  
AND DISPUTED CLAIMS AND DISPUTED EQUITY INTERESTS**

A. *Allowance of Claims and Equity Interests*

After the Effective Date, the Reorganized Debtors shall have and retain any and all rights and defenses that the Debtors had with respect to any Claim or Equity Interest immediately prior to the Effective Date, including the Causes of Action referenced in Section IV.P hereof. Except as expressly provided herein, no Claim or Equity Interest shall become Allowed unless and until such Claim or Equity Interest is deemed Allowed under Section I.A.8 hereof or the Bankruptcy Code.

In accordance with Sections III.B.8 and 10 hereof, the Prepetition LP Facility SPSO Claims and the Prepetition LP Facility SPSO Guaranty Claims in such Classes shall remain subject to all claims that may be brought by any party in interest against, and all and any defenses to the allowance of, such Claims, as previously sought and currently subject to the Appeal, except for equitable subordination of the Prepetition LP Facility SPSO Claims and Prepetition LP Facility SPSO Guaranty Claims; provided, however, that in the case of any Prepetition LP Fee Claims requested by SPSO, all parties in interest shall have the right to assert all claims and defenses to the allowance thereof. In no event shall the Prepetition LP Facility SPSO Claims or the Prepetition LP Facility SPSO Guaranty Claims be deemed to be Disputed Claims or subject to those procedures applicable to Disputed Claims as set forth in this Article VII.

B. *Claims and Equity Interests Administration Responsibilities*

Except as otherwise provided in the Plan, after the Effective Date, New LightSquared shall have the sole and exclusive authority to (1) File, withdraw, or litigate to judgment, objections to Claims or Equity Interests, (2) settle or compromise any Disputed Claim or Disputed Equity Interest without any further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity, and (3) administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity.

New LightSquared shall maintain the Disputed Claims and Equity Interests Reserve on account of the Disputed Claims. The Disputed Claims and Equity Interests Reserve may be adjusted from time to time, and funds previously held in such reserve on account of Disputed

Claims or Disputed Equity Interests that have subsequently become disallowed Claims or disallowed Equity Interests shall be released from such reserve and used to fund the other reserves and Plan Distributions, or for general corporate purposes and working capital needs.

*C. Estimation of Claims or Equity Interests*

Before the Effective Date, the Plan Proponents, and after the Effective Date, New LightSquared, may at any time request that the Bankruptcy Court estimate (1) any Disputed Claim or Disputed Equity Interest pursuant to applicable law and (2) any contingent or unliquidated Claim or Equity Interest pursuant to applicable law, including, without limitation, section 502(c) of the Bankruptcy Code, for any reason, regardless of whether any Entity previously has objected to such Claim or Equity Interest or whether the Bankruptcy Court has ruled on any such objection.

The Bankruptcy Court shall retain jurisdiction to estimate any Claim or Equity Interest, any group of Claims or Equity Interests, or any Class of Claims or Equity Interests, at any time during litigation concerning any objection, including, without limitation, during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any Disputed Claim or Disputed Equity Interest, that estimated amount shall constitute either (1) the Allowed amount of such Disputed Claim or Disputed Equity Interest, (2) a maximum limitation on such Disputed Claim or Disputed Equity Interest, or (3) in the event such Disputed Claim or Disputed Equity Interest is estimated in connection with the estimation of other Claims or Equity Interests within the same Class, a maximum limitation on the aggregate amount of Allowed Claims or Equity Interests on account of such Disputed Claims or Disputed Equity Interests so estimated, in each case, for all purposes under the Plan (including for purposes of Plan Distributions); provided, however, that the Plan Proponents or New LightSquared, as applicable, may elect to pursue supplemental proceedings to object to any ultimate allowance of any Disputed Claim or Disputed Equity Interest and any ultimate Plan Distributions on such Claim or Equity Interest. Notwithstanding any provision in the Plan to the contrary, a Claim or Equity Interest that has been disallowed or expunged from the Claims Register or stock transfer ledger or similar register of the applicable Debtor, as applicable, but that is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars unless otherwise ordered by the Bankruptcy Court. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any Holder of a Claim or Equity Interest that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such Holder has Filed a motion requesting the right to seek such reconsideration on or before twenty-one (21) days after the date on which such Claim or Equity Interest is estimated.

All of the aforementioned Claims or Equity Interests and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims or Equity Interests may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

*D. Expungement or Adjustment to Claims or Equity Interests Without Objection*

Any Claim or Equity Interest that has been paid, satisfied, superseded, or compromised in full by a particular Debtor may be expunged on the Claims Register or stock transfer ledger or similar register of such Debtor, as applicable, by the Reorganized Debtors, and any Claim or Equity Interest that has been amended may be adjusted on the Claims Register by the Reorganized Debtors, in both cases without a Claims or Equity Interests objection having to be Filed and without any further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity. Additionally, any Claim or Equity Interest that is duplicative or redundant with another Claim or Equity Interest against the same Debtor may be adjusted or expunged on the Claims Register or stock transfer ledger or similar register of the applicable Debtor, as applicable, by the Reorganized Debtors without a Claims or Equity Interests objection having to be Filed and without any further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity.

*E. No Interest*

Unless otherwise (1) specifically provided for in the Plan or the Confirmation Order, (2) agreed to by the New Investors (upon agreement of all of the New Investors) or the Reorganized Debtors, as applicable, (3) provided for in a postpetition agreement in writing between all of the New Investors or the Reorganized Debtors, as applicable, and a Holder of a Claim, or (4) allowed under applicable bankruptcy and non-bankruptcy law, postpetition interest shall not accrue or be paid on Claims, and no Holder of a Claim shall be entitled to interest accruing on or after the Petition Date on any Claim or right. Additionally, and without limiting the foregoing, and except as otherwise set forth in the Plan, interest shall not accrue or be paid on any Disputed Claim with respect to the period from the Effective Date to the date a final Plan Distribution is made on account of such Disputed Claim, if and when such Disputed Claim becomes an Allowed Claim.

*F. Deadline To File Objections to Claims or Equity Interests*

Any objections to Claims or Equity Interests shall be Filed no later than the Claims and Equity Interests Objection Bar Date, as may be extended from time to time upon the consent of the Debtors and each of the New Investors.

*G. Disallowance of Claims or Equity Interests*

Any Claims or Equity Interests held by Entities from which property is recoverable under sections 542, 543, 550, or 553 of the Bankruptcy Code, or that are transferees of transfers avoidable under sections 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code or otherwise, shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims or Equity Interests may not receive any Plan Distributions on account of such Claims or Equity Interests until such time as such Causes of Action against that Entity have been settled or a Final Order with respect thereto has been entered and all sums or property due, if any, to the Debtors from that Entity have been turned over or paid.

EXCEPT AS PROVIDED HEREIN OR OTHERWISE AGREED, ANY AND ALL PROOFS OF CLAIM FILED AFTER THE APPLICABLE CLAIMS BAR DATE SHALL BE DEEMED DISALLOWED AND EXPUNGED AS OF THE EFFECTIVE DATE WITHOUT ANY FURTHER NOTICE TO, OR ACTION, ORDER, OR APPROVAL OF, THE BANKRUPTCY COURT, THE CANADIAN COURT, OR ANY OTHER ENTITY, AND HOLDERS OF SUCH CLAIMS MAY NOT RECEIVE ANY PLAN DISTRIBUTIONS ON ACCOUNT OF SUCH CLAIMS, UNLESS ON OR BEFORE THE CONFIRMATION HEARING SUCH LATE CLAIM HAS BEEN DEEMED TIMELY FILED BY A FINAL ORDER.

*H. Amendments to Claims*

On or after the later of the Effective Date or the applicable deadline set by the Bankruptcy Court, a Claim may not be Filed or amended without the prior authorization of the Bankruptcy Court or New LightSquared, and any such new or amended Claim Filed shall be deemed disallowed in full and expunged without any further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity.

**ARTICLE VIII.  
SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS**

*A. Discharge of Claims and Termination of Equity Interests*

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan, the Plan Distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Reorganized Debtors in accordance with Section III.B.17 and Section III.B.18 hereof), Equity Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Equity Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Equity Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims or Equity Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability to the extent such Claims or Equity Interests relate to services performed by current or former employees of the Debtors prior to the Effective Date and that arise from a termination of employment or a termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case, whether or not (1) a Proof of Claim or proof of Equity Interest based upon such debt, right, or Equity Interest is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (2) a Claim or Equity Interest based upon such debt, right, or Equity Interest is Allowed pursuant to section 502 of the Bankruptcy Code, or (3) the Holder of such a Claim or Equity Interest has accepted the Plan. Any default by the Debtors or their Affiliates with respect to any Claim or Equity Interest that existed immediately prior to or on account of the filing of the Chapter 11 Cases shall be deemed

cured on the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Equity Interests subject to the occurrence of the Effective Date.

*B. Subordinated Claims*

The allowance, classification, and treatment of all Allowed Claims and Allowed Equity Interests and the respective Plan Distributions and treatments under the Plan shall give effect to the relative priority and rights of the Claims and Equity Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Plan Proponents, with the consent of each of the New Investors, reserve the right to reclassify any Allowed Claim or Equity Interest in accordance with any contractual, legal, or equitable subordination relating thereto. For the avoidance of doubt, the Prepetition Inc. Facility Lender Subordination Agreement shall be enforceable as a subordination agreement under section 510(a) of the Bankruptcy Code.

*C. Compromise and Settlement of Claims and Controversies*

Pursuant to sections 363 and 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the Plan Distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good faith compromise of all Claims, Equity Interests, Causes of Action, and controversies resolved pursuant to the Plan and relating to any contractual, legal, and subordination rights that a Holder of a Claim or Equity Interest may have with respect to any Allowed Claim or Equity Interest, or any Plan Distributions to be made on account of such an Allowed Claim or Equity Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Equity Interests, Causes of Action, and controversies, as well as a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of the Debtors, their Estates, and Holders of Claims or Equity Interests and is fair, equitable, and reasonable. Plan Distributions made to Holders of Allowed Claims or Equity Interests are intended to be final. In accordance with the provisions of the Plan, pursuant to sections 363 and 1123 of the Bankruptcy Code and Bankruptcy Rule 9019(a), without any further notice to or action, order, or approval of the Bankruptcy Court, the Canadian Court, or any other Entity, after the Effective Date, New LightSquared may compromise and settle Claims against, or Equity Interests in, the Debtors, and Causes of Action against other Entities; provided that, any settlement with respect to Claims against, or Equity Interests in, or any Causes of Action against any Reorganized Inc. Entity shall require the prior approval of Reorganized LightSquared Inc. In addition, and for the avoidance of doubt, entry of the Confirmation Order shall also operate to settle all claims and causes of action alleged in the Standing Motion against the Prepetition Inc. Agent and the Prepetition Inc. Lenders in respect of the Prepetition Inc. Facility Subordinated Claims, and the Standing Motion, to the extent not previously withdrawn with prejudice, shall be deemed withdrawn with prejudice upon the occurrence of the Inc. Facilities Claims Purchase Closing Date.

*D. Releases by Debtors*

Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan, for good and valuable consideration, including the service of the Released Parties to facilitate the expeditious reorganization of the Debtors and the implementation of the restructuring transactions contemplated by the Plan, on and after the Effective Date, the Released Parties are deemed released and discharged by the Debtors, the Reorganized Debtors, and the Estates from any and all claims, interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative claims asserted on behalf of the Debtors or the Estates, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, that the Debtors, the Reorganized Debtors, the Estates, or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Equity Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the CCAA Proceeding, the prepetition or postpetition purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors, the Prepetition Facilities, the DIP Facilities, the Working Capital Facility, the Second Lien Exit Facility, the Exit Intercreditor Agreement, the New LightSquared Entities Shares, the Reorganized LightSquared Inc. Exit Facility, as applicable, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims or Equity Interests prior to or in the Chapter 11 Cases and/or the CCAA Proceeding, the negotiation, formulation, or preparation of the Plan and the Disclosure Statement, or related agreements (including the Plan Support Agreement), instruments, or other documents, any of the Debtors' regulatory efforts (including, without limitation, change of control applications) upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct (including fraud) or gross negligence. Notwithstanding anything contained herein to the contrary, the foregoing release does not release any obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Working Capital Facility Credit Agreement, Second Lien Exit Credit Agreement, Reorganized LightSquared Inc. Credit Agreement, Exit Intercreditor Agreement, Reorganized Debtors Governance Documents, and the Plan Supplement) executed to implement the Plan.

*E. Exculpation*

Except as otherwise specifically provided in the Plan, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any claim, obligation, Cause of Action, or liability for any act taken or omitted to be taken in connection with, or related to, formulating, negotiating, preparing, disseminating, implementing, administering, confirming, or effecting the Confirmation or

Consummation of the Plan, the Disclosure Statement, the Plan Documents, or any contract, instrument, release, or other agreement, or document created or entered into in connection with the Plan (including the Plan Support Agreement), any act taken or omitted to be taken in connection with, or related to, any of the Debtors' regulatory efforts (including, without limitation change of control applications), the negotiation of Cure Costs, the amendment, assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases, or any other prepetition or postpetition act taken or omitted to be taken in connection with, or in contemplation of, the restructuring of the Debtors, the approval of the Disclosure Statement, or Confirmation or Consummation of the Plan, except for (1) willful misconduct (including fraud) or gross negligence and/or (2) the rights of any Entity to enforce the Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered under, or in connection with, the Plan, or assumed pursuant to the Plan, or assumed pursuant to a Final Order, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon Confirmation of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the distributions of the Securities pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

*F. Third-Party Releases by Holders of Claims or Equity Interests*

Except as otherwise specifically provided in the Plan, on and after the Effective Date, to the fullest extent permissible under applicable law, (1) each Released Party, (2) each present and former Holder of a Claim or Equity Interest, and (3) each of the foregoing Entities' respective predecessors, successors and assigns, and current and former shareholders, affiliates, subsidiaries, members (including ex-officio members), officers, directors, principals, managers, trustees, employees, partners, attorneys, financial advisors, accountants, investment bankers, investment advisors, actuaries, professionals, consultants, agents, and representatives (in each case, in his, her, or its capacity as such) (each of the foregoing parties in (1), (2), and (3), a "Releasing Party") shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged the Released Parties from any and all claims, interests, obligations, rights, suits, damages, Claims, Equity Interests, Causes of Action, remedies, and liabilities whatsoever, including any derivative claims asserted on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, that each Releasing Party would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the CCAA Proceeding, the prepetition or postpetition purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors, the Prepetition Facilities, the DIP Facilities, the Working Capital Facility, the Second Lien Exit Facility, the Exit

Intercreditor Agreement, the New LightSquared Entities Shares, the Reorganized LightSquared Inc. Exit Facility, as applicable, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims or Equity Interests prior to or in the Chapter 11 Cases and/or the CCAA Proceeding, the negotiation, formulation, or preparation of the Plan and the Disclosure Statement, or related agreements, instruments, or other documents, any act taken or omitted to be taken in connection with, or related to, any of the Debtors' regulatory efforts (including, without limitation change of control applications), the negotiation of Cure Costs, the amendment, assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases, upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct (including fraud) or gross negligence; provided, however, that each present and former Holder of a Claim or Equity Interest voting to reject the Plan may reject the third-party release provided in this Section VIII.F by checking the box on the applicable Ballot indicating that such Holder opts not to grant such third-party release.

Notwithstanding anything contained herein to the contrary, the third-party release herein does not release any obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Working Capital Facility Credit Agreement, Second Lien Exit Credit Agreement, Reorganized LightSquared Inc. Credit Agreement, Exit Intercreditor Agreement, Reorganized Debtors Governance Documents, and the Plan Supplement) executed to implement the Plan.

*G. Injunctions*

Except as otherwise expressly provided in the Plan, or for obligations issued pursuant to the Plan, all Entities who have held, hold, or may hold Claims or Equity Interests that have been released pursuant to Section VIII.D hereof or Section VIII.F hereof, discharged pursuant to Section VIII.A hereof, or are subject to exculpation pursuant to Section VIII.E hereof are permanently enjoined, from and after the Effective Date, from taking any of the following actions against the Debtors or the Reorganized Debtors: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of, in connection with, or with respect to any such Claims or Equity Interests; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of, in connection with, or with respect to any such Claims or Equity Interests; (3) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or estates of such Entities on account of, in connection with, or with respect to any such Claims or Equity Interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property or Estates of such Entities on account of, in connection with, or with respect to any such Claims or Equity Interests unless such Holder has Filed a motion requesting the right to perform such setoff on or before the Confirmation Date, and notwithstanding an indication in a



**Proof of Claim or proof of Equity Interest or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to section 553 of the Bankruptcy Code or otherwise; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of, in connection with, or with respect to any such Claims or Equity Interests released or settled pursuant to the Plan. Nothing in the Plan or Confirmation Order shall preclude any Entity from pursuing an action against one or more of the Debtors in a nominal capacity to recover insurance proceeds so long as the Debtors or Reorganized Debtors, as applicable, and any such Entity agree in writing that such Entity shall (1) waive all Claims against the Debtors, the Reorganized Debtors, and the Estates related to such action and (2) enforce any judgment on account of such Claim solely against applicable insurance proceeds, if any.**

*H. Release of Liens*

Except as otherwise provided in the Plan, or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, (1) on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and (2) in the case of a Secured Claim, upon satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, settled, discharged, and compromised and all rights, titles, and interests of any Holder of such mortgages, deeds of trust, Liens, pledge, or other security interests against any property of the Estates shall revert to the Reorganized Debtors and their successors and assigns. The Reorganized Debtors shall be authorized to file any necessary or desirable documents to evidence such release in the name of such Holder of a Secured Claim.

**ARTICLE IX.  
CONDITIONS PRECEDENT TO CONFIRMATION DATE AND EFFECTIVE DATE  
OF PLAN**

*A. Conditions Precedent to Confirmation Date*

It shall be a condition to the Confirmation Date of the Plan that the following conditions shall have been satisfied (prior to, or in conjunction with, entry of the Confirmation Order) or waived pursuant to the provisions of Section IX.C hereof:

1. Except as otherwise agreed by each of the New Investors, the FCC shall not have: (a) denied any Material Regulatory Request in writing on material substantive grounds; (b) denied any Material Regulatory Request in writing on any other grounds without affording the applicant or petitioner an opportunity to submit a substantively similar request without prejudice; or (c) otherwise taken action so as to preclude a reasonable prospect of satisfying any FCC Objective.
2. The Bankruptcy Court shall have entered the Confirmation Order.

3. The Bankruptcy Court shall have entered the Disclosure Statement Order and the Canadian Court shall have entered the Disclosure Statement Recognition Order.
4. The Plan Support Agreement shall be in full force and effect.
5. The New DIP Orders shall have been entered contemporaneously with the Confirmation Order.
6. The Standing Motion Stipulation Order shall have been entered by the Bankruptcy Court.
7. The JPM Inc. Facilities Claims Purchase Agreement shall have been executed and be in full force and effect.
8. The New Investor Commitment Documents shall have been executed and be in full force and effect.
9. The Prepetition Inc. Fee Claims and DIP Inc. Fee Claims shall have been paid in full in Cash
10. The Debtors shall have received (a) binding commitments with respect to the Effective Date Investments, (b) a highly confident letter with respect to the Working Capital Facility, in each case, on terms and conditions satisfactory to each of the New Investors and the Debtors, and (c) binding commitments with respect to the Cash portion of the Second Lien Exit Facility.
11. The New Investor Break-Up Fee and the commitment fee under the Second Lien Exit Facility Commitment Letter shall each have been approved by the Bankruptcy Court.

*B. Conditions Precedent to Effective Date*

It shall be a condition to the Effective Date of the Plan that the following conditions shall have been satisfied or waived (upon agreement of each of the New Investors and the Debtors) pursuant to the provisions of Section IX.C hereof:

1. The Confirmation Order shall have become a Final Order.
2. The transactions contemplated by the JPM Inc. Facilities Claims Purchase Agreement shall have been consummated.
3. The New DIP Orders (a) shall have been entered and (b) shall have become Final Orders.
4. The New DIP Recognition Order shall have become a Final Order.

5. The New DIP Facilities shall have been funded, and there shall not be any default under the New DIP Credit Agreements or the New DIP Orders with respect to which the New DIP Agents or New DIP Lenders are exercising any rights and remedies against the collateral under such New DIP Facilities.
6. The Plan Documents, to the extent applicable to the transactions to be consummated pursuant to the Confirmation Order, shall have been executed and delivered, and any conditions (other than the occurrence of the Effective Date or certification that the Effective Date has occurred) contained therein shall have been satisfied or waived in accordance therewith, including, but not limited to:
  - (a) the Working Capital Facility Credit Agreement and any related documents, in forms and substance satisfactory to New LightSquared, each of the New Investors, and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof, and the incurrence of obligations pursuant to the Working Capital Facility Credit Agreement shall have occurred;
  - (b) the Second Lien Exit Credit Agreement and any related documents, in forms and substance satisfactory to each of the New Investors and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof, the incurrence of obligations pursuant to the Second Lien Exit Credit Agreement, and the funding of all New Money Lender Commitments (as such term is defined in the Second Lien Exit Credit Agreement) shall have occurred;
  - (c) the Reorganized LightSquared Inc. Exit Facility and any related documents, in forms and substance satisfactory to each of the New Investors and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, and the incurrence of obligations pursuant to the Reorganized LightSquared Inc. Exit Facility shall have occurred;
  - (d) the New LightSquared Interest Holders Agreement, in form and substance satisfactory to each of the New Investors and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, and all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof; and

- (e) the Debtors shall have sufficient Cash on hand to fund the Professional Fee Reserve and the Disputed Claims and Equity Interests Reserve.
- 7. The Canadian Court shall have entered the Confirmation Recognition Order and such order shall have become a Final Order.
- 8. All necessary actions, documents, certificates, and agreements necessary to implement the Plan shall have been effected or executed and delivered to the required parties and, to the extent required, Filed with the applicable governmental units in accordance with applicable laws.
- 9. Except as otherwise agreed by each of the New Investors, the FCC shall not have: (a) denied any Material Regulatory Request in writing on material substantive grounds; (b) denied any Material Regulatory Request in writing on any other grounds without affording the applicant or petitioner an opportunity to submit a substantively similar request without prejudice; or (c) otherwise taken action so as to preclude a reasonable prospect of satisfying any FCC Objective.
- 10. The FCC, Industry Canada, and other applicable governmental authorities shall have granted any necessary consents and approvals required for the Debtors to emerge from chapter 11 pursuant to the Plan (including, without limitation and to the extent applicable, consents to the assignment of the Debtors' licenses and/or the transfer of control of the Debtors, as well as customary approvals and authorizations related thereto) and any statutory waiting periods shall have expired (including under the *Hart-Scott-Rodino Antitrust Improvements Act of 1976 and the Competition Act (Canada)*).
- 11. The Plan Support Agreement shall be in full force and effect.
- 12. The Debtors shall have paid in full in Cash all New Investor Fee Claims.
- 13. The Harbinger Litigations shall have been assigned to New LightSquared.
- 14. The identity of the Chairman of the New LightSquared Board shall be reasonably acceptable to each of the New Investors.

C. *Waiver of Conditions*

The conditions to the Confirmation Date and/or the Effective Date of the Plan set forth in this Article IX may be waived by the agreement of each of the New Investors and the Debtors, without notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity; provided, that if the Inc. Facilities Claims Purchase Closing Date and payment in full in Cash of the DIP Inc. Claims has not yet occurred, the conditions to Confirmation set forth in Section IX.A may not be waived without the consent of MAST, other than Sections IX.A.1, IX.A.10, and IX.A.11.

**ARTICLE X.**  
**MODIFICATION, REVOCATION, OR WITHDRAWAL OF PLAN**

*A. Modification and Amendments*

Except as otherwise specifically provided in the Plan, the Plan Proponents (in accordance with the Plan Support Agreement, as applicable, and the terms of this Article X), reserve the right with the written consent of each Plan Proponent to modify the Plan as to material terms and seek Confirmation consistent with the Bankruptcy Code; provided, however, that the Plan may not be modified or amended with respect to (1) a MAST Term or (2) Articles I, II, II.A, II.C, III, IV.A, IV.B.1, VI (solely as to such terms that pertain to MAST or the Prepetition Inc. Agent), VIII, IX.A, IX.C, X, XI (solely as to such terms that pertain to MAST or the Prepetition Inc. Agent), and XII hereof, without the prior written consent of MAST and the Prepetition Inc. Agent, which consent, in the case of clause (2), immediately above and when unrelated to a MAST Term, shall not be unreasonably withheld or delayed. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, and those restrictions on modifications set forth in the Plan and in the Plan Support Agreement, the Plan Proponents other than the Debtors (in accordance with the Plan Support Agreement or the terms of this Section X.A), expressly reserve the right to alter, amend, or modify materially the Plan with respect to any Debtor, one or more times, after Confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court or Canadian Court to so alter, amend, or modify the Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement, the Confirmation Order, or the Confirmation Recognition Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. Any such modification or supplement shall be considered a modification of the Plan and shall be made in accordance with this Section X.A.

*B. Effect of Confirmation on Modifications*

Entry of a Confirmation Order or Confirmation Recognition Order shall mean that all modifications or amendments to the Plan since the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

*C. Revocation or Withdrawal of Plan*

The Plan Proponents, with the consent of each Plan Proponent, MAST, and the Prepetition Inc. Agent, in accordance with the Plan Support Agreement (or, in the case of the Debtors, the terms of this Section X.C), reserve the right to revoke or withdraw the Plan prior to the Confirmation Date and to file subsequent chapter 11 plans. The Debtors reserve their right to withdraw support for the Plan at any time if it is determined that pursuing the Plan would be inconsistent with the exercise of their fiduciary duties; provided, however, that such withdrawal is without prejudice to the right of the other Plan Proponents to continue to seek confirmation and consummation of the Plan. If the Plan Proponents collectively revoke or withdraw the Plan, or if the Confirmation or Consummation does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan

(including the fixing or limiting to an amount certain of any Claims or Equity Interests or Class of Claims or Equity Interests), assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void in all respects (provided, however, that the foregoing shall not apply to (x) the Standing Motion Stipulation and the withdrawal of the Standing Motion as to the Prepetition Inc. Facility Non-Subordinated Claims or (y) the JPM Inc. Facilities Claims Purchase Agreement or the New Investor Commitment Documents to the extent that the Inc. Facilities Claims Purchase Closing Date has occurred); and (3) nothing contained in the Plan or the Disclosure Statement shall (a) constitute a waiver or release of any Claims or Equity Interests in any respect, (b) prejudice in any manner the rights of the Debtors or any other Entity in any respect, or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Entity in any respect.

*D. Validity of Certain Plan Transactions If Effective Date Does Not Occur*

If, for any reason, the Plan is Confirmed, but the Effective Date does not occur, any and all post-Confirmation Date and pre-Effective Date Plan Transactions that were authorized by the Bankruptcy Court, whether as part of the New DIP Facilities, the purchases pursuant to the JPM Inc. Facilities Claims Purchase Agreement, the New Investor Commitment Documents, the Plan, or otherwise, and any distributions made from proceeds of the New DIP Facilities, shall be deemed valid, in full force and effect, and not subject to revocation or reversal.

**ARTICLE XI.  
RETENTION OF JURISDICTION**

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain jurisdiction over all matters arising out of, or relating to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including jurisdiction to:

1. Allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Equity Interest, including the resolution of any request for payment of any Administrative Claim, of any request for the payment or Plan Distribution on account of Claims entitled to priority pursuant to section 507 of the Bankruptcy Code, and of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Equity Interests;
2. Decide and resolve all matters relating to the granting and denying, in whole or in part, of any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;
3. Resolve any matters relating to the following: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to

which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including Cure Costs pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed, or assumed and assigned; (c) the Reorganized Debtors amending, modifying, or supplementing, after the Effective Date, pursuant to Article V hereof, any Executory Contracts or Unexpired Leases to the list of Executory Contracts and Unexpired Leases to be assumed, or assumed and assigned; and (d) any dispute regarding whether a contract or lease is or was executory or unexpired;

4. Ensure that Plan Distributions to Holders of Allowed Claims and Allowed Equity Interests are accomplished pursuant to the provisions of the Plan;
5. Adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;
6. Adjudicate, decide, or resolve any and all matters related to Causes of Action;
7. Adjudicate, decide, or resolve all matters related to the Standing Motion Stipulation and Standing Motion Stipulation Order;
8. Adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;
9. Enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan or the Disclosure Statement;
10. To hear and determine any matters relating to, arising out of, or in connection with the implementation of the Working Capital Facility, the Second Lien Exit Facility, the Reorganized LightSquared Inc. Exit Facility, the Exit Intercreditor Agreement, the Reorganized Debtors Governance Documents, the Second Lien Exit Facility Commitment Letter, or any ancillary or related agreements thereto;
11. Resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the Consummation, interpretation, or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;
12. Issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with the Consummation or enforcement of the Plan, including the releases set forth therein;

13. Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the releases, injunctions, and other provisions contained in Article VIII hereof and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;
14. Hear and determine all disputes involving the existence, nature, or scope of the Debtors' discharge, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date;
15. Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of Plan Distributions and the recovery of additional amounts owed by the Holder of a Claim or Equity Interest for amounts not timely repaid pursuant to Section VI.J hereof;
16. Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;
17. Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, indenture, or other agreement or document created in connection with the Plan or the Disclosure Statement;
18. Enter an order or final decree concluding or closing the Chapter 11 Cases;
19. Adjudicate any and all disputes arising from or relating to Plan Distributions under the Plan or any transactions contemplated therein;
20. Adjudicate any and all disputes arising from or relating to the JPM Inc. Facilities Claims Purchase Agreement.
21. Adjudicate any and all disputes arising from, or relating to, the New Investor Commitment Documents.
22. Consider any modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;
23. Hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;
24. Enforce all orders previously entered by the Bankruptcy Court; and
25. Hear any other matter not inconsistent with the Bankruptcy Code.



**ARTICLE XII.**  
**MISCELLANEOUS PROVISIONS**

*A. Immediate Binding Effect*

Subject to Section IX.B hereof, and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan, the Plan Supplement, the Confirmation Order, and the Confirmation Recognition Order shall be immediately effective and enforceable and deemed binding upon the Debtors, the Reorganized Debtors, and any and all Holders of Claims or Equity Interests (irrespective of whether such Claims or Equity Interests are deemed to have accepted the Plan), all Entities that are parties, or are subject, to the settlements, compromises, releases, discharges, and injunctions described in the Plan, each Entity acquiring or receiving property under the Plan, and any and all non-Debtor parties to Executory Contracts or Unexpired Leases with the Debtors. All Claims and debts shall be as fixed, adjusted, or compromised, as applicable, pursuant to the Plan regardless of whether any Holder of a Claim or debt has voted on the Plan. For the avoidance of doubt, upon entry of the Confirmation Order the JPM Inc. Facilities Claims Purchase Agreement, and the New Investor Commitment Documents shall remain binding, subject to the terms thereof, regardless of whether the Effective Date occurs.

*B. Additional Documents*

On or before the Effective Date, the Plan Proponents may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors, the New Investors or the Reorganized Debtors, as applicable, and all Holders of Claims or Equity Interests receiving Plan Distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or appropriate to effectuate the provisions and intent of the Plan.

*C. Reservation of Rights*

Except as expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court shall have entered the Confirmation Order. None of the Filing of the Plan, any statement or provision contained in the Plan, or the taking of any action by any Debtor, any Plan Proponent, or any Plan Support Party with respect to the Plan or the Disclosure Statement, shall be or shall be deemed to be an admission or waiver of any rights of any Debtor with respect to the Holders of Claims or Equity Interests prior to the Effective Date.

*D. Successors and Assigns*

Except as expressly set forth in the Plan, the rights, benefits, and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign, affiliate, officer, director, agent, representative, attorney, beneficiary, or guardian, if any, of each Entity.

*E. Service of Documents*

After the Effective Date, any pleading, notice, or other document required by the Plan to be served on or delivered to:

the Debtors or the Reorganized Debtors, shall be served on:

LightSquared Inc.  
Attn: General Counsel  
10802 Parkridge Boulevard  
Reston, VA 20191

Milbank, Tweed, Hadley & McCloy LLP  
Matthew S. Barr  
Steven Z. Szanzer  
Karen Gartenberg  
One Chase Manhattan Plaza  
New York, NY 10005

the Special Committee, shall be served on:

Kirkland & Ellis LLP  
Paul M. Basta  
Joshua A. Sussberg  
601 Lexington Avenue  
New York, NY 10022

Fortress, shall be served on:

Fortress Credit Opportunities Advisors  
LLC  
1345 Avenue of the Americas  
New York, NY 10105  
Kristopher M. Hansen

Stroock & Stroock & Lavan LLP  
Frank A. Merola  
Jayme T. Goldstein  
180 Maiden Lane  
New York, NY 10038

JPM Investment Parties, shall be served on:

JPMorgan Chase & Co.  
Patrick Daniello  
383 Madison Ave.  
New York, NY 10179

Simpson Thacher & Bartlett LLP  
Sandeep Qusba  
Elisha D. Graff  
425 Lexington Avenue  
New York, NY 10017

Harbinger, shall be served on:

Kasowitz, Benson, Torres & Friedman  
LLP  
David M. Friedman  
Adam L. Shiff  
1633 Broadway  
New York, NY 10019

Centerbridge, shall be served on:

Centerbridge Partners, L.P.  
Vivek Melwani  
Jared Hendricks  
375 Park Avenue, 12th Floor  
New York, NY 10152

Fried, Frank, Harris, Shriver & Jacobson LLP  
Brad Eric Scheler  
Peter B. Siroka  
Aaron S. Rothman  
One New York Plaza  
New York, NY 10004

MAST, the Prepetition Inc. Agent and/or the DIP Inc. Agent shall be served on:

MAST Capital Management, LLC  
Peter Reed  
Adam Kleinman  
The John Hancock Tower  
200 Clarendon Street, Floor 51  
Boston, MA 02116

Akin Gump Strauss Hauer & Feld LLP  
Philip C. Dublin  
Meredith A. Lahaie  
One Bryant Park  
New York, NY 10036

After the Effective Date, the Reorganized Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have Filed a renewed request to receive documents pursuant to Bankruptcy Rule 2002.

*F. Term of Injunctions or Stays*

Unless otherwise provided in the Plan, the Confirmation Order, or the Confirmation Recognition Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court or the Canadian Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan, the Confirmation Order, or the Confirmation Recognition Order), shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan, the Confirmation Order, or the Confirmation Recognition Order shall remain in full force and effect in accordance with their terms.

*G. Plan Supplement*

All exhibits and documents included in the Plan Supplement are incorporated into, and are a part of, the Plan as if set forth in full in the Plan, and any reference to the Plan shall mean the Plan and the Plan Supplement. Upon its Filing, the Plan Supplement may be inspected in the office of the clerk of the Bankruptcy Court or its designee during normal business hours, at the Bankruptcy Court's website at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov), and at the website of the Claims and Solicitation Agent at <http://www.kccllc.net/lightsquared>. The documents contained in the Plan Supplement are an integral part of the Plan and shall be deemed approved by the Bankruptcy Court pursuant to the Confirmation Order.

*H. Entire Agreement*

Except as otherwise indicated, the Plan and the Plan Supplement (which, for the avoidance of doubt, shall not include the New DIP Order) supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

*I. Non-severability of Plan Provisions*

If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall be deemed to provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is (1) valid and enforceable pursuant to its terms, (2) integral to the Plan and may not be deleted or modified without the consent of the Debtors, the New Investors and, to the extent otherwise set forth herein or in the Plan Support Agreement, MAST, and (3) non-severable and mutually dependent.

*J. Votes Solicited in Good Faith*

Upon entry of the Confirmation Order, the Plan Proponents shall be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code, and pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and each of their respective Affiliates, subsidiaries, members, principals, shareholders, officers, directors, employees, representatives, agents, financial advisors, attorneys, accountants, investment bankers, consultants, and other professionals shall be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of Securities offered and sold under the Plan, and, therefore, shall have no liability for the violation of any applicable law, rule, or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale, or purchase of the Securities offered and sold under the Plan.

*K. Waiver or Estoppel*

**Each Holder of a Claim or an Equity Interest shall be deemed to have waived any right to assert any argument, including the right to argue that its Claim or Equity Interest should be Allowed in a certain amount, in a certain priority, Secured, or not subordinated by virtue of an agreement made with the Debtors or their counsel or any other Entity, if such agreement was not disclosed in the Plan, the Disclosure Statement, or papers Filed with the Bankruptcy Court prior to the Confirmation Date.**

*L. Conflicts*

Except as set forth in the Plan, to the extent that any provision of the Disclosure Statement, the Plan Supplement, or any other order (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements, or amendments to any of the foregoing), conflicts with or is in any way inconsistent with any provision of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit or non-document portion of the Plan shall govern and control.

New York, New York  
Dated: March 26, 2015

**LIGHTSQUARED INC.,  
LIGHTSQUARED LP, AND THE OTHER  
DEBTORS IN THE CHAPTER 11 CASES**

/s/ Douglas Smith

Douglas Smith  
Chief Executive Officer, President, and  
Chairman of the Board of LightSquared Inc.

New York, New York  
Dated: March 26, 2015

**CENTERBRIDGE PARTNERS, L.P., ON  
BEHALF OF CERTAIN OF ITS AFFILIATED  
FUNDS**

By: /s/ Jared S. Hendricks  
Name: Jared S. Hendricks  
Title: Authorized Signatory

New York, New York  
Dated: March 26, 2015

**FORTRESS CREDIT OPPORTUNITIES  
ADVISORS LLC, ON BEHALF OF CERTAIN  
FUNDS AND/OR ACCOUNTS MANAGED BY  
IT AND ITS AFFILIATES**

By: /s/ Constantine M. Dakolias  
Name: Constantine M. Dakolias  
Title: President



New York, New York  
Dated: March 26, 2015

**HARBINGER CAPITAL PARTNERS LLC**

By: /s/ Philip A. Falcone  
Name: Philip A. Falcone  
Title: Chief Executive Officer

**HGW HOLDING COMPANY, L.P.**

By: /s/ Philip A. Falcone  
Name: Philip A. Falcone  
Title: Chief Executive Officer

**BLUE LINE DZM CORP.**

By: /s/ Keith M. Hladek  
Name: Keith M. Hladek  
Title: Authorized Signatory

**HCP SP INC.**

By: /s/ Philip A. Falcone  
Name: Philip A. Falcone  
Title: President

**Exhibit A-2**

**Blackline Comparison of Revised Modified Second Amended Plan  
(Changed Pages Only)**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

_____	)	
In re:	)	Chapter 11
	)	
LIGHTSQUARED INC., <i>et al.</i> ,	)	Case No. 12-12080 (SCC)
	)	
Debtors. <sup>1</sup>	)	Jointly Administered
_____	)	

---

**MODIFIED SECOND AMENDED JOINT PLAN PURSUANT TO CHAPTER 11 OF  
BANKRUPTCY CODE**

---

**MILBANK, TWEED, HADLEY &  
M<sup>C</sup>CLOY LLP**

*One Chase Manhattan Plaza  
New York, New York 10005  
(212) 530-5000  
Counsel for the Debtors*

**KASOWITZ, BENSON, TORRES &  
FRIEDMAN LLP**

*1633 Broadway  
New York, New York 10019  
(212) 506-1700  
Counsel for Harbinger Capital Partners LLC*

**FRIED, FRANK, HARRIS, SHRIVER &  
JACOBSON LLP**

*One New York Plaza  
New York, New York 10004  
(212) 859-8000  
Counsel for Centerbridge Partners, L.P.*

**STROOCK & STROOCK & LAVAN LLP**

*180 Maiden Lane  
New York, New York 10038  
(212) 806-5400  
Counsel for Fortress Credit Opportunities  
Advisors LLC*

Dated: New York, New York  
March ~~17~~26, 2015

<sup>1</sup> The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal or foreign tax or registration identification number, are: LightSquared Inc. (8845), LightSquared Investors Holdings Inc. (0984), One Dot Four Corp. (8806), One Dot Six Corp. (8763), SkyTerra Rollup LLC (N/A), SkyTerra Rollup Sub LLC (N/A), SkyTerra Investors LLC (N/A), TMI Communications Delaware, Limited Partnership (4456), LightSquared GP Inc. (6190), LightSquared LP (3801), ATC Technologies, LLC (3432), LightSquared Corp. (1361), LightSquared Finance Co. (6962), LightSquared Network LLC (1750), LightSquared Inc. of Virginia (9725), LightSquared Subsidiary LLC (9821), Lightsquared Bermuda Ltd. (7247), SkyTerra Holdings (Canada) Inc. (0631), SkyTerra (Canada) Inc. (0629), and One Dot Six TVCC Corp. (0040). The location of the debtors' corporate headquarters is 10802 Parkridge Boulevard, Reston, VA 20191.

segments at transmit power levels commensurate with existing terrestrially-based 4th generation LTE wireless communications networks, and (iii) provide terrestrial signal coverage of (A) 290 million total POPs calculated on a weighted-average basis over the nominal 1627-1637 MHz and 1646-1656 MHz bands and (B) 265 million total POPs calculated on a weighted-average basis over the 1670-1680 MHz band; (b) any build out conditions that may be imposed by the FCC on the Debtors shall be no more onerous than those in effect for DISH Network Corporation's AWS-4 spectrum as of December 2012; and (c) any specific restrictions that may be imposed by the FCC on the Debtors regarding their possible sale to future buyers must not preclude a sale to AT&T Inc., Verizon Communications Inc., T-Mobile USA, Inc., or Sprint Corporation.

94. **"Federal Judgment Rate"** means the federal judgment rate in effect as of the Petition Date.

95. **"File," "Filed," or "Filing"** means file, filed, or filing with (i) the Bankruptcy Court or its authorized designee in the Chapter 11 Cases or (ii) the Canadian Court, as applicable.

96. **"Final Order"** means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction (including the Canadian Court) with respect to the relevant subject matter, which has not been reversed, stayed, modified, or amended, and as to which the time to appeal or seek certiorari or leave to appeal has expired and no appeal or petition for certiorari or motion for leave to appeal has been timely taken, or as to which any appeal that has been taken or any petition for certiorari or motion for leave to appeal that has been or may be Filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari or leave to appeal was sought; provided, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or under the Ontario Rules of Civil Procedure, may be Filed relating to such order shall not prevent such order from being a Final Order; provided, further, that the New Investors (upon the consent of each New Investor and the Debtors) reserve the right to waive any appeal period.

97. **"First Day Pleadings"** means those certain pleadings Filed by the Debtors on or around the Petition Date.

98. **"Fortress"** means Fortress Credit Opportunities Advisors LLC, ~~by and on behalf of certain of its and its affiliates' managed~~ funds and/or accounts managed by it and its affiliates.

99. **"Fortress/Centerbridge Acquired DIP Inc. Claims"** means DIP Inc. Claims purchased for Cash by Fortress and Centerbridge from the DIP Inc. Claims Sellers on the Inc. Facilities Claims Purchase Closing Date pursuant to, and subject to the terms and conditions of, the Fortress/Centerbridge DIP Inc. Claims Purchase Agreement.

100. **"Fortress/Centerbridge DIP Inc. Claims Purchase Agreement"** means that certain purchase agreement to be entered into between Fortress, Centerbridge, and the DIP Inc. Claims Sellers on terms mutually acceptable to the parties thereto, pursuant to which Fortress

156. **“New Inc. DIP Credit Agreement”** means that certain senior secured, priming, superpriority debtor-in-possession credit agreement with respect to the New Inc. DIP Facility to be entered into among the New Inc. DIP Obligors and the New Inc. DIP Lenders, in form and substance satisfactory to each of the New Investors and the Debtors.

157. **“New Inc. DIP Facility”** means, as applicable, either the New Investor New Inc. DIP Facility or the Third Party New Inc. DIP Facility.

158. **“New Inc. DIP Lenders”** means the lenders party to the New Inc. DIP Credit Agreement from time to time.

159. **“New Inc. DIP Loans”** means the loans to be made, or deemed made, under the New Inc. DIP Facility.

160. **“New Inc. DIP Obligors”** means LightSquared Inc., as borrower, and certain of the other Inc. Debtors, as guarantors, under the New Inc. DIP Credit Agreement.

161. **“New Investor Break-Up Fee”** means a break-up fee of \$200,000,000, which shall be payable on the following basis: (a) 47.65% to Fortress; (b) 37.65% to SIG; and (c) 14.71% to Centerbridge, allowed and irrevocably payable in Cash only (i) upon the closing of an Alternative Transaction as per the New Investor Break-Up Fee Order, which order may be the Confirmation Order, and (ii) if (A) the Plan has not been withdrawn, (B) the Bankruptcy Court has not denied Confirmation of the Plan, and (C) as of the Inc. Facilities Claims Purchase Closing Date, the Plan Support Agreement, the JPM Inc. Facilities Claims Purchase Agreement, and the New Investor Commitment Documents are in full force and effect, in each case, as to the New Investors.

162. **“New Investor Break-Up Fee Order”** means an order of the Bankruptcy Court approving the New Investor Break-Up Fee in form and substance satisfactory to each of the New Investors and the Debtors.

163. **“New Investor Commitment Documents”** means (a) the Fortress/Centerbridge DIP Inc. Claims Purchase Agreement and (b) the New Investor New Inc. DIP Commitment Letter.

164. **“New Investor Fee Claims”** means all Claims for the reasonable, actual documented fees and expenses of the advisors to the New Investors in an aggregate amount not to exceed \$~~10,000,000~~15,000,000, to be shared as agreed to by each of the New Investors.

165. **“New Investor New Inc. DIP Commitment Letter”** means the commitment letter from the New Investors or certain of their affiliates, dated as of January 15, 2015, as amended by that certain Amendment to Debtor-in-Possession Facility Commitment Letter, dated February 9, 2015 (as amended, supplemented, or otherwise modified from time to time in accordance with the terms thereof), pursuant to which the New Investors or their affiliates commit to provide, among other things, New Inc. DIP Loans of up to \$210,811,224.48,

Notwithstanding anything to the contrary herein, (1) the New Investor Fee Claims incurred through and including the Confirmation Date shall be paid in full, in Cash following the Inc. Facilities Claims Purchase Closing Date from the proceeds of the New DIP Facilities or Cash on hand, to the extent available up to \$10 million, with any such unpaid New Investor Fee Claims being paid on the Effective Date, and (2) the New Investor Fee Claims incurred after the Confirmation Date through and including the Effective Date (to the extent not previously paid), shall be paid monthly from the proceeds of the New DIP Facilities or Cash on hand, subject to the New Investors and the Debtors' prior receipt of invoices and reasonable documentation in connection therewith and without the requirement to File a fee application with the Bankruptcy Court. The Confirmation Order shall provide that the New Investor Fee Claims shall be deemed Allowed Administrative Claims following the Inc. Facilities Claims Purchase Closing Date.

*B. Accrued Professional Compensation Claims*

1. Final Fee Applications

All final requests for payment of Claims of a Professional shall be Filed no later than forty-five (45) days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior Bankruptcy Court orders, the Allowed amounts of such Accrued Professional Compensation Claims shall be determined by the Bankruptcy Court and satisfied in accordance with an order of the Bankruptcy Court.

2. Professional Fee Escrow Account

In accordance with Section II.B.3 hereof, on the Effective Date, New LightSquared shall establish and fund the Professional Fee Escrow Account in the form of Cash in an amount equal to the aggregate Professional Fee Reserve Amount for all Professionals. The Professional Fee Escrow Account shall be maintained in trust for the Professionals. Such funds shall not be considered property of the Debtors or Reorganized Debtors. The amount of Accrued Professional Compensation Claims owing to the Professionals shall be paid in Cash to such Professionals from funds held in the Professional Fee Escrow Account when such Claims are Allowed by a Final Order. When all Allowed Accrued Professional Compensation Claims are paid in full in Cash, amounts remaining in the Professional Fee Escrow Account, if any, shall revert to New LightSquared.

3. Professional Fee Reserve Amount

To receive payment for unbilled fees and expenses incurred through the Effective Date, the Professionals shall estimate their Accrued Professional Compensation Claims prior to and as of the Confirmation Date, along with an estimate of fees and expenses to be incurred through the Effective Date, and shall deliver such estimate to the Debtors and each of the New Investors no later than five (5) days prior to the anticipated Confirmation Date; provided, that such estimate shall not be considered an admission with respect to the fees and expenses of such Professional. If a Professional does not provide an estimate, the Debtors may estimate the unbilled fees and expenses of such Professional. The total amount so estimated and agreed to

holds Allowed Existing LP Preferred Units ~~as of the Distribution Record Date~~ shall be deemed, and hereby agrees, to elect to receive New LightSquared Series C Preferred Interests solely on account of the Allowed Existing LP Preferred Units held by such New Investor as of the Distribution Record Date.

- (c) *Voting:* Class 11 is Impaired by the Plan. Each Holder of a Class 11 Existing LP Preferred Units as of the Voting Record Date is entitled to vote to accept or reject the Plan.

14. Class 12 – Existing Inc. Preferred Stock Equity Interests

- (a) *Classification:* Class 12 consists of all Existing Inc. Preferred Stock Equity Interests.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Existing Inc. Preferred Stock Equity Interest, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Existing Inc. Preferred Stock Equity Interest agrees to any other treatment:
  - (i) each Other Existing Inc. Preferred Equity Holder shall receive on account of its Allowed Existing Inc. Preferred Stock Equity Interest Plan Consideration in the form of such Holder's pro rata share of New LightSquared Series C Preferred Interests having an original liquidation preference equal to the outstanding liquidation preference of the Existing Inc. Preferred Stock held by such Other Existing Inc. Preferred Equity Holder as of the Effective Date (excluding any prepayment or redemption premium) in the manner set forth in Section IV.B.2(d)(iii) below; and
  - (ii) SIG shall receive 100% of the Reorganized LightSquared Inc. Common Shares issued as of the Effective Date.
- (c) *Voting:* Class 12 is Impaired by the Plan. Each Holder of a Class 12 Existing Inc. Preferred Stock Equity Interest as of the Voting Record Date is entitled to vote to accept or reject the Plan.

15. Class 13 – Existing LP Common Units Equity Interests

- (a) *Classification:* Class 13 consists of all Existing LP Common Units Equity Interests.
- (b) *Treatment:* All Existing LP Common Units Equity Interests shall be cancelled as of the Effective Date, and Holders of Existing LP Common

original liquidation preference equal to (y) the outstanding liquidation preference of the Existing Inc. Preferred Stock held by the Other Existing Inc. Preferred Equity Holders as of the Effective Date (excluding any prepayment or redemption premium) plus (z) \$73,000,000 (subject to the distribution obligations set forth in Section IV.B.2(d)(iii)), (3) New LightSquared Series B Preferred Interests having an original liquidation preference of \$41,000,000 and (4) New LightSquared Series ~~A~~A-1 Preferred Interests having an original liquidation preference equal to the Allowed Prepetition Inc. Facility Non-Subordinated Claims held by SIG as of the Effective Date; and (B) assume all obligations with respect to, and make the Plan Distributions required to be made under the Plan with respect to Allowed Inc. Other Priority Claims, Allowed Inc. Other Secured Claims, Allowed Prepetition Inc. Facility Subordinated Claims, and Allowed Inc. General Unsecured Claims.

(d) Certain Transactions Regarding Claims Against and Equity Interests in the Inc. Debtors.

- (i) The Acquired Inc. Facility Claims (including all Inc. Facility Postpetition Interest) and \$41,000,000 of the New Inc. DIP Loans held by SIG (as a result of the conversion of its JPM Acquired DIP Inc. Claims into such New Inc. DIP Loans in accordance with Section II.C.), will be converted into the Reorganized LightSquared Inc. Exit Facility on a dollar-for-dollar basis (with the remainder of the New Inc. DIP Loans held by SIG to be repaid in full in Cash);
- (ii) Reorganized LightSquared Inc. shall issue 100% of the Reorganized LightSquared Inc. Common Shares to SIG in satisfaction of its Existing Inc. Preferred Stock Equity Interests as set forth in Section III.B.14(b)(ii) hereof;
- (iii) The Reorganized Inc. Entities shall distribute to Other Existing Inc. Preferred Equity Holders in satisfaction of their Existing Inc. Preferred Stock Equity Interests as set forth in Section III.B.14(b)(i) hereof, New LightSquared Series C Preferred Interests having an original liquidation preference equal to the outstanding liquidation preference of the Existing Inc. Preferred Stock held by the Other Existing Inc. Preferred Equity Holders as of the Effective Date (excluding any prepayment or redemption premium); and
- (iv) After giving effect to the transfer of assets contemplated by Section IV.B.2(c) above, and to the distributions of New LightSquared Series C Preferred Interests contemplated by



Section IV.B.2(d)(iii) above, Reorganized Inc. Entities will, collectively, hold 21.25% of New LightSquared Common Interests, New LightSquared Series C Preferred Interests having an original liquidation preference of \$73,000,000, New LightSquared Series B Preferred Interests having an original liquidation preference of \$41,000,000 and New LightSquared Series ~~A~~A-1 Preferred Interests having an original liquidation preference equal to the Prepetition Inc. Facility Non-Subordinated Claims held by SIG as of the Effective Date, and will retain their tax attributes and Reorganized LightSquared Inc. will retain 100% of the equity interests in One Dot Four Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, TMI Communications Delaware, Limited Partnership, LightSquared Investors Holdings Inc. and SkyTerra Investors LLC; provided that, on the Effective Date, the Reorganized Inc. Entities shall have the option to exchange on a dollar-for-dollar basis all or a portion of their New LightSquared Series A-1 Preferred Interests into New LightSquared Series A-2 Preferred Interests and/or additional New LightSquared Series C Preferred Interests.

3. New LightSquared Loan Facilities.

- (a) New LightSquared and the other relevant Entities shall enter into the Working Capital Facility and the Second Lien Exit Facility. Confirmation of the Plan shall constitute (i) approval of the Working Capital Facility, Second Lien Exit Facility, and all transactions contemplated thereby, including any and all actions to be taken, undertakings to be made, and obligations to be incurred by the New LightSquared Obligor in connection therewith, including the payment of all fees, indemnities, and expenses provided for therein, and (ii) authorization for the New LightSquared Obligor to enter into and execute the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement and such other documents as may be required or appropriate. On the Effective Date, the Working Capital Facility and the Second Lien Exit Facility, together with any new promissory notes evidencing the obligations of the New LightSquared Obligor, and all other documents, instruments, mortgages, and agreements to be entered into, delivered, or confirmed thereunder, shall become effective, valid, binding, and enforceable in accordance with their terms, and each party thereto shall be bound thereby. The obligations incurred by the New LightSquared Obligor pursuant to the Working Capital Facility and the Second Lien Exit Facility and related documents shall be secured and paid or otherwise satisfied pursuant to, and as set forth in, the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement and related documents.

such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

*P. Preservation, Transfer, and Waiver of Rights of Action*

In accordance with section 1123(b) of the Bankruptcy Code, but subject to Article VIII hereof, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including any Retained Causes of Actions that may be described in the Plan Supplement, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the Reorganized Debtors, as applicable, shall not pursue any and all available Causes of Action against them. The Debtors or the Reorganized Debtors, as applicable, expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan. Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Bankruptcy Court order, the Reorganized Debtors expressly reserve all Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the Confirmation or Consummation. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in New LightSquared.

The Cash received by the Holders of the Prepetition LP Facility SPSO Claims and Prepetition LP Facility SPSO Guaranty Claims shall be subject to disgorgement to New LightSquared without the further approval of any Entity, to the extent that the Bankruptcy Court or any other court of competent jurisdiction, at the request of any party in interest, disallows (on the grounds set forth in ~~Section~~Sections III.B.8(b) and III.B.10(b)) all or any part of the Prepetition LP Facility SPSO Claims or the Prepetition LP Facility SPSO Guaranty Claims. For the avoidance of doubt, the Prepetition LP Facility SPSO Claims, Prepetition LP Facility SPSO Guaranty Claims, and any Cash received on account thereof shall be subject to any equitable or legal remedy previously sought and currently subject to the Appeal, other than equitable subordination of the Prepetition LP Facility SPSO Claims and the Prepetition LP Facility SPSO Guaranty Claims.

Upon the Effective Date of the Plan, Harbinger shall irrevocably assign to New LightSquared all Harbinger Litigations, and the New Investors shall irrevocably assign to New LightSquared any and all of their rights to commence any New Actions. New LightSquared will receive all Retained Causes of Action Proceeds, which, for the avoidance of doubt, shall include any and all proceeds from any of the Harbinger Litigations and New Actions.

New York, New York  
Dated: March ~~17~~<sup>26</sup>, 2015

**LIGHTSQUARED INC.,  
LIGHTSQUARED LP, AND THE OTHER  
DEBTORS IN THE CHAPTER 11 CASES**

/s/ Douglas Smith

Douglas Smith  
Chief Executive Officer, President, and  
Chairman of the Board of LightSquared Inc.

New York, New York  
Dated: March ~~17~~26, 2015

**CENTERBRIDGE PARTNERS, L.P., ON  
BEHALF OF CERTAIN OF ITS AFFILIATED  
FUNDS**

By: /s/ Jared S. Hendricks  
Name: Jared S. Hendricks  
Title: Authorized Signatory

New York, New York  
Dated: March ~~17~~26, 2015

**FORTRESS CREDIT OPPORTUNITIES  
ADVISORS LLC, ~~by and on behalf of its and its  
affiliates' managed funds and/or accounts~~ON  
BEHALF OF CERTAIN FUNDS AND/OR  
ACCOUNTS MANAGED BY IT AND ITS  
AFFILIATES**

By: /s/ Constantine M. Dakolias  
Name: Constantine M. Dakolias  
Title: President

New York, New York  
Dated: March ~~17~~26, 2015

**HARBINGER CAPITAL PARTNERS LLC**

By: /s/ Philip A. Falcone  
Name: Philip A. Falcone  
Title: Chief Executive Officer

**HGW HOLDING COMPANY, L.P.**

By: /s/ Philip A. Falcone  
Name: Philip A. Falcone  
Title: Chief Executive Officer

**BLUE LINE DZM CORP.**

By: /s/ Keith M. Hladek  
Name: Keith M. Hladek  
Title: Authorized Signatory

**HCP SP INC.**

By: /s/ Philip A. Falcone  
Name: Philip A. Falcone  
Title: President

**Exhibit B-1**

**Modified Proposed Confirmation Order**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

---

In re:	)	
	)	Chapter 11
	)	
LIGHTSQUARED INC., <i>et al.</i> ,	)	Case No. 12-12080 (SCC)
	)	
Debtors. <sup>1</sup>	)	Jointly Administered
	)	

---

**ORDER CONFIRMING MODIFIED SECOND AMENDED JOINT PLAN  
PURSUANT TO CHAPTER 11 OF BANKRUPTCY CODE**

The Plan Proponents<sup>2</sup> having proposed and filed:

- a. the *Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, dated March 26, 2015 [Docket No. \_\_\_\_] (as amended, supplemented, or modified from time to time in accordance with the terms thereof, the “Plan”), attached hereto as Exhibit A;
- b. the *First Amended General Disclosure Statement*, dated October 7, 2013 [Docket No. 918] (as amended, supplemented, or modified from time to time, the “General Disclosure Statement”); and
- c. the *Second Amended Specific Disclosure Statement for Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, dated January 20, 2015 [Docket No. 2035] (as amended, supplemented, or modified from time to time, and including all exhibits and supplements thereto, the “Specific Disclosure Statement” and, together with the General Disclosure Statement, the “Disclosure Statement”); and

this Court having:

---

<sup>1</sup> The debtors in these Chapter 11 Cases (as defined below), along with the last four digits of each debtor’s federal or foreign tax or registration identification number, are: LightSquared Inc. (8845), LightSquared Investors Holdings Inc. (0984), One Dot Four Corp. (8806), One Dot Six Corp. (8763), SkyTerra Rollup LLC (N/A), SkyTerra Rollup Sub LLC (N/A), SkyTerra Investors LLC (N/A), TMI Communications Delaware, Limited Partnership (4456), LightSquared GP Inc. (6190), LightSquared LP (3801), ATC Technologies, LLC (3432), LightSquared Corp. (1361), LightSquared Finance Co. (6962), LightSquared Network LLC (1750), LightSquared Inc. of Virginia (9725), LightSquared Subsidiary LLC (9821), Lightsquared Bermuda Ltd. (7247), SkyTerra Holdings (Canada) Inc. (0631), SkyTerra (Canada) Inc. (0629), and One Dot Six TVCC Corp. (0040). The location of the debtors’ corporate headquarters is 10802 Parkridge Boulevard, Reston, VA 20191.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan or the Disclosure Statement Order (each, as defined below), as applicable.



- d. entered the *Order (I) Approving Disclosure Statements, (II) Approving Solicitation and Notice Procedures with Respect to Confirmation of Competing Plans, (III) Approving Forms of Various Ballots and Notices in Connection Therewith, (IV) Approving Scheduling of Certain Dates in Connection with Confirmation of Competing Plans, and (V) Granting Related Relief*, dated October 10, 2013 [Docket No. 936] (the “Original Disclosure Statement Order”);
- e. entered the *Order Approving (A) Second Amended Specific Disclosure Statement for Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code, and (B) Solicitation Procedures and Shortened Deadlines with Respect to Confirmation of Such Plan*, dated January 20, 2015 [Docket No. 2036] (the “Solicitation Order” and, together with the Original Disclosure Statement Order, the “Disclosure Statement Order”); and
- f. approved the Plan and Disclosure Statement for transmission to Holders of Claims against, or Equity Interests in, LightSquared’s Estates in compliance with title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”), the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the Local Rules for the Bankruptcy Court for the Southern District of New York (the “Local Rules”), and the Disclosure Statement Order; and

the Plan Proponents having:

- g. obtained recognition of the Original Disclosure Statement Order pursuant to the order of the Canadian Court, dated October 17, 2013, recognizing and giving full force and effect to the First Disclosure Statement Order in all provinces and territories of Canada;
- h. obtained recognition of the Solicitation Order pursuant to the order of the Canadian Court, dated February 2, 2015, recognizing and giving full force and effect to the Solicitation Order in all provinces and territories of Canada;
- i. timely and properly (i) solicited the Plan and Disclosure Statement and (ii) provided due notice of the hearing before the Court to consider the confirmation of the Plan (the “Confirmation Hearing”) to Holders of Claims against, or Equity Interests in, LightSquared and other parties in interest, all in compliance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Disclosure Statement Order, as established by the Affidavit of Service of Gil Hopenstand, an employee of the Court-approved notice, claims, solicitation, and balloting agent, Kurtzman Carson Consultants LLC (“KCC”), sworn to January 23, 2015 [Docket No. 2047] (the “Solicitation/Notice Affidavit”), describing the manner in which votes were solicited, and notice was provided, with respect to the Plan; and
- j. submitted the *Certification of Gil Hopenstand with Respect to Tabulation of Votes on Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, sworn to February 13, 2015 [Docket No. 2074] (the “Tabulation Affidavit”), describing the

methodology used for the tabulation of votes and the results of voting with respect to the Plan; and

this Court having:

- k. found that the notice provided regarding the Confirmation Hearing and the opportunity for any party in interest to object to Confirmation have been adequate and appropriate under the circumstances and no further notice is required;
- l. been fully familiar with the Plan and other relevant factors affecting the Chapter 11 Cases;
- m. been fully familiar with, and having taken judicial notice of, the entire record of the Chapter 11 Cases;
- n. held the Confirmation Hearing, which hearing included further evidence regarding (i) *LightSquared's Motion for Order, Pursuant To 11 U.S.C. §§ 105, 361, 362, 363, 364, and 507, (A) Approving Postpetition Financing, (B) Authorizing Use of Cash Collateral, If Any, (C) Granting Liens and Providing Superpriority Administrative Expense Status, (D) Granting Adequate Protection, and (E) Modifying Automatic Stay* [Docket No. 2063] (the "New Inc. DIP Motion"), (ii) *LightSquared's Motion for Entry of Order Authorizing Payment of Alternative Transaction Fee in Connection with Proposed Plan of Reorganization* [Docket No. 2002] (the "Alternative Transaction Fee Motion"), (iii) *LightSquared's Motion for Entry of Order Authorizing LightSquared To Modify and Extend Existing Key Employee Incentive Plan* [Docket No. 2065] (the "KEIP Motion"), (iv) the *Supplement and Reply in Support of LightSquared's Motion for Entry of Order Authorizing LightSquared To Modify and Extend Existing Key Employee Incentive Plan* [Docket No. 2181] (the "KEIP Supplement" and, together with the KEIP Motion, the "Amended KEIP Motion"), and (v) *LightSquared's Motion for Entry of Order, Pursuant to 11 U.S.C. §§ 105(a) and 363, Authorizing LightSquared to (A) Enter Into and Perform Under Letters Related to \$1,515,000,000 Second Lien Exit Financing Arrangements, (B) Pay Fees and Expenses in Connection Therewith, and (C) Provide Related Indemnities* [Docket No. 2239] (the "Commitment Letters Motion");
- o. considered the entire record of the Confirmation Hearing, including, but not limited to,
  - i. the Plan (including, but not limited to, the Plan Supplement documents), the Disclosure Statement, and the Disclosure Statement Order,
  - ii. the Solicitation/Notice Affidavit and Tabulation Affidavit,
  - iii. the objections, reservation of rights, and other responses filed with respect to the Plan (collectively, the "Objections"), including the following:
    - (A) *Oracle's Reservation of Rights Regarding Debtors' Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code ("Reservation Rights")* [Docket No. 2110];
    - (B) *Objection of Centaurus Capital L.P., Keith Holst and Stephen Douglas to Confirmation of Debtors' Amended Joint*

*Plan Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 2112]; (C) Reservation of Rights of Jacksonville Police and Fire Pension Fund with Respect to Confirmation of Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code [Docket No. 2113]; (D) Boeing Satellite Systems, Inc.'s Supplemental Limited Objection and Reservation of Rights to the Debtors' Proposed Cure Obligation Associated with Boeing Contract [Docket No. 2114]; (E) Reservation of Rights of Jefferies LLC with Respect to Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 2117]; (F) Joinder in Objection of Centaurus Capital L.P., Keith Holst and Stephen Douglas to Confirmation of Debtors' Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code and Objection of Sanjiv Ahuja to Confirmation of the Debtors' Second Amended Joint Plan of Reorganization [Docket No. 2122] (the "Ahuja Objection"); (G) Objection of Providence TMT Special Situations Fund LP and Providence TMT Debt Opportunity Fund II LP to (1) Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code and (2) Motion for Entry of Order Authorizing Payment of Alternative Transaction Fee in Connection with Proposed Plan of Reorganization [Docket No. 2127]; (H) Objection of SP Special Opportunities, LLC to Confirmation of Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 2130]; (I) Objection of Solus Alternative Asset Management LP to the Debtors' Motion for Entry of Order Authorizing Payment of Alternative Transaction Fee in Connection with Proposed Plan of Reorganization [Docket No. 2131]; and (J) Objection of Solus Alternative Asset Management LP to Confirmation of the Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code [Docket No. 2133],*

- iv. *LightSquared's (I) Memorandum of Law in Support of Confirmation of Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code and (II) Omnibus Response to Objections to (A) Confirmation of Plan, (B) Alternative Transaction Fee Motion, and (C) Inc. DIP Motion [Docket No. 2184],*
- v. *the Declaration of Douglas Smith in Support of Confirmation of Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code [Docket No. 2193] (the "Smith Declaration"),*
- vi. *Statement of the Ad Hoc Secured Group of LightSquared LP Lenders in Support of the Debtors' Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code [Docket No. 2187];*
- vii. *arguments of counsel and the evidence proffered, adduced, and/or presented at the Confirmation Hearing, including, but not limited to, as referenced in the Smith Declaration,*

- viii. the *Mediator's Third Supplemental Memorandum Under §§ 14 and 15 of Mediation Order*, dated December 17, 2014 [Docket No. 1983] (the "Mediator's Report"),
- ix. the *Notice of Withdrawal of Objection of SP Special Opportunities, LLC to Confirmation of Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 2258], and
- x. the PSA Joinders (as defined below) [Docket No. \_\_\_\_];
- p. overruled any and all Objections to the Plan and to Confirmation not consensually resolved or withdrawn, including, but not limited to, the Ahuja Objection, unless otherwise indicated herein;
- q. found the legal and factual bases set forth in the documents filed in support of Confirmation and presented at the Confirmation Hearing establish just cause for the relief granted herein; and
- r. entered orders (collectively, the "Vote Changing Orders") approving the relief requested in the (i) *Motion of Providence TMT Special Situations Fund LP and Providence TMT Debt Opportunity Fund II LP Pursuant to Bankruptcy Rule 3018(a) To Change Votes Relating to Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 2242] (the "Providence Motion") and (ii) *Motion for Order Pursuant to Bankruptcy Rule 3018(a) Authorizing Centaurus Capital L.P. and Keith Holst To Change Votes Relating to Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 2244] (the "Centaurus Motion"); and

after due deliberation and good and sufficient cause appearing therefor, it is hereby **FOUND, ORDERED, and ADJUDGED that:**

#### **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

A. Jurisdiction and Venue. The Court has jurisdiction over the Chapter 11 Cases and confirmation of the Plan pursuant to 28 U.S.C. § 1334. Confirmation of the Plan is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (L), and (O), and the Court has jurisdiction to enter a Final Order with respect thereto. Each of the LightSquared entities is an eligible debtor under section 109 of the Bankruptcy Code. Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

B. Commencement and Joint Administration of Chapter 11 Cases. On May 14, 2012 (the “Petition Date”), LightSquared commenced the Chapter 11 Cases. By order of the Court [Docket No. 33], the Chapter 11 Cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015. LightSquared has operated its businesses and managed its properties as debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases.

C. Judicial Notice. The Court takes judicial notice of the docket of the Chapter 11 Cases maintained by the Clerk of the Court, including, but not limited to, all pleadings and other documents filed, all orders entered, and all evidence and arguments made, proffered, adduced, and/or presented at the various hearings held before the Court during the pendency of the Chapter 11 Cases.

D. Disclosure Statement Orders, Solicitation, and Notice.

1. On October 10, 2013, the Court entered the Original Disclosure Statement Order, which, among other things, established solicitation, notice, balloting, and confirmation procedures for chapter 11 plans proposed in the Chapter 11 Cases and authorized KCC to, among other things, assist in (a) distributing the appropriate solicitation materials, (b) soliciting votes on chapter 11 plans proposed in the Chapter 11 Cases, (c) receiving, tabulating, and reporting on Ballots, and (d) responding to inquiries relating to the solicitation and voting process.

2. On January 20, 2015, the Court entered the Solicitation Order, which, among other things, (a) approved the Specific Disclosure Statement for purposes of solicitation, finding that it contained “adequate information” within the meaning of section 1125 of the Bankruptcy Code, (b) authorized LightSquared, through KCC, to solicit

acceptances or rejections of the Plan in accordance with the approved solicitation procedures and shorted deadlines, and (c) incorporated by reference, to the extent not inconsistent with the Solicitation Order, the terms, provisions, and procedures of the Original Disclosure Statement Order.

3. Promptly following entry of the Solicitation Order, in compliance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Disclosure Statement Order, and as evidenced by the Solicitation/Notice Affidavit, KCC effectuated:

- (a) filing and service on all parties in interest of a notice concerning the Disclosure Statement, the Plan, and the Plan Documents, and deadlines and hearing dates with respect thereto, including, but not limited to, setting forth the proposed release, exculpation, and injunction provisions in the Plan, the dates applicable to, and procedures regarding, the solicitation of votes on the Plan, the date of the Confirmation Hearing, and the procedures for objecting to confirmation of the Plan; and
- (b) service of the appropriate solicitation materials on each Holder of Claims or Equity Interests entitled to vote under the Plan (*i.e.*, Holders of Prepetition Inc. Facility Non-Subordinated Claims (Class 5), Prepetition Inc. Facility Subordinated Claims (Class 6), Prepetition LP Facility Non-SPSO Claims (Class 7A), Prepetition LP Facility SPSO Claims (Class 7B), Prepetition LP Facility Non-SPSO Guaranty Claims (Class 8A), Prepetition LP Facility SPSO Guaranty Claims (Class 8B), Existing LP Preferred Units (Class 11), and Existing Inc. Preferred Stock Equity Interests (Class 12)), including (i) the Disclosure Statement, (ii) the Solicitation Order, (iii) a notice regarding the Confirmation Hearing, and (iv) an appropriate number of Ballots (with voting instructions with respect thereto) (collectively, the “Solicitation Materials”).

4. As described in the Solicitation Order and as evidenced by the Solicitation/Notice Affidavit, (a) service of the Solicitation Materials was adequate and sufficient under the circumstances of the Chapter 11 Cases and (b) adequate and sufficient notice of the Confirmation Hearing and other requirements, deadlines, hearings, and matters described in the Solicitation Order (i) was timely and properly provided in compliance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Disclosure Statement

Order, and (ii) provided due process, and an opportunity to appear and to be heard, to all parties in interest. Because the foregoing transmittals, notices, and service were adequate and sufficient, no other or further notice is necessary or shall be required.

E. Voting. Votes on the Plan were solicited after disclosure of “adequate information” as defined in section 1125 of the Bankruptcy Code. As evidenced by the Solicitation/Notice Affidavit and Tabulation Affidavit, votes to accept the Plan have been solicited and tabulated fairly, in good faith, and in a manner consistent with the Disclosure Statement Order, the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules.

F. Plan Supplement. The filing and notice of the Plan Supplement as part of the Disclosure Statement, and as subsequently amended by filings with the Court, were proper and in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Disclosure Statement Order, and no other or further notice is or shall be required.

G. Plan Modifications. Any modifications to the Plan since the commencement of solicitation described or set forth herein constitute immaterial modifications and/or do not adversely affect or change the treatment of any Claims or Equity Interests. Pursuant to Bankruptcy Rule 3019, the foregoing modifications do not require additional disclosure under section 1125 of the Bankruptcy Code or the resolicitation of votes under section 1126 of the Bankruptcy Code, nor do they require that the Holders of Claims or Equity Interests be afforded an opportunity to change previously cast acceptances or rejections of the Plan.

H. Burden of Proof. The Plan Proponents have met their burden of proving the elements of section 1129 of the Bankruptcy Code by a preponderance of the evidence, which is the applicable standard. Further, each witness who testified on behalf of the Plan

Proponents at or in connection with the Confirmation Hearing was credible, reliable, and qualified to testify as to the topics addressed in his or her testimony.

I. Bankruptcy Rule 3016. The Plan is dated and identifies the Debtors, Fortress, Centerbridge, and Harbinger as the specific Plan Proponents, thereby satisfying Bankruptcy Rule 3016(a). The filing of the Disclosure Statement satisfied Bankruptcy Rule 3016(b).

J. New DIP Facilities.

1. *Eighth Replacement DIP Facility*. On January 20, 2015, the Court entered the *Final Order (A) Authorizing DIP Obligors to Obtain Eighth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 2053] (as amended, supplemented, or modified from time to time, the “Eighth Replacement DIP Facility Order”). The Eighth Replacement DIP Facility Order approved a debtor-in-possession credit facility (the “Eighth Replacement DIP Facility”) which, subject to the satisfaction of the Conditions to Combined Delayed Draw Funding (as defined in the Eighth Replacement DIP Facility Order), will, among other things, provide (a) funding to the Inc. Debtors to satisfy those Inc. DIP Claims that are not JPM Acquired DIP Inc. Claims and pay the Prepetition Inc. Fee Claims and DIP Inc. Fee Claims (including, if necessary, any estimates of such claims) and (b) other post-confirmation funding for the Inc. Debtors’ estates.

2. *New Investor New Inc. DIP Facility*. On February 9, 2015 the Debtors filed the New Inc. DIP Motion, seeking approval of the New Investor New Inc. DIP Facility. In the event that the Conditions to Combined Delayed Draw Funding have not been or will not be satisfied, the Court has issued or entered, or shall issue or enter, findings, rulings,



judgments, and/or orders regarding the New Inc. DIP Motion under the appropriate sections of the Bankruptcy Code and applicable law (collectively, the “New Inc. DIP Order”). This Order fully incorporates by reference the New Inc. DIP Order (and all terms thereof) to the extent that the Court has entered such New Inc. DIP Order.

K. Alternative Transaction Fee. In connection with confirmation of the Plan, the Court has issued or entered, or shall issue or enter, findings, rulings, judgments, and/or orders regarding the Alternative Transaction Fee Motion under the appropriate sections of the Bankruptcy Code and applicable law (collectively, the “Alternative Transaction Fee Order”). This Order fully incorporates by reference the Alternative Transaction Fee Order (and all terms thereof).

L. Key Employee Incentive Plan. In connection with confirmation of the Plan, the Court has issued or entered, or shall issue or enter, findings, rulings, judgments, and/or orders regarding the Amended KEIP Motion under the appropriate sections of the Bankruptcy Code and applicable law (collectively, the “KEIP Order”). This Order fully incorporates by reference the KEIP Order (and all terms thereof).

M. Commitment Letters. In connection with confirmation of the Plan, the Court has issued or entered, or shall issue or enter, findings, rulings, judgments, and/or orders regarding the Commitment Letters Motion under the appropriate sections of the Bankruptcy Code and applicable law (collectively, the “Commitment Letters Order”). This Order fully incorporates by reference the Commitment Letters Order (and all terms thereof).

N. Standing Motion Stipulation. On January 30, 2015, the Court entered the Standing Motion Stipulation Order, which order is a Final Order. This Order fully

incorporates by reference the Standing Motion Stipulation Order (and all of the terms thereof) to the extent not inconsistent herewith.

**COMPLIANCE WITH SECTION 1129 OF BANKRUPTCY CODE**

O. Plan Compliance with Bankruptcy Code (11 U.S.C. § 1129(a)(1)). As further detailed below, the Plan complies with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(1) of the Bankruptcy Code.

1. *Proper Classification (11 U.S.C. §§ 1122 and 1123(a)(1))*. Article III of the Plan designates twenty (20) Classes of Claims or Equity Interests. The Claims or Equity Interests in each Class are substantially similar to other Claims or Equity Interests in each such Class. Valid business, legal, and factual reasons exist for separately classifying the various Classes of Claims and Equity Interests under the Plan. The Plan, therefore, satisfies sections 1122 and 1123(a)(1) of the Bankruptcy Code.

2. *Specified Unimpaired Classes (11 U.S.C. § 1123(a)(2))*. The Plan specifies that Classes 1, 2, 3, 4, 7B, 8B, 9, 10, 15B, 16A, and 16B are unimpaired under the Plan, within the meaning of section 1124 of the Bankruptcy Code, thereby satisfying section 1123(a)(2) of the Bankruptcy Code.

3. *Specified Treatment of Impaired Classes (11 U.S.C. § 1123(a)(3))*. The Plan specifies that Classes 5, 6, 7A, 8A, 11, 12, 13, 14, and 15A are impaired under the Plan, within the meaning of section 1124 of the Bankruptcy Code, and specifies the treatment of such Classes, thereby satisfying section 1123(a)(3) of the Bankruptcy Code.

4. *No Discrimination (11 U.S.C. § 1123(a)(4))*. The Plan provides for the same treatment for each Claim or Equity Interest in each respective Class unless the Holder of

a particular Claim or Equity Interest has agreed to less favorable treatment on account of such Claim or Equity Interest, thereby satisfying section 1123(a)(4) of the Bankruptcy Code.

5. *Implementation of Plan (11 U.S.C. § 1123(a)(5)).* Article IV and other provisions of the Plan, the various documents included in the Plan Supplement, and the terms of this Order provide adequate and proper means for the implementation of the Plan, including, but not limited to, the following:

(a) Plan Consideration.

- (i) All consideration necessary to make Plan Distributions shall be obtained from Cash on hand and proceeds from the New DIP Facilities, the JPM Inc. Facilities Claims Purchase Agreement, the New Investor Commitment Documents (as applicable), the Working Capital Facility, the Second Lien Exit Facility, the Reorganized LightSquared Inc. Exit Facility, and the New LightSquared Entities Shares.

(b) Confirmation Date Plan Transactions. The following Plan Transactions will occur on, or as soon as practicable, after the Confirmation Date:

(i) *Inc. Facilities Claims Purchase.*

A. *Prepetition Inc. Facility Non-Subordinated Claims.* Pursuant to, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement, SIG shall purchase from the Prepetition Inc. Facility Claim Sellers in Cash all right, title, and interest to the Acquired Inc. Facility Claims for the Acquired Inc. Facility Claims Purchase Price upon the Inc. Facilities Claims Purchase Closing Date.

B. *DIP Inc. Claims.* Pursuant to, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement, SIG shall purchase from the DIP Inc. Claims Sellers in Cash all right, title, and interest to the JPM Acquired DIP Inc. Claims upon the Inc. Facilities Claims Purchase Closing Date. To the extent applicable, pursuant to, and subject to the terms and conditions of, the New Investor Commitment Documents, Fortress and Centerbridge

shall purchase from the DIP Inc. Claims Sellers in Cash all right, title, and interest to the Fortress/Centerbridge Acquired DIP Inc. Claims upon the Inc. Facilities Claims Purchase Closing Date.

(ii) *New DIP Facilities.*

A. *New Inc. DIP Facility.* On the Inc. Facilities Claims Purchase Closing Date, the New Inc. DIP Obligors, the New Inc. DIP Lenders, and other relevant Entities shall enter into the New Inc. DIP Credit Agreement and, subject to the terms of the New Inc. DIP Credit Agreement, the New Inc. DIP Lenders shall fund the New Inc. DIP Facility (including, but not limited to, by converting Acquired DIP Inc. Claims into New Inc. DIP Loans to the extent applicable), the proceeds of which shall be used (1) to indefeasibly repay the Allowed DIP Inc. Claims (other than the Acquired DIP Inc. Claims to the extent applicable) in full in Cash, (2) to indefeasibly repay in full, in Cash all DIP Inc. Fee Claims and Prepetition Inc. Fee Claims (including, if necessary, estimates of such DIP Inc. Fee Claims and Prepetition Inc. Fee Claims through and including the Inc. Facilities Claims Purchase Closing Date), (3) for general corporate purposes, and (4) to fund the working capital needs of the Inc. Debtors through the Effective Date.

1. *JPM Acquired DIP Inc. Claims.* On the New Inc. DIP Closing Date, the JPM Acquired DIP Inc. Claims purchased by SIG shall be converted into New Inc. DIP Loans on a dollar-for-dollar basis, of which on the Effective Date, \$41,000,000 shall be converted into the Reorganized LightSquared Inc. Exit Facility as set forth in Section IV.B.2(d)(i) of the Plan and the remainder of New Inc. DIP Claims held by SIG (including, but not limited to, any accrued and unpaid interest thereon) shall be paid in Cash.

2. *Fortress/Centerbridge Acquired DIP Inc. Claims.* To the extent applicable, on the New Inc. DIP Closing Date, the Fortress/Centerbridge Acquired DIP Inc. Claims purchased by Fortress and Centerbridge shall be converted into New Inc. DIP Loans on a dollar-for-dollar basis.

B. *New LP DIP Facility.* On the New LP DIP Closing Date, the New LP DIP Obligors, New LP DIP Lenders, and other relevant Entities shall enter into the New LP DIP Credit Agreement. On the New LP DIP Closing Date, subject to the terms of the New LP DIP Credit Agreement, the New LP DIP Lenders shall fund the New LP DIP Facility, the proceeds of which shall be used for general corporate purposes and to fund the working capital needs of the LP Debtors through the Effective Date.

C. *Combined New DIP Facilities.* The New Inc. DIP Facility may be combined with the New LP DIP Facility, but only to the extent that the Inc. Facilities Claims Purchase Closing Date has occurred (or will occur concurrently therewith) and the Allowed DIP Inc. Claims that are not JPM Acquired DIP Inc. Claims have been indefeasibly paid in full in Cash either (1) from the proceeds of the Third Party New Inc. DIP Facility or (2) as contemplated by the New Investor Commitment Documents.

(c) Effective Date Plan Transactions. On the Effective Date:

- (i) LightSquared LP shall be converted to a Delaware limited liability company pursuant to applicable law; and
- (ii) Fortress and Centerbridge shall fund to New LightSquared their Effective Date Investments. As consideration for such Effective Date Investments, New LightSquared shall issue: (A) to Fortress, 26.20% of New LightSquared Common Interests and New LightSquared Series B Preferred Interests having an original liquidation preference of \$68,391,643.16; and (B) to Centerbridge, 8.10% of New LightSquared Common Interests and New LightSquared Series B Preferred Interests having an original liquidation preference of \$21,108,531.85.

(d) Certain Transactions Between New LightSquared and Reorganized Inc. Entities. On the Effective Date:

- (i) Each Reorganized Inc. Entity shall assign, contribute, or otherwise transfer to New LightSquared substantially all of its assets, including, but not limited to, all legal, equitable, and beneficial right, title, and interest thereto and therein, including, but not limited to, all of its equity

interests, if any, in any Reorganized Debtor (except as provided below), intellectual property, contractual rights, Retained Causes of Action, and the right to prosecute such Retained Causes of Action and receive the benefits therefrom; but excluding each Reorganized Inc. Entity's tax attributes and direct or indirect equity interests in One Dot Four Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, TMI Communications Delaware, Limited Partnership, LightSquared Investors Holdings Inc., and SkyTerra Investors LLC; and

(ii) As consideration for the Reorganized Inc. Entities assigning, contributing, or otherwise transferring their assets to New LightSquared as described in Section IV.B.2(c)(i) of the Plan, New LightSquared shall (A) issue to the Reorganized Inc. Entities (1) 21.25% of the New LightSquared Common Interests, (2) New LightSquared Series C Preferred Interests having an original liquidation preference equal to (y) the outstanding liquidation preference of the Existing Inc. Preferred Stock held by the Other Existing Inc. Preferred Equity Holders as of the Effective Date (excluding any prepayment or redemption premium) plus (z) \$73,000,000 (subject to the distribution obligations set forth in Section IV.B.2(d)(iii) of the Plan), (3) New LightSquared Series B Preferred Interests having an original liquidation preference of \$41,000,000, and (4) New LightSquared Series A-1 Preferred Interests having an original liquidation preference equal to the Allowed Prepetition Inc. Facility Non-Subordinated Claims held by SIG as of the Effective Date, and (B) assume all obligations, and make the Plan Distributions required to be made under the Plan, with respect to Allowed Inc. Other Priority Claims, Allowed Inc. Other Secured Claims, Allowed Prepetition Inc. Facility Subordinated Claims, and Allowed Inc. General Unsecured Claims.

(e) Certain Transactions Regarding Claims Against and Equity Interests in the Inc. Debtors.

(i) The Acquired Inc. Facility Claims (including all Inc. Facility Postpetition Interest) and \$41,000,000 of the New Inc. DIP Loans held by SIG (as a result of the conversion of its JPM Acquired DIP Inc. Claims into such New Inc. DIP Loans in accordance with Section II.C. of the Plan), will be converted into the Reorganized LightSquared Inc. Exit Facility on a dollar-for-dollar basis (with the

remainder of the New Inc. DIP Loans held by SIG to be repaid in full in Cash).

- (ii) Reorganized LightSquared Inc. shall issue 100% of the Reorganized LightSquared Inc. Common Shares to SIG in satisfaction of its Existing Inc. Preferred Stock Equity Interests as set forth in Section III.B.14(b)(ii) of the Plan.
- (iii) The Reorganized Inc. Entities shall distribute to the Other Existing Inc. Preferred Equity Holders in satisfaction of their Existing Inc. Preferred Stock Equity Interests, as set forth in Section III.B.14(b)(i) of the Plan, New LightSquared Series C Preferred Interests having an original liquidation preference equal to the outstanding liquidation preference of the Existing Inc. Preferred Stock held by the Other Existing Inc. Preferred Equity Holders as of the Effective Date (excluding any prepayment or redemption premium).
- (iv) After giving effect to the transfer of assets contemplated by Section IV.B.2(c) of the Plan, and to the distributions of New LightSquared Series C Preferred Interests contemplated by Section IV.B.2(d)(iii) of the Plan, (A) the Reorganized Inc. Entities will (1) collectively, hold 21.25% of New LightSquared Common Interests, New LightSquared Series C Preferred Interests having an original liquidation preference of \$73,000,000, New LightSquared Series B Preferred Interests having an original liquidation preference of \$41,000,000, and New LightSquared Series A-1 Preferred Interests having an original liquidation preference equal to the Prepetition Inc. Facility Non-Subordinated Claims held by SIG as of the Effective Date and (2) retain their tax attributes and (B) Reorganized LightSquared Inc. will retain 100% of the equity interests in One Dot Four Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, TMI Communications Delaware, Limited Partnership, LightSquared Investors Holdings Inc., and SkyTerra Investors LLC; provided that, on the Effective Date, the Reorganized Inc. Entities shall have the option to exchange on a dollar-for-dollar basis all or a portion of their New LightSquared Series A-1 Preferred Interests into New LightSquared Series A-2 Preferred Interests and/or additional New LightSquared Series C Preferred Interests.

(f) New LightSquared Loan Facilities.

- (i) New LightSquared and the lenders party thereto and their respective agents shall enter into the Working Capital Facility and the Second Lien Exit Facility. Confirmation of the Plan shall constitute (A) approval of the Working Capital Facility, Second Lien Exit Facility, and all transactions contemplated thereby, including, but not limited to, any and all actions to be taken, undertakings to be made, and obligations to be incurred by the New LightSquared Obligors in connection therewith, including, but not limited to, the payment of all fees, indemnities, and expenses provided for therein and (B) authorization for the New LightSquared Obligors to enter into and execute the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, and such other documents as may be required or appropriate.

On the Effective Date, the Working Capital Facility and the Second Lien Exit Facility, together with any new promissory notes evidencing the obligations of the New LightSquared Obligors, and all other documents, instruments, mortgages, and agreements to be entered into, delivered, or confirmed thereunder, shall become effective, valid, binding, and enforceable in accordance with their terms, and each party thereto shall be bound thereby. The obligations incurred by the New LightSquared Obligors pursuant to the Working Capital Facility, the Second Lien Exit Facility, and the related documents shall be secured, paid, or otherwise satisfied pursuant to, and as set forth in, the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, and the related documents.

- A. *Working Capital Facility.* The New LightSquared Obligors, Working Capital Lenders, and their agents shall enter into the Working Capital Facility. The Working Capital Lenders shall fund the Working Capital Facility through the provision of new financing, in accordance with the Plan, this Order, and the Working Capital Facility Credit Agreement, and shall provide for loans in the original aggregate principal amount of up to \$1,250,000,000.

The Working Capital Facility Loans shall be secured by senior liens on all assets of the New LightSquared Obligors, and shall have market terms and conditions



satisfactory to New LightSquared, each of the New Investors, and the Debtors.

New LightSquared shall use the proceeds from the Working Capital Facility for the purposes specified in the Plan, including, but not limited to, to satisfy Allowed Administrative Claims, to repay the New DIP Facilities (other than \$41,000,000 of the New Inc. DIP Loans held by SIG on account of the JPM Acquired DIP Inc. Claims), for general corporate purposes and working capital needs, and to make Plan Distributions.

The Working Capital Facility Loans may not be made by or assigned or otherwise transferred (including, but not limited to, by participation) to any Prohibited Transferee, and any assignment or other transfer thereof (including, but not limited to, by participation) to a Prohibited Transferee shall be *void ab initio*.

- B. *Second Lien Exit Facility.* The New LightSquared Obligors and the other relevant Entities shall enter into the Second Lien Exit Facility. The Second Lien Exit Facility shall be funded through (1) the provision of new financing in Cash by certain of the Second Lien Exit Term Lenders in an amount equal to the Prepetition LP Facility SPSO Claims as of the Effective Date and (2) the conversion of the Prepetition LP Facility Non-SPSO Claims as of the Effective Date into loans under the Second Lien Exit Facility in accordance with the Plan, this Order, and the Second Lien Exit Credit Agreement. The Second Lien Exit Facility shall provide for loans in the aggregate principal amount of the Prepetition LP Facility Claims as of the Effective Date plus the amount of the commitment fee under the Second Lien Exit Facility Commitment Letter. Second Lien Exit Term Loans shall be secured by second liens on all assets of the New LightSquared Obligors, have a five (5) year term, bear interest at the rate of the higher of (1) 12% and (2) 300 basis points greater than the interest rate of the Working Capital Facility per annum, payable in kind, and not be callable for the first two (2) years after the Effective Date, subject in each case to the terms of the Second Lien Exit Facility Credit Agreement.

The Second Lien Exit Term Loans made pursuant to the Second Lien Exit Facility shall be made by the Holders of Prepetition LP Facility Non-SPSO Claims and certain third parties. In connection with the Second Lien Exit Facility, certain of the Second Lien Exit Term Lenders have entered into the Second Lien Exit Facility Commitment Letter, pursuant to which the Debtors have agreed to pay to the Second Lien Exit Term Lenders party thereto a commitment fee in an amount of Second Lien Exit Term Loans in accordance with the terms of such commitment letter.

No Prohibited Transferee (including, but not limited to, the SPSO Parties) shall be permitted to hold (either by assignment, participation, or otherwise) any Second Lien Exit Term Loans and any assignment or other transfer thereof (including, but not limited to, by participation) to a Prohibited Transferee (including the SPSO Parties) shall be *void ab initio*.

The Second Lien Exit Credit Agreement shall also provide that, prior to a vote or other consent solicitation on any matter requiring a vote or consent by Second Lien Exit Term Lenders (or any portion thereof), the administrative agent under the Second Lien Exit Facility must receive prior to each such vote or consent solicitation a written certification from each Second Lien Exit Term Lender that no Prohibited Transferee has any direct or indirect interest (including, but not limited to, pursuant to any participation or voting agreement) in such Second Lien Exit Term Lender's Second Lien Exit Term Loans (and if no such certificate is delivered by a particular Second Lien Exit Term Lender, such Second Lien Exit Term Lender's Second Lien Exit Term Loans shall be excluded from such vote or consent solicitation).

(g) Reorganized LightSquared Inc. Exit Facility.

- (i) Reorganized LightSquared Inc. and SIG shall enter into the Reorganized LightSquared Inc. Exit Facility, which shall (A) provide for loans in the original aggregate principal amount equal to \$41,000,000 of the New Inc. DIP Loans held by SIG on account of the JPM Acquired DIP Inc. Claims as of the Effective Date and the Acquired Inc. Facility Claims as of the Effective Date and

(B) be secured by liens on all assets of Reorganized LightSquared Inc. The Reorganized LightSquared Inc. Exit Facility shall be funded through the conversion of the Acquired Inc. Facility Claims and \$41,000,000 of the New Inc. DIP Loans held by SIG into loans under the Reorganized LightSquared Inc. Exit Facility in accordance with the Plan.

(ii) Entry of this Order shall constitute (A) approval of the Reorganized LightSquared Inc. Exit Facility and all transactions contemplated thereby, including, but not limited to, any and all actions to be taken, undertakings to be made, and obligations to be incurred by Reorganized LightSquared Inc. in connection therewith and (B) authorization for Reorganized LightSquared Inc. to enter into, execute, and perform its obligations under, the Reorganized LightSquared Inc. Credit Agreement and such other documents as may be required or appropriate.

(iii) On the Effective Date, the Reorganized LightSquared Inc. Exit Facility, together with any new promissory notes evidencing the obligations of Reorganized LightSquared Inc. and all other documents, instruments, mortgages, and agreements to be entered into, delivered, or confirmed thereunder, shall become effective, valid, binding, and enforceable in accordance with their terms, and each party thereto shall be bound thereby. The obligations incurred by Reorganized LightSquared Inc. pursuant to the Reorganized LightSquared Inc. Exit Facility and related documents shall be secured, paid, or otherwise satisfied pursuant to, and as set forth in, the Reorganized LightSquared Inc. Credit Agreement and related documents. None of the Reorganized Inc. Entities shall be obligors under, or have any liability with respect to, the Working Capital Facility, the Second Lien Exit Facility, or any other obligations of the New LightSquared Obligor, and none of the New LightSquared Obligor shall be obligors under, or have any liability with respect to, the Reorganized LightSquared Inc. Exit Facility or any other obligations of the Reorganized Inc. Entities.

(h) Issuance of New LightSquared Entities Shares; Reinstatement of Reinstated Intercompany Interests.

(i) On the Effective Date, except as otherwise provided in the Plan or this Order, (A) New LightSquared or Reorganized LightSquared Inc., as applicable, shall issue

the New LightSquared Entities Shares required to be issued in accordance with the Plan and all related instruments, certificates, and other documents required to be issued or distributed pursuant to the Plan and (B) all Intercompany Interests shall be Reinstated for the benefit of the Holders thereof and treated in accordance with the Plan, as applicable.

- (ii) The issuance of the New LightSquared Entities Shares and the Reinstatement of the Reinstated Intercompany Interests are authorized without the need for any further corporate action or without further notice to, or action, order, or approval of, this Court, the Canadian Court, or any other Entity.
- (iii) All of the New LightSquared Entities Shares issued (or Reinstated) pursuant to the Plan shall be duly authorized, validly issued, and, if applicable, fully paid and non-assessable.
- (iv) The applicable Reorganized Debtors Governance Documents shall contain provisions necessary to (A) except as consented to by the initial holder thereof, prohibit the issuance of nonvoting equity securities as required by section 1123(a)(6) of the Bankruptcy Code, subject to further amendment of the applicable Reorganized Debtors Governance Documents as permitted by applicable law and (B) effectuate the provisions of the Plan, in each case without any further action by the holders of New LightSquared Entities Shares or directors of the Debtors or the Reorganized Debtors.
- (v) On the Effective Date, New LightSquared shall issue the New LightSquared Series A Preferred Interests, the New LightSquared Series B Preferred Interests, the New LightSquared Series C Preferred Interests, and the New LightSquared Common Interests, the respective terms and rights of which shall be set forth in the New LightSquared Interest Holders Agreement.

The Plan, therefore, satisfies section 1123(a)(5) of the Bankruptcy Code.

6. *Charter Provisions (11 U.S.C. § 1123(a)(6)).* The applicable

Reorganized Debtors Governance Documents shall contain provisions necessary to (a) except

as consented to by the initial holder thereof, prohibit the issuance of nonvoting equity securities as required by section 1123(a)(6) of the Bankruptcy Code, subject to further amendment of the applicable Reorganized Debtors Governance Documents as permitted by applicable law, and (b) effectuate the provisions of the Plan, in each case without any further action by the holders of New LightSquared Entities Shares or directors of the Debtors or the Reorganized Debtors. Accordingly, the Plan satisfies the requirements of section 1123(a)(6) of the Bankruptcy Code.

7. *Designation of Directors and Officers (11 U.S.C. § 1123(a)(7)).* The identities and affiliations of any and all persons proposed to serve as a director or officer of the Reorganized Debtors, to the extent known and determined, were disclosed at, or before, the Confirmation Hearing in compliance with applicable law. The foregoing is consistent with the interests of Holders of Claims and Holders of Equity Interests, and with public policy, thereby satisfying section 1123(a)(7) of the Bankruptcy Code.

8. *Additional Plan Provisions (11 U.S.C. § 1123(b)).* As set forth below, the discretionary provisions of the Plan comply with section 1123(b) of the Bankruptcy Code and are not inconsistent with the applicable provisions of the Bankruptcy Code. Thus, section 1123(b) of the Bankruptcy Code is satisfied.

- (a) *Impairment/Unimpairment of Classes (11 U.S.C. § 1123(b)(1)).* In accordance with section 1123(b)(1) of the Bankruptcy Code, Classes 1, 2, 3, 4, 7B, 8B, 9, 10, 15B, 16A, and 16B are Unimpaired, and Classes 5, 6, 7A, 8A, 11, 12, 13, 14, and 15A are Impaired, by the Plan.
- (b) *Assumption and Rejection of Executory Contracts and Unexpired Leases (11 U.S.C. § 1123(b)(2)).* In accordance with section 1123(b)(2) of the Bankruptcy Code, Article V of the Plan provides for the rejection of each Executory Contract and Unexpired Lease, unless any such Executory Contract or Unexpired Lease: (i) is listed on the Schedule of Assumed Agreements in the Plan Supplement; (ii) has been previously

assumed, assumed and assigned, or rejected by the Debtors by Final Order of the Court or has been assumed, assumed and assigned, or rejected by the Debtors by order of the Court as of the Effective Date, which order becomes a Final Order after the Effective Date; (iii) is the subject of a motion to assume, assume and assign, or reject pending as of the Effective Date; (iv) is an Intercompany Contract; or (v) is otherwise assumed, or assumed and assigned, pursuant to the terms of the Plan.

- (c) *Retention of Claims (11 U.S.C. § 1123(b)(3)).* In accordance with section 1123(b)(3) of the Bankruptcy Code, Section IV.P of the Plan provides, among other things, that, subject to Article VIII of the Plan, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including, but not limited to, any Retained Causes of Action that may be described in the Plan Supplement, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in New LightSquared.
- (d) *Additional Plan Provisions (11 U.S.C. § 1123(b)(6)).* The Plan's other provisions are appropriate and consistent with the applicable provisions of the Bankruptcy Code, including, but not limited to, provisions for (i) distributions to Holders of Claims and Holders of Equity Interests, (ii) resolution of Disputed Claims and Disputed Equity Interests, (iii) Allowance of certain Claims and Equity Interests, (iv) indemnification obligations, (v) releases by the Debtors of certain parties, (vi) releases by certain third parties, (vii) exculpations of certain parties, (viii) injunctions from certain actions, and (ix) retention of the Court's jurisdiction, thereby satisfying the requirements of section 1123(b)(6) of the Bankruptcy Code.

9. *Cure of Defaults (11 U.S.C. 1123(d)).* Section V.C of the Plan provides for the satisfaction of Cure Costs associated with each Executory Contract and Unexpired Lease to be assumed in accordance with section 365(b)(1) of the Bankruptcy Code. The Cure Costs identified in the Schedule of Assumed Agreements and any amendments thereto, as applicable, represent the amount, if any, that the Debtors propose to pay in full and complete

satisfaction of such Cure Costs. Any disputed Cure Costs shall be determined in accordance with the procedures set forth in Section V.C of the Plan, this Order, and applicable bankruptcy and non-bankruptcy law. As such, the Plan provides that the Debtors shall cure, or provide adequate assurance that the Debtors shall promptly cure, defaults with respect to assumed Executory Contracts and Unexpired Leases in compliance with section 365(b)(1) of the Bankruptcy Code. Thus, the Plan complies with section 1123(d) of the Bankruptcy Code.

P. LightSquared's Compliance with Bankruptcy Code (11 U.S.C. § 1129(a)(2)).

As further detailed below, LightSquared has complied with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(2) of the Bankruptcy Code. Specifically:

1. Each of the LightSquared entities is a proper debtor under section 109 of the Bankruptcy Code.
2. LightSquared has complied with all applicable provisions of the Bankruptcy Code, except as otherwise provided or permitted by orders of the Court.
3. LightSquared has complied with the applicable provisions of the Disclosure Statement Order, the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, including, but not limited to, sections 1125 and 1126(b) of the Bankruptcy Code, in (a) transmitting the Solicitation Materials and related documents and (b) soliciting and tabulating votes with respect to the Plan.
4. Good, sufficient, and timely notice of the Confirmation Hearing has been provided to each Holder of Claims or Equity Interests that was entitled to vote to accept or reject the Plan and to Holders of Claims or Equity Interests that were not entitled to vote to accept or reject the Plan.

5. LightSquared did not solicit acceptances of the Plan by any Holder of Claims or Holder of Equity Interests prior to the transmission of the Disclosure Statement.

Q. Plan Proposed in Good Faith (11 U.S.C. § 1129(a)(3)). The Plan is the product of the open, honest, and good faith process through which LightSquared has conducted its restructuring from the beginning of the Chapter 11 Cases and reflects extensive, good faith, arm's length negotiations among the Plan Proponents and the other Plan Support Parties. The Plan itself and the process leading to its formulation provide independent evidence of the Plan Proponents' good faith, serve the public interest, and assure fair treatment of Holders of Claims and Equity Interests. Throughout the Chapter 11 Cases, LightSquared has upheld its fiduciary duty to stakeholders and protected the interests of all constituents with an even hand. In addition to achieving a result consistent with the objectives of the Bankruptcy Code, the Plan allows LightSquared's stakeholders to realize the highest possible recoveries under the circumstances. Consistent with the overriding purpose of the Bankruptcy Code, the Chapter 11 Cases were filed, the Plan was proposed, and the New Investors made or are making their investments, with the legitimate and honest purpose of reorganizing LightSquared and maximizing the value of LightSquared's Estates. Accordingly, the Plan is fair, reasonable, and consistent with sections 1122, 1123, and 1129 of the Bankruptcy Code. Based on the foregoing, the facts and record of the Chapter 11 Cases, including, but not limited to, the Disclosure Statement Hearing, the Confirmation Hearing, the Mediator's Report, and the Smith Declaration, the Plan has been proposed in good faith and not by any means forbidden by law, thereby satisfying section 1129(a)(3) of the Bankruptcy Code.

R. Payment for Services or Cost and Expenses (11 U.S.C. § 1129(a)(4)). All payments made or to be made by LightSquared for services or for costs and expenses in



connection with the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, have been approved by, or are subject to the approval of, the Court as reasonable, thereby satisfying section 1129(a)(4) of the Bankruptcy Code.

S. Service of Certain Individuals (11 U.S.C. § 1129(a)(5)). The identity and affiliations of the persons proposed to serve as the initial directors and officers of the Reorganized Debtors after the confirmation of the Plan, to the extent known and determined, were disclosed at, or before, the Confirmation Hearing in compliance with applicable law. Selection of members of the Reorganized Debtors Boards was, and is, in compliance with the procedures set forth for selection in the Reorganized Debtors Governance Documents. The appointment to, or continuance in, such offices and roles of such persons is consistent with the interests of Holders of Claims against, or Equity Interests in, the Debtors and with public policy. The identity of any insider that shall be employed or retained by the Reorganized Debtors, and the nature of such insider's compensation, have also been fully disclosed. Accordingly, LightSquared has satisfied the requirements of section 1129(a)(5) of the Bankruptcy Code.

T. Rate Changes (11 U.S.C. § 1129(a)(6)). Section 1129(a)(6) of the Bankruptcy Code is satisfied because the Plan does not provide for any rate changes over which a governmental regulatory commission has jurisdiction.

U. Best Interest of Creditors (11 U.S.C. § 1129(a)(7)).

1. The Plan satisfies section 1129(a)(7) of the Bankruptcy Code because each Holder of a Claim or Equity Interest either (a) has voted to accept the Plan, (b) is Unimpaired and deemed to have accepted the Plan, or (c) shall receive or retain under the Plan, on account of such Claim or Equity Interest, property of a value, as of the Effective Date

of the Plan, that is not less than the amount that such Holder would receive or retain if the Debtors were to be liquidated under chapter 7 of the Bankruptcy Code on such date.

2. In addition, the liquidation analysis attached to the Disclosure Statement and the other evidence related thereto in support of the Plan that was proffered or adduced at, prior to, or in affidavits in connection with, the Confirmation Hearing: (a) are reasonable, persuasive, credible, and accurate as of the dates such analysis or evidence was proffered, adduced, and/or presented; (b) utilize reasonable and appropriate methodologies and assumptions; (c) have not been controverted by other evidence; and (d) establish that, with respect to each Impaired Class, each Holder of an Allowed Claim or Equity Interest in such Class shall receive under the Plan on account of such Allowed Claim or Equity Interest property of a value, as of the Effective Date, that is not less than the amount such Holder would receive if the Debtors were liquidated on the Effective Date under chapter 7 of the Bankruptcy Code. Accordingly, LightSquared has satisfied the requirements of section 1129(a)(7) of the Bankruptcy Code.

V. Acceptance by Certain Classes (11 U.S.C. § 1129(a)(8)).

1. Holders of Claims or Equity Interests in Classes 1 (Inc. Other Priority Claims), 2 (LP Other Priority Claims), 3 (Inc. Other Secured Claims), 4 (LP Other Secured Claims), 7B (Prepetition LP Facility SPSO Claims), 8B (Prepetition LP Facility SPSO Guaranty Claims), 9 (Inc. General Unsecured Claims), 10 (LP General Unsecured Claims), 15B (LP Debtor Intercompany Claims), 16A (LP Debtor Intercompany Interests), and 16B (Inc. Debtor Intercompany Interests) are Unimpaired and, pursuant to section 1126(f) of the Bankruptcy Code, are conclusively presumed to have accepted the Plan, thus meeting the requirements of section 1128(a)(8) of the Bankruptcy Code.

2. In addition, in respect of Impaired Classes of Claims or Equity Interests under the Plan:

- (a) If a Class contains Claims or Equity Interests eligible to vote and no Holders of Claims or Equity Interests eligible to vote in such Class voted to accept or reject the Plan, the Plan shall be presumed accepted by the Holders of such Claims or Equity Interests in such Class.
- (b) Any Class of Claims or Equity Interests that does not contain a Holder of an Allowed Claim or Allowed Equity Interest, or a Claim or Equity Interest temporarily Allowed by the Court as of the Confirmation Hearing Date, shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.
- (c) As reflected in the Tabulation Affidavit, and as a result of the entry of the Vote Changing Orders, more than the requisite: (i) number of Holders and Claim amounts in each Impaired Class of Claims entitled to vote to accept or reject the Plan have affirmatively voted to accept the Plan (i.e., Class 5 (Prepetition Inc. Facility Non-Subordinated Claims) voted 100% in number and 100% in amount to accept the Plan, Class 6 (Prepetition Inc. Facility Subordinated Claims) voted 100% in number and 100% in amount to accept the Plan, Class 7A (Prepetition LP Facility Non-SPSO Claims) voted 93.33% in number and 90.88% in amount to accept the Plan, and Class 8A (Prepetition LP Facility Non-SPSO Guaranty Claims) voted 93.33% in number and 90.88% in amount to accept the Plan); and (ii) Equity Interest amounts in each of the Impaired Classes of Equity Interests entitled to vote to accept or reject the Plan have affirmatively voted to accept the Plan (i.e., Class 11 (Existing LP Preferred Units) voted 100% in amount to accept the Plan and Class 12 (Existing Inc. Preferred Stock Equity Interests) voted 76.85% in amount to accept the Plan).

3. Accordingly, LightSquared has satisfied the requirements of section 1129(a)(8) of the Bankruptcy Code with respect to such Impaired Classes of Claims or Equity Interests. Although Classes 13, 14, and 15A are rejecting Classes for purposes of section

1129(a)(8) of the Bankruptcy Code, the Plan is confirmable pursuant to section 1129(b) of the Bankruptcy Code notwithstanding such rejection.

W. Treatment of Administrative Claims, Priority Tax Claims, and Other Priority Claims (11 U.S.C. § 1129(a)(9)). The treatment of Administrative Claims, Priority Tax Claims, and Other Priority Claims pursuant to Articles II and III of the Plan satisfies the requirements of sections 1129(a)(9) of the Bankruptcy Code.

X. Acceptance by Impaired Class of Claims (11 U.S.C. § 1129(a)(10)). Class 5 (Prepetition Inc. Facility Non-Subordinated Claims), Class 6 (Prepetition Inc. Facility Subordinated Claims), Class 7A (Prepetition LP Facility Non-SPSO Claims), and Class 8A (Prepetition LP Facility Non-SPSO Guaranty Claims), each of which is Impaired under the Plan, have voted to accept the Plan, determined without including any vote to accept the Plan by any insider, thereby satisfying section 1129(a)(10) of the Bankruptcy Code.

Y. Feasibility (11 U.S.C. § 1129(a)(11)). All Allowed Claims and Equity Interests shall be paid or otherwise satisfied in full in accordance with the terms of the Plan and the Plan Documents. The evidence proffered, adduced, and/or presented at the Confirmation Hearing (1) is reasonable, persuasive, credible, and accurate as of the dates such analysis or evidence was prepared, presented, or proffered, (2) utilizes reasonable and appropriate methodologies and assumptions, (3) has not been controverted by other evidence, and (4) establishes that the Plan is feasible, the Reorganized Debtors shall have sufficient liquidity and be able to meet their financial obligations under the Plan and in the ordinary course of their businesses, and the confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Reorganized Debtors, thereby satisfying the requirements of section 1129(a)(11) of the Bankruptcy Code.

Z. Payment of Fees (11 U.S.C. § 1129(a)(12)). The Plan provides that (1) on the Effective Date or as soon thereafter as reasonably practicable, the Reorganized Debtors shall pay all U.S. Trustee Fees that are due and owing on the Effective Date and (2) following the Effective Date, New LightSquared shall pay the U.S. Trustee Fees for each quarter (including any fraction thereof) until the first to occur of the Chapter 11 Cases being converted, dismissed, or closed, thereby satisfying section 1129(a)(12) of the Bankruptcy Code.

AA. Continuation of Retiree Benefits (11 U.S.C. § 1129(a)(13)). The Plan provides that, on and after the Effective Date, all retiree benefits (as that term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid to the extent required by applicable law, thereby satisfying the requirements of section 1129(a)(13) of the Bankruptcy Code.

BB. Domestic Support Obligations (11 U.S.C. § 1129(a)(14)). LightSquared is not required by a judicial or administrative order, or by statute, to pay a domestic support obligation and, accordingly, section 1129(a)(14) of the Bankruptcy Code is inapplicable to the Plan.

CC. Plan of an Individual Debtor (11 U.S.C. § 1129(a)(15)). LightSquared is not an individual and, accordingly, section 1129(a)(15) of the Bankruptcy Code is inapplicable to the Plan.

DD. Transfers in Accordance with Non-Bankruptcy Law (11 U.S.C. § 1129(a)(16)). None of the LightSquared entities is a nonprofit entity and, accordingly, section 1129(a)(16) of the Bankruptcy Code is inapplicable to the Plan.

EE. No Unfair Discrimination; Fair and Equitable (11 U.S.C. § 1129(b)). Although Classes 13, 14, and 15A are rejecting Classes for purposes of section 1129(a)(8) of the

Bankruptcy Code, the Plan is confirmable pursuant to section 1129(b) of the Bankruptcy Code notwithstanding such rejection because, based upon the record before the Court and the treatment provided to such Claims and Equity Interests, the Plan does not discriminate unfairly against, and is fair and equitable with respect to, such Classes of Claims or Equity Interests, and the Plan satisfies all the requirements for confirmation set forth in section 1129(a) of the Bankruptcy Code, except section 1129(a)(8). The evidence in support of confirmation of the Plan proffered or adduced by LightSquared at, or prior to, or in declarations filed in connection with, the Confirmation Hearing regarding the Debtors' classification and treatment of Claims and Equity Interests and the requirements for confirmation of the Plan under section 1129(b) of the Bankruptcy Code: (1) is reasonable, persuasive, credible, and accurate; (2) utilizes reasonable and appropriate methodologies and assumptions; and (3) has not been controverted by other credible evidence.

FF. Only One Plan (11 U.S.C. § 1129(c)). Notwithstanding the other chapter 11 plans proposed in the Chapter 11 Cases, the Plan is the only plan confirmed by the Court in the Chapter 11 Cases and, accordingly, section 1129(c) of the Bankruptcy Code is inapplicable to the Plan.

GG. Principal Purpose of Plan (11 U.S.C. § 1129(d)). The principal purpose of the Plan is not the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act, thereby satisfying the requirements of section 1129(d) of the Bankruptcy Code.

HH. Not Small Business Cases (11 U.S.C. § 1129(e)). The Chapter 11 Cases are not small business cases and, accordingly, section 1129(e) of the Bankruptcy Code is inapplicable to the Chapter 11 Cases.

II. Good Faith Solicitation (11 U.S.C. § 1125(e)). Based on the record of the Chapter 11 Cases, including, but not limited to, the evidence proffered, adduced, and/or presented at the Confirmation Hearing, which is reasonable, persuasive, and credible, utilizes reasonable and appropriate methodologies and assumptions, and has not been controverted by other evidence, the Plan Proponents, the Reorganized Debtors, and each of their successors, predecessors, control persons, members, agents, employees, officers, directors, financial advisors, investment bankers, attorneys, accountants, consultants, and other professionals (1) have solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including, but not limited to, section 1125(e) of the Bankruptcy Code, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with such solicitation, and (2) shall be deemed to have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer, issuance, sale, and purchase of any securities offered and sold under the Plan and, therefore, (a) are not, and, on account of any such offer, issuance, and solicitation, shall not be, liable at any time for any violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or the offer, issuance, sale, or purchase of any securities offered and sold under the Plan and (b) are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and the exculpation provisions set forth in Article VIII of the Plan. In addition, the Plan Support Parties have acted and entered into the documents effectuating LightSquared's restructuring pursuant to the Plan in good faith and shall be deemed to continue to act in good faith if they (1) proceed to consummate the Plan, the transactions contemplated thereby, and LightSquared's restructuring pursuant thereto and (2) take the actions authorized and directed by this Order. The Plan

Support Parties fairly and reasonably negotiated the transactions effectuating the Debtors' restructuring at arm's length, and the resulting terms of the agreements (including the JPM Inc. Facilities Claims Purchase Agreement and the New Investor Commitment Documents, to the extent applicable) are in the best interests of the Debtors and the Estates.

JJ. Satisfaction of Confirmation Requirements. Based upon the foregoing, all other pleadings, documents, exhibits, statements, declarations, and affidavits filed in connection with confirmation of the Plan, and all evidence and arguments made, proffered, or adduced at the Confirmation Hearing, the Plan satisfies the requirements for confirmation set forth in section 1129 of the Bankruptcy Code.



**ADDITIONAL FINDINGS REGARDING CHAPTER 11 CASES AND PLAN**

KK. Implementation. All documents and agreements necessary to implement the Plan, including, but not limited to, those contained in the Plan Supplement, the JPM Inc. Facilities Claims Purchase Agreement, and the New Investor Commitment Documents (to the extent applicable) are essential elements of the Plan and have been negotiated in good faith and at arm's length, and entry into and consummation of the transactions contemplated by each such document and agreement is in the best interests of the Debtors, the Estates, and the Holders of Claims or Equity Interests and shall, upon completion of documentation and execution, be valid, binding, and enforceable agreements and not be in conflict with any federal, state, or local law. LightSquared has exercised reasonable business judgment in determining which agreements to enter into and has provided sufficient and adequate notice of such documents and agreements. LightSquared is authorized, without any further notice to, or action, order, or approval of, the Court, to finalize, execute, and deliver all agreements, documents, instruments, and certificates relating to the Plan and to perform its obligations under such agreements, documents, instruments, and certificates in accordance with the Plan.

LL. Transfers by LightSquared. All transfers of property of the Estates shall be free and clear of all Liens, Claims, charges, interests, and other encumbrances, in accordance with applicable law, except as expressly provided in the Plan or this Order.

MM. Exemption from Securities Law. The offering, issuance, and distribution of the securities contemplated by the Plan and any and all agreements incorporated therein, including, but not limited to, the New LightSquared Entities Shares, shall be exempt from, among other things, the registration and prospectus delivery requirements of section 5 of the Securities Act, and any other applicable state or federal law requiring registration or delivery of a prospectus

prior to the offering, issuance, distribution, or sale of securities, pursuant to section 1145 of the Bankruptcy Code or pursuant to another applicable exemption from the registration requirements of the Securities Act.

NN. Exemption from Taxation. The making and delivery of an instrument of transfer under the Plan is exempt from taxation under any law imposing a document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, sales or use tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, FCC filing or recording fee, Industry Canada filing or recording fee, or other similar tax or governmental assessment, in accordance with section 1146(a) of the Bankruptcy Code (to the extent permitted by Canadian law, as applicable).

OO. Working Capital Facility, Second Lien Exit Facility, and Reorganized  
LightSquared Inc. Exit Facility.

1. The Working Capital Facility, Second Lien Exit Facility, and Reorganized LightSquared Inc. Exit Facility (collectively, the “Reorganized Debtors Financings”), as may be amended or modified without further approval from the Court in accordance with their terms, are essential elements of the Plan, were proposed in good faith, are critical to the success and feasibility of the Plan, and are necessary and appropriate for the consummation of the Plan. Entry into the Reorganized Debtors Financings, and all related agreements and documents (including, but not limited to, the Exit Intercreditor Agreement), is fair, reasonable, and in the best interests of LightSquared, its Estates, all Holders of Claims or Equity Interests, and the Reorganized Debtors. The Working Capital Lenders, the Second Lien Exit Term Lenders, the lenders under the Reorganized LightSquared Inc. Exit Facility (together with such lenders’ agents, the “RLI Exit Facility Lenders”), and each of their respective agents and affiliates (collectively with the Second Lien Exit Agent, the “Reorganized Debtors Financing Parties”) participated in good faith, arm’s length negotiations with respect to the Reorganized Debtors Financings and all other contracts, instruments, agreements, and documents to be executed and delivered in connection therewith (including, but not limited to, the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, the Exit Intercreditor Agreement, the Reorganized LightSquared Inc. Credit Agreement, any guarantee agreements, any pledge and security agreements, any mortgages, any exhibits and schedules to any agreements, UCC financing statements, deposit account control agreements, or other perfection documents, any subordination agreements, and any intercreditor agreements, and collectively with any and all commitment and fee letters and any and all highly confident letters, the “Reorganized Debtors Financing Documents”), and any credit extended or loans made to the Reorganized Debtors by the Working Capital Lenders,

Second Lien Exit Term Lenders, or the RLI Exit Facility Lenders pursuant to the Reorganized Debtors Financings, as applicable, shall be deemed to have been extended, issued, and made in good faith and for legitimate business purposes.

2. The Reorganized Debtors Financing Parties and their respective agents, affiliates, members, officers, directors, employees, advisors, and attorneys are entitled to the protections and indemnifications provided for in the Reorganized Debtors Financing Documents. LightSquared exercised reasonable business judgment in determining to enter into the Reorganized Debtors Financings and the Reorganized Debtors Financing Documents and has provided sufficient and adequate notice thereof, and, in addition, LightSquared and the Reorganized Debtors, as applicable, are hereby authorized, without further approval of this Court or notice to any other party, to execute and deliver the applicable Reorganized Debtors Financing Documents, amend or modify such documents without further notice to, or approval from, this Court or the Canadian Court, and fully perform their obligations thereunder. The Reorganized Debtors Financing Documents (when, and to the extent, entered into) shall be, and are hereby deemed to be, valid, binding, and enforceable against the applicable Reorganized Debtors in accordance with their terms. The Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, and the Reorganized LightSquared Inc. Credit Agreement (a) each contain, or shall contain, fixed maturity dates, (b) in the case of the (i) Working Capital Facility Credit Agreement and the Second Lien Exit Credit Agreement, contain, or shall contain, fixed interest rate margins, and (ii) Reorganized LightSquared Inc. Credit Agreement, contains a fixed interest rate and scheduled payments of interest, which shall be capitalized as principal, and (c) are, or shall be, as the case may be, secured by mortgages, pledges, Liens, and other security interests. The mortgages, pledges, Liens, and

other security interests, and all other consideration granted pursuant to, or in connection with, the Reorganized Debtors Financings are, or shall be, as the case may be, and are hereby deemed to be, granted in good faith, for good and valuable consideration, and for legitimate business purposes as an inducement to the Reorganized Debtors Financing Parties to extend credit thereunder, and do not, and hereby are deemed not to, constitute fraudulent conveyances, fraudulent transfers, or contributions of equity and shall not otherwise be subject to avoidance or recharacterization. No third party consents, authorizations, or approvals are required with respect to the Reorganized Debtors Financing Documents, and such Reorganized Debtors Financing Documents do not, and shall not, contravene the Reorganized Debtors Governance Documents or constitute a violation of, a default under, or otherwise contravene any other instrument, contract, or agreement to which the applicable Reorganized Debtor is a party. Neither the execution and delivery by the Reorganized Debtors of any of the Reorganized Debtors Financing Documents, nor the performance by the applicable Reorganized Debtor of its obligations thereunder, constitutes a violation of, or a default under, any contract or agreement to which it is a party, including, but not limited to, those contracts or agreements reinstated under the Plan.

PP. Reorganized Debtors Governance Documents.

1. The Reorganized Debtors Governance Documents, as may be amended or modified without further approval from the Court in accordance with their terms, are essential elements of the Plan, were proposed in good faith, are critical to the success and feasibility of the Plan, and are necessary and appropriate for the consummation of the Plan. Entry into the Reorganized Debtors Governance Documents, and all related agreements and documents, is fair, reasonable, and in the best interests of LightSquared, its Estates, all Holders of Claims or Equity Interests, and the Reorganized Debtors. The Reorganized Debtors Governance Documents are the product of good faith, arm's length negotiations.

2. LightSquared exercised reasonable business judgment in determining to enter into the Reorganized Debtors Governance Documents and has provided sufficient and adequate notice thereof. LightSquared and the Reorganized Debtors, as applicable, are hereby authorized, without further approval of this Court or notice to any other party, to execute and deliver the applicable Reorganized Debtors Governance Documents, amend or modify such documents without further notice to, or approval from, this Court or the Canadian Court, and fully perform their obligations thereunder. Neither the execution and delivery by the Reorganized Debtors of any of the Reorganized Debtors Governance Documents, nor the performance by the applicable Reorganized Debtors of its obligations thereunder, constitutes a violation of, or a default under, any contract or agreement to which they are a party, including, but not limited to, those contracts or agreements reinstated under the Plan.

QQ. Injunction, Exculpation, and Releases.

1. The Court has jurisdiction under sections 157 and 1334(a) and (b) of title 28 of the United States Code to approve the releases, exculpations, and injunctions set forth in Article VIII of the Plan. Section 105(a) of the Bankruptcy Code permits issuance of the injunctions and approval of the releases and exculpations set forth in Article VIII of the Plan.

2. The Released Parties and Exculpated Parties include the Debtors, the Reorganized Debtors, and certain non-Debtor parties, including (a) each New Investor, (b) each Plan Support Party, (c) each DIP Agent, (d) each DIP Lender (other than any SPSO Party), and each arranger and book runner of the DIP Facilities, (e) MAST, (f) the Prepetition Inc. Agent, (g) the Second Lien Exit Agent, the agent under the Working Capital Facility, and each arranger and book runner of the Second Lien Exit Facility and the Working Capital Facility, (h) the holder of the Reorganized LightSquared Inc. Exit Facility and each agent, arranger, and book runner of the Reorganized LightSquared Inc. Exit Facility, (i) each Holder of an Allowed Prepetition Facility Claim that votes to accept, or is deemed to accept, the Plan (in each case, other than any SPSO Party), (j) the Prepetition LP Agent, (k) the LP Group, (l) each Holder of Allowed Existing Inc. Preferred Stock that votes to accept, or is deemed to accept, the Plan, (m) each Holder of Allowed Existing LP Preferred Units that votes to accept, or is deemed to accept, the Plan, (n) the JPM Investment Parties, and (o) each of the foregoing Entities' respective predecessors, successors and assigns, and current and former shareholders, affiliates, subsidiaries, members (including, but not limited to, ex-officio members), officers, directors, principals, managers, trustees, employees, partners, attorneys, financial advisors, accountants, investment bankers, investment advisors, actuaries, professionals, consultants,



agents, and representatives (in each case, in his, her, or its capacity as such). The Released Parties and Exculpated Parties played a meaningful role through the negotiation and development of the Plan and the restructuring transactions and settlements contemplated thereby, including, but not limited to, agreeing to settle disputes and Claims, contributing funds, contributing claims, supporting the Plan, foregoing asserting rights, and/or providing valuable consideration assuring recoveries for the Estates and stakeholders. The Released Parties and Exculpated Parties made substantial contributions to the Debtors and their Estates and played an integral role in working towards the resolution of the Chapter 11 Cases. Accordingly, the release of potential claims belonging to LightSquared or the Estates pursuant to the Plan are part of a fair and a valid exercise of LightSquared's business judgment, and the third-party releases contemplated by Section VIII.F of the Plan are fair, reasonable, and appropriate under the circumstances of the Chapter 11 Cases.

3. Based on the record before the Court, including, but not limited to, the evidence proffered, adduced, and/or presented at the Confirmation Hearing, which is reasonable, persuasive, and credible, utilizes reasonable and appropriate methodologies and assumptions, and has not been controverted by other evidence, the release, exculpation, and injunction provisions set forth in the Plan (a) confer substantial benefit to the Estates, (b) are fair, equitable, and reasonable, (c) are in the best interests of LightSquared, its Estates, and parties in interest, (d) are supported by valuable consideration, (e) do not relieve any party of liability arising out of an act or omission constituting willful misconduct (including, but not limited to, fraud) or gross negligence, and (f) with respect to the third-party releases contemplated by Section VIII.F of the Plan, shall not be binding on any Holder voting to

reject the Plan that rejects the third-party release provided in the Plan by checking the box on the applicable Ballot indicating that such Holder opts not to grant such third-party release.

4. Therefore, based upon the record of the Chapter 11 Cases, including, but not limited to, the evidence proffered, adduced, and/or presented at the Confirmation Hearing, the Court finds that the release, exculpation, and injunction provisions set forth in the Plan (a) were proposed in good faith, are essential to the Plan, are appropriately tailored, and are intended to promote finality and prevent parties from attempting to circumvent the Plan's terms and (b) are consistent with the Bankruptcy Code and applicable law and, therefore, valid and binding.

RR. Disputed Claims and Equity Interests Reserve and Effective Date Distributions. Based on the evidence proffered, adduced, and/or presented by LightSquared at the Confirmation Hearing, the Disputed Claims and Equity Interests Reserve is adequate to ensure that Holders of Claims or Equity Interests that are Disputed on the Effective Date but Allowed thereafter shall receive distributions equal to the Plan Distributions such Disputed Claim or Disputed Equity Interest would be entitled to on the Effective Date if such Disputed Claim or Disputed Equity Interest were Allowed in its full amount on the Effective Date.

SS. Payment of Administrative Claims and Priority Claims. Based on the evidence proffered, adduced, and/or presented by LightSquared at the Confirmation Hearing, the Plan Consideration provides for payment in full in Cash (or, with respect to the JPM Acquired DIP Inc. Claims and \$41,000,000 of the New Inc. DIP Claims held by SIG, satisfaction in full in accordance with the Plan) of all Allowed Administrative Claims, DIP Claims, Priority Tax Claims, and Other Priority Claims, as well as the U.S. Trustee Fees.

TT. Retention of Jurisdiction. The Court may properly retain jurisdiction over any matter arising under the Bankruptcy Code, or arising in, or related to, the Chapter 11 Cases or the Plan, after Confirmation thereof and after the Effective Date, and any other matter or proceeding that is within the Court's jurisdiction pursuant to 28 U.S.C. § 1334 or 28 U.S.C. § 157.

UU. Likelihood of Satisfaction of Conditions Precedent. Each of the conditions precedent to the Confirmation Date and Effective Date, as set forth in Article IX of the Plan, has been satisfied or waived in accordance with the provisions of the Plan or is reasonably likely to be satisfied or waived prior to the Confirmation Date and Effective Date, as applicable.

**NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:**

1. Findings of Fact and Conclusions of Law. The findings of fact and conclusions of law set forth herein or incorporated herein by reference, and the record of the Confirmation Hearing, including, but not limited to, the findings of fact and conclusions of law set forth in the New Inc. DIP Order (if applicable), the Alternative Transaction Fee Order, and the KEIP Order, to the extent not inconsistent herewith, constitute the Court's findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Bankruptcy Rules 7052 and 9014. To the extent that any of the prior findings of fact constitute conclusions of law, they are adopted as such. To the extent that any of the following conclusions of law constitute findings of fact, they are adopted as such.

2. Confirmation. All requirements for the confirmation of the Plan have been satisfied. Accordingly, the Plan, in its entirety, is CONFIRMED pursuant to section 1129 of the Bankruptcy Code. Each of the terms and conditions of the Plan and the exhibits and

schedules thereto, including, but not limited to, the Plan Supplement, and any amendments, modifications, and supplements thereto, are an integral part of the Plan and are incorporated by reference into this Order. The failure to specifically describe or include any particular provision of the Plan in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Plan be approved and confirmed in its entirety. The Plan complies with all applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules. A copy of the confirmed Plan is attached hereto as Exhibit A. Once finalized and executed, the documents comprising the Plan Supplement and all other documents contemplated by the Plan shall, as applicable, constitute legal, valid, binding, and authorized obligations of the respective parties thereto, enforceable in accordance with their terms and the terms of the Plan and this Order.

3. Objections. All parties have had a fair opportunity to litigate all issues raised by the Objections, or which might have been raised, and the Objections have been fully and fairly litigated. All Objections, responses, statements, reservation of rights, and comments in opposition to the Plan, other than those withdrawn with prejudice in their entirety, waived, settled, or resolved prior to the Confirmation Hearing, or otherwise resolved on the record of the Confirmation Hearing and/or herein, are hereby overruled for the reasons stated on the record.

4. Solicitation and Notice. Notice of the Confirmation Hearing and the Plan, and all related documents, the solicitation of votes on the Plan, and the Solicitation Materials, (a) complied with the solicitation procedures in the Disclosure Statement Order, (b) were appropriate and satisfactory based upon the circumstances of the Chapter 11 Cases, and (c)

were in compliance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules.

5. Plan Classification. The categories listed in Section III.B of the Plan classify Claims against, and Equity Interests in, each of the Debtors for all purposes, including, but not limited to, voting, Confirmation, and distributions pursuant to the Plan and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. The Court hereby holds that: (a) the classifications of Claims and Equity Interests under the Plan (i) are fair, reasonable, and appropriate and (ii) were not done for any improper purpose; (b) valid business, legal, and factual reasons exist for separately classifying the various Classes of Claims and Equity Interests under the Plan; and (c) the creation of such Classes does not unfairly discriminate between or among Holders of Claims or Equity Interests.

6. Compromise of Controversies.

a. Pursuant to sections 363 and 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the Plan Distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good faith compromise of all Claims, Equity Interests, Causes of Action, and controversies resolved pursuant to the Plan and relating to any contractual, legal, and subordination rights that a Holder of a Claim or Equity Interest may have with respect to any Allowed Claim or Equity Interest, or any Plan Distributions to be made on account of such an Allowed Claim or Equity Interest. The entry of this Order shall constitute the Court's approval of the compromise or settlement of all such Claims, Equity Interests, Causes of Action, and controversies, as well as a finding by the Court that such compromise or settlement is in the best interests of the Debtors, their Estates, and Holders of Claims or Equity Interests and is fair, equitable, and

reasonable. Any settlements of objections to the Plan which are conditioned upon the occurrence of the effectiveness of the Plan, shall become effective contemporaneously or substantially contemporaneously with the effectiveness of the Plan, subject to the terms and conditions of such settlements. Plan Distributions made to Holders of Allowed Claims or Equity Interests are intended to be final; provided, however, that the Cash received by the Holders of the Prepetition LP Facility SPSO Claims and Prepetition LP Facility SPSO Guaranty Claims shall be subject to disgorgement to New LightSquared without the further approval of any Entity, to the extent that this Court or any other court of competent jurisdiction, at the request of any party in interest, disallows (on the grounds set forth in Sections III.B.8(b) and III.B.10(b) of the Plan) all or any part of the Prepetition LP Facility SPSO Claims or the Prepetition LP Facility SPSO Guaranty Claims. For the avoidance of doubt, the Prepetition LP Facility SPSO Claims, Prepetition LP Facility SPSO Guaranty Claims, and any Cash received on account thereof shall be subject to any equitable or legal remedy previously sought and currently subject to the Appeal, other than equitable subordination of the Prepetition LP Facility SPSO Claims and the Prepetition LP Facility SPSO Guaranty Claims. In accordance with the provisions of the Plan, pursuant to sections 363 and 1123 of the Bankruptcy Code and Bankruptcy Rule 9019(a), without any further notice to or action, order, or approval of this Court, the Canadian Court, or any other Entity, after the Effective Date, New LightSquared may compromise and settle Claims against, or Equity Interests in, the Debtors, and Causes of Action against other Entities; provided that, any settlement with respect to Claims against, or Equity Interests in, or any Causes of Action against any Reorganized Inc. Entity shall require the prior approval of Reorganized LightSquared Inc.

b. For the avoidance of doubt, entry of this Order shall also operate to settle all claims and causes of action alleged in (a) the Standing Motion against the Prepetition Inc. Agent and the Prepetition Inc. Lenders in respect of the Prepetition Inc. Facility Subordinated Claims, (b) *LightSquared's Motion To Stay Harbinger's Litigation Efforts*, dated October 8, 2014 [Docket No. 1816] (the "Harbinger Litigation Stay Motion"), and (c) the *Motion of SP Special Opportunities, LLC for Entry of an Order Granting Leave, Standing and Authority to Commence, Prosecute and/or Settle Certain Claims for the Debtors' Estates Against Philip Falcone*, date April 4 2014 [Docket No. 1473] (the "SPSO Standing Motion"). To the extent not previously withdrawn with prejudice, (x) the Standing Motion shall be deemed withdrawn with prejudice upon the occurrence of the Inc. Facilities Claims Purchase Closing Date, (y) the SPSO Standing Motion shall be deemed withdrawn with prejudice upon the occurrence of the Effective Date, and (z) the Harbinger Litigation Stay Motion shall be deemed withdrawn with prejudice upon the occurrence of (i) the Effective Date and (ii) Harbinger's irrevocable assignment of all of the Harbinger Litigations to New LightSquared.

c. Entry of this Order shall also operate to settle certain objections asserted and alternatives proposed by (i) Solus Alternative Asset Management LP on behalf of certain of its funds and/or managed accounts ("Solus") and (ii) Cerberus Capital Management, L.P. on behalf of certain of its funds and/or managed accounts against LightSquared's estates ("Cerberus"). Specifically, in exchange for and on account of (i) withdrawing from or otherwise terminating the Plan Support Agreement, dated March 17, 2015, by and among Solus, Cerberus, SPSO, and Charles W. Ergen, (ii) withdrawing all objections to the Plan and Plan Transactions, (iii) withdrawing any proposed alternative chapter 11 plan and all supplementary filings and pleadings related thereto, and (iv) the other agreements set forth in

those certain Joinder Agreements, dated as of March 26, 2015, to the Plan Support Agreement (as amended, supplemented, or otherwise modified from time to time in accordance with the terms thereof, the “PSA Joinders”), by and among the Designated Plan Support Parties (as defined in the PSA Joinders) party thereto and each of Solus and Cerberus, respectively, LightSquared shall reimburse Solus’ and Cerberus’ reasonable and documented out-of-pocket fees and expenses (including, but not limited to, the documented fees, disbursements, and other charges of Solus’ and Cerberus’ respective counsel), (A) in each case incurred by Solus and Cerberus on or prior to the date hereof in connection with the Chapter 11 Cases, the entry into the PSA Joinders, the Plan, and the transactions contemplated by the PSA Joinders and the Plan and (B) in amounts not to exceed \$2,600,000 for Solus and \$500,000 for Cerberus, to be paid in full in Cash on the Effective Date in full and final satisfaction of any and all fees and expenses that are due to Solus and Cerberus, respectively. LightSquared is hereby authorized to pay such amounts without any further notice to or action, order, or approval of, the Bankruptcy Court, all in accordance with the terms and subject to the conditions of the PSA Joinders. In addition, in exchange for and on account of the Designated Plan Support Party Purchasers’ (as defined in the PSA Joinders) agreement to commit funds to finance each Trade (as defined in the PSA Joinders) under the PSA Joinders, LightSquared shall pay on the Closing Date (as defined in the PSA Joinders) of the Trades a commitment fee in Cash (the “PSA Joinders Commitment Fee”) to each Designated Plan Support Party Purchaser in an amount equal to three percent (3%) of the Accrued Claim Amount (as defined in the PSA Joinders) with respect to such Designated Plan Support Party Purchaser’s Trades. The PSA Joinders, including, but not limited to, the PSA Joinders Commitment Fee, are hereby approved and authorized in its entirety pursuant to sections 363 and 1123 of the Bankruptcy



Code and Bankruptcy Rule 9019. Any and all objections to the Plan and Plan Transactions, as well as any proposed alternative chapter 11 plan and any supplementary filings and pleadings related thereto, previously filed by or on behalf of Solus or Cerberus shall be deemed withdrawn with prejudice as of the date hereof.

7. Plan Transactions. All of the Plan Transactions contemplated by the Plan are hereby approved. The Debtors and the Reorganized Debtors, as applicable, with the consent of each New Investor are authorized to take all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including, but not limited to: (a) the execution and delivery of (i) appropriate agreements or other documents of merger, amalgamation, consolidation, equity issuance, sale, and dissolution, and (ii) certificates of incorporation, certificates of partnership, operating agreements, bylaws, or other documents containing terms that are consistent with or reasonably necessary to implement the terms of the Plan and that satisfy the requirements of applicable law; (b) the execution and delivery of appropriate instruments of equity issuance, transfer, assignment, assumption, or delegation of any property, right, liability, duty, or obligation on terms consistent with the terms of the Plan; and (c) all other actions that are consistent with the terms of the Plan that the New Investors, the Debtors, Reorganized LightSquared Inc., or New LightSquared, as applicable, determine are necessary or appropriate, including, but not limited to, gathering the necessary information for, preparing and filing, as and when determined by the Debtors and the New Investors, any necessary applications or other filings with the FCC, Industry Canada, and any other regulatory or other agency applicable to LightSquared.

8. JPM Inc. Facilities Claims Purchase Agreement and New Investor Commitment Documents. The parties to the JPM Inc. Facilities Claims Purchase Agreement and the New Investor Commitment Documents, as applicable, are authorized and directed, subject to the terms and conditions thereof, to consummate the transactions contemplated thereby no later than one (1) Business Day following the fourteenth (14<sup>th</sup>) day after entry of this Order.

9. New Inc. DIP Facility. This Order fully incorporates by reference the Eighth Replacement DIP Facility Order and/or the New Inc. DIP Order (and all terms thereof), as applicable, to the extent not inconsistent herewith. Subject to the terms of the Eighth Replacement DIP Facility Order, the New Inc. DIP Order and/or the New Inc. DIP Credit Agreement, as applicable, the New Inc. DIP Obligors are hereby expressly and immediately authorized and directed, no later than one (1) Business Day following the fourteenth (14<sup>th</sup>) day after entry of this Order, to (a) borrow under the applicable New Inc. DIP Facility, (b) use proceeds thereof to satisfy those DIP Inc. Claims that are not Acquired DIP Inc. Claims and to pay the Prepetition Inc. Fee Claims and DIP Inc. Fee Claims (including, if necessary, estimates of such claims), and (c) otherwise perform under the applicable New Inc. DIP Facility, in accordance with the Eighth Replacement DIP Facility Order, the New Inc. DIP Credit Agreement, and/or New Inc. DIP Order, as applicable.

10. Working Capital Facility. The applicable Debtors and/or Reorganized Debtors are authorized, without further approval of the Court or any other party, to (a) engage in a marketing process with respect to the Working Capital Facility, (b) negotiate and document the terms of the Working Capital Facility, which shall have market terms and conditions satisfactory to New LightSquared and each of the New Investors, and shall be consistent with the Plan and the terms of the highly confident letter with respect to such Working Capital

Facility, (c) enter into the Working Capital Facility Credit Agreement, which shall (i) be in form and substance satisfactory to New LightSquared, each of the New Investors, and the Debtors or Reorganized Debtors (as applicable), and (ii) grant collateral security that may be required thereunder, (d) execute and make such security agreements, mortgages, control agreements, the Exit Intercreditor Agreement, certificates, and other documents and deliveries as the Working Capital Lenders reasonably request, and (e) deliver customary opinions, in each case with such changes as may be agreed between the Reorganized Debtors and the Working Capital Lenders thereunder without further notice to, or approval from, this Court or the Canadian Court, and the Working Capital Facility Credit Agreement, and all other documents, instruments, and agreements to be entered into, delivered, or contemplated under the Plan or hereunder shall become effective in accordance with their terms on the Effective Date, and are ratified. The Working Capital Facility will constitute a valid debt obligation secured by liens and is hereby approved. The Working Capital Facility Credit Agreement and all related documents, including, but not limited to, those granting collateral security required thereunder, as may be amended or modified without further approval from the Court in accordance with their terms, are approved, shall constitute legal, valid, binding, and authorized obligations of the applicable Reorganized Debtors, enforceable in accordance with their terms, and all creditors (existing and hereafter) and parties in interest are and shall be bound thereby. The applicable Reorganized Debtors are authorized to pay in full all fees, indemnities, and expenses incurred in connection with the Working Capital Facility.

11. Second Lien Exit Facility. The Second Lien Exit Facility constitutes a valid debt obligation secured by liens and is hereby approved. The applicable Reorganized Debtors are authorized, without further approval of the Court or any other party, to (a) enter into the

Second Lien Exit Credit Agreement and grant collateral security required thereunder, (b) execute and make such security agreements, mortgages, control agreements, the Exit Intercreditor Agreement, certificates, and other documents and deliveries as the Second Lien Exit Term Lenders or the Second Lien Exit Agent reasonably request, and (c) deliver customary opinions, in each case with such changes as may be agreed between the Reorganized Debtors, the Second Lien Exit Term Lenders, and the Second Lien Exit Agent thereunder without further notice to, or approval from, this Court or the Canadian Court, and the Second Lien Exit Credit Agreement, and all other documents, instruments, and agreements to be entered into, delivered, or contemplated under the Plan or hereunder shall become effective in accordance with their terms on the Effective Date, and are ratified. The Second Lien Exit Credit Agreement and all related documents, including, but not limited to, those granting collateral security required thereunder, as may be amended or modified without further approval from the Court or the Canadian Court in accordance with their terms, are approved and shall constitute legal, valid, binding, and authorized obligations of the applicable Reorganized Debtors, enforceable in accordance with their terms, and all creditors (existing and hereafter) and parties in interest are and shall be bound thereby. The applicable Reorganized Debtors are authorized to pay in full all fees, indemnities, and expenses incurred in connection with the Second Lien Exit Facility.

12. Reorganized LightSquared Inc. Exit Facility. The Reorganized LightSquared Inc. Exit Facility constitutes a valid debt obligation secured by liens and is hereby approved. Reorganized LightSquared Inc. and the RLI Exit Facility Lenders are authorized, without further approval of the Court or any other party, to (a) enter into the Reorganized LightSquared Inc. Credit Agreement and grant collateral security required thereunder, (b)

execute and make such security agreements, mortgages, control agreements, intercreditor agreements, certificates, and other documents and deliveries as the RLI Exit Facility Lenders reasonably request, and (c) deliver customary opinions, in each case with such changes as may be agreed between Reorganized LightSquared Inc. and the RLI Exit Facility Lenders without further notice to, or approval from, this Court or the Canadian Court, and the Reorganized LightSquared Inc. Credit Agreement, and all other documents, instruments, and agreements to be entered into, delivered, or contemplated under the Plan or hereunder shall become effective in accordance with their terms on the Effective Date, and are ratified. The Reorganized LightSquared Inc. Credit Agreement and all related documents, including, but not limited to, those granting collateral security required thereunder, as may be amended or modified without further approval from the Court or the Canadian Court in accordance with their terms, are approved and shall constitute legal, valid, binding, and authorized obligations of Reorganized LightSquared Inc., enforceable in accordance with their terms, and all creditors (existing and hereafter) and parties in interest are and shall be bound thereby. Reorganized LightSquared Inc. is authorized to pay in full all fees, indemnities, and expenses incurred in connection with the Reorganized LightSquared Inc. Exit Facility.

13. Reorganized Debtors Financings Liens. The security interests and Liens granted pursuant to, or in connection with, the Reorganized Debtors Financings and the Reorganized Debtors Financing Documents (a) shall constitute, as of the Effective Date, legal, valid, binding, and duly perfected Liens on, and security interests in, the applicable property and assets of the Reorganized Debtors as set forth in the applicable Reorganized Debtors Financing Documents, (b) are granted in good faith as an inducement to the lenders thereunder to extend credit thereunder, and (c) shall be, and hereby are, deemed not to constitute

fraudulent conveyances, fraudulent transfers, or contributions of equity and shall not otherwise be subject to avoidance or recharacterization, and the priorities of such Liens and security interests shall be as set forth in the Reorganized Debtors Financing Documents. On the Effective Date, all of the Liens and security interests to be created under, or in connection with, the Reorganized Debtors Financing Documents shall (x) be deemed created, (y) be legal, valid, binding, and perfected, and (z) afford to the Reorganized Debtors Financing Parties thereunder all remedies customarily granted to a holder of such Liens and security interests, without (i) any requirement of filing or recording of financing statements, or other evidence of such Liens and security interests and (ii) any approvals or consents from governmental entities or any other persons and regardless of whether or not there are any errors, deficiencies, or omissions in any property descriptions attached to any filing, and, to the extent permitted under applicable law, no further act shall be required for perfection of such Liens and security interests. Notwithstanding the foregoing, the parties granting such Liens and security interests are authorized to make all filings and recordings and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of state, federal, or Canadian law that would be applicable in the absence of this Order, and shall thereafter make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

14. Termination of Engagement Letters. Each of (a) the Engagement Letter, dated December 30, 2013 (the “December Engagement Letter”), by and among J.P. Morgan Securities LLC, Credit Suisse Securities (USA) LLC and LSQ Acquisition Co LLC, Harbinger Capital Partners Master Fund I, Ltd., Harbinger Capital Partners Special Situations Fund, L.P.,

and Credit Distressed Blue Line Master Fund, Ltd. and (b) the Engagement Letter, dated January 17, 2014 (the “January Engagement Letter” and, together with the December Engagement Letter, the “Engagement Letters”), by and among J.P. Morgan Securities LLC, Credit Suisse Securities (USA) LLC, and LightSquared Inc. is hereby terminated in its entirety and shall no longer be of any force or effect against any party thereto, including, but not limited to, the provisions and sections of such Engagement Letters that are contemplated to survive the termination of such Engagement Letters pursuant to the terms thereof.

15. Issuance of New LightSquared Entities Shares; Reinstatement of Reinstated Intercompany Interests. The issuance of the New LightSquared Entities Shares and Reinstatement of the Reinstated Intercompany Interests are essential elements of the Plan, are fair, reasonable, and in the best interests of the Debtors, their Estates, and all Holders of Claims or Equity Interests, and are hereby approved. The Debtors have exercised reasonable business judgment in determining to incorporate the New LightSquared Entities Shares (including, but not limited to, the Reinstated Intercompany Interests) as part of the Plan Transactions and have provided sufficient and adequate notice of the terms of the New LightSquared Entities Shares. The Debtors and the Reorganized Debtors, as applicable, are authorized, without further approval of the Court or any other party, to (a) issue the New LightSquared Entities Shares and Reinstatement the Reinstated Intercompany Interests in accordance with the Plan, (b) execute and deliver all agreements, documents, instruments, and certificates relating thereto, and (c) perform their obligations thereunder.

16. Sale, Assignment, and/or Transfer of Assets and Equity Interests to New LightSquared. The Reorganized Debtors are authorized to take all actions as may be necessary or appropriate to, on or as soon as practicable after the Effective Date, consummate

the Plan Transactions between New LightSquared and the Reorganized Inc. Entities. Upon consummation of the Plan Transactions between New LightSquared and the Reorganized Inc. Entities, the Reorganized Inc. Entities shall hold only the assets described in Section IV.B.2(d)(iv) of the Plan and shall not directly hold any leases, spectrum, or tangible assets other than those set forth in Section IV.B.2(d)(iv) of the Plan.

17. Reorganized Debtors Governance Documents. The Reorganized Debtors Governance Documents are essential elements of the Plan, and entry into the Reorganized Debtors Governance Documents and the other related documents (as may be amended or modified without further approval from the Court or the Canadian Order in accordance with their terms) is fair, reasonable, and in the best interests of the Debtors, their Estates, and all Holders of Claims or Equity Interests and is hereby approved. The Debtors have exercised reasonable business judgment in determining to implement the Reorganized Debtors Governance Documents and the other related documents and have provided sufficient and adequate notice of the terms of the Reorganized Debtors Governance Documents. The terms and conditions of the Reorganized Debtors Governance Documents are fair and reasonable, and the Reorganized Debtors Governance Documents were negotiated in good faith and at arm's length. The Debtors and the Reorganized Debtors, as applicable, are authorized, with the consent of the New Investors, but without further approval of the Court or any other party, to (a) execute and deliver all agreements, documents, instruments, and certificates relating to the Reorganized Debtors Governance Documents, including without limitation preparing and finalizing the list of Schedule III Members, as set forth in Section 4.16 of the New LightSquared Interest Holders Agreement, and taking such other actions as reasonably deemed necessary to institute the measures set forth therein and to ensure compliance with, among



other things, the Communications Laws, and (b) perform their obligations thereunder, including, but not limited to, the payment of all fees, indemnities, and expenses provided therein.

18. Management Incentive Plan. On or as soon as practicable following the consummation of the Plan, the New LightSquared Board shall adopt a Management Incentive Plan in accordance with the terms of the New LightSquared Interest Holders Agreement and subject to the approval of each of the New Investors.

19. Section 1145 Exemption. The offering, issuance, and distribution of the securities contemplated by the Plan and any and all agreements incorporated therein, including, but not limited to, the New LightSquared Entities Shares, shall be exempt from, among other things, the registration and prospectus delivery requirements of section 5 of the Securities Act, and any other applicable state and federal law requiring registration or delivery of a prospectus prior to the offering, issuance, distribution, or sale of securities, pursuant to section 1145 of the Bankruptcy Code or pursuant to another applicable exemption from any registration requirements of the Securities Act. In addition, any securities contemplated by the Plan and any and all agreements incorporated therein, including, but not limited to, the New LightSquared Entities Shares, shall be subject to (a) if issued pursuant to section 1145 of the Bankruptcy Code, the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act, (b) compliance with any rules and regulations of the Securities and Exchange Commission, if any, applicable at the time of any future transfer of such securities or instruments, (c) the restrictions, if any, on the transferability of such securities and instruments, including, but not limited to, those set forth

in the Reorganized Debtors Governance Documents, and (d) applicable regulatory approval, if any.

20. Section 1146 Exemption. Pursuant to section 1146(a) of the Bankruptcy Code, and to the extent permitted by Canadian law (to the extent applicable), any transfer from a Debtor to a Reorganized Debtor or to any Entity pursuant to, in contemplation of, or in connection with the Plan, or pursuant to (a) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the Reorganized Debtors, (b) the creation, modification, consolidation, or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means, (c) the making, assignment, or recording of any lease or sublease, or (d) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including, but not limited to, any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles, or similar tax, mortgage tax, real estate transfer tax, sales or use tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, FCC filing or recording fee, Industry Canada filing or recording fee, or other similar tax or governmental assessment, and the appropriate state or local governmental officials or agents shall forego the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

21. Vesting of Assets in Reorganized Debtors.

a. Except as otherwise provided in the Plan, this Order, or any agreement,

instrument, or other document incorporated therein, on the Effective Date, notwithstanding any prohibition of assignability under applicable non-bankruptcy law and in accordance with section 1141 of the Bankruptcy Code, all property in each Estate, all Retained Causes of Action, and any property acquired by any of the Debtors pursuant to the Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, or other encumbrances (except for (i) any Liens granted to secure the Working Capital Facility and any rights of any of the parties under the Working Capital Facility Credit Agreement or any related documents, (ii) any Liens granted to secure the Second Lien Exit Facility and any rights of any of the parties under the Second Lien Exit Credit Agreement or any related documents, (iii) any Liens granted to secure the Reorganized LightSquared Inc. Exit Facility and any rights of any of the parties under the Reorganized LightSquared Inc. Credit Agreement or any related documents, and (iv) any rights of any of the parties under any of the Reorganized Debtors Governance Documents) without further notice to, or action, order, or approval of, this Court, the Canadian Court, or any other Entity.

b. On and after the Effective Date, except as otherwise provided in the Plan or this Order, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Equity Interests, or Retained Causes of Action without further notice to, or action, order, or approval of, this Court, the Canadian Court, or any other Entity and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

c. Except as otherwise provided in the Plan, after the Effective Date, no Reorganized Debtor and no affiliate of any such Reorganized Debtor shall have, or be construed to have or maintain, any liability, claim, or obligation that is based in whole or in

part on any act, omission, transaction, event, or other occurrence or thing occurring or in existence on or prior to the Effective Date (including, but not limited to, any liability, claim, or obligation arising under applicable non-bankruptcy law as a successor to LightSquared Inc., LightSquared LP, or any other Debtor) and no such liability, claim, or obligation for any acts shall attach to any of the Reorganized Debtors or any of their Affiliates.

22. Cancellation of Existing Securities and Agreements.

a. Pursuant to Section IV.K of the Plan, on the Effective Date (or, subject to the terms of the New DIP Orders, the New DIP Closing Date with respect to the DIP Inc. Facility and, if applicable, the DIP LP Facility), except as otherwise specifically provided for in the Plan or this Order, including, but not limited to, with respect to the Acquired Inc. Facility Claims and JPM Acquired DIP Inc. Claims: (i) the obligations of the Debtors under the DIP Facilities, the Prepetition Loan Documents, the Existing Shares, and any other Certificate, share, note, bond, indenture, purchase right, option, warrant, or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of, or ownership interest in, the Debtors giving rise to any Claim or Equity Interest (except such Certificates, Equity Interests, notes, or other instruments or documents evidencing indebtedness or obligations of the Debtors that may be Reinstated pursuant to the Plan), shall be cancelled solely as to the Debtors, and the Reorganized Debtors shall not have any continuing obligations thereunder; and (ii) the obligations of the Debtors pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the shares, Certificates, notes, bonds, indentures, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of the Debtors (except such agreements, Certificates, notes, or other instruments evidencing indebtedness or obligations of the Debtors that are specifically Reinstated pursuant to the Plan) shall be released and discharged; provided, however, that any agreement that governs the rights of the Holder of a Claim or Equity Interest shall continue in effect solely for the purposes of allowing such Holders to receive Plan Distributions under the Plan; provided, further, that (i) the preceding proviso shall not affect the discharge of Claims or Equity Interests pursuant to the Bankruptcy Code, this Order, the Confirmation Recognition

Order, or the Plan or result in any expense or liability to the Reorganized Debtors and (ii) the terms and provisions of the Plan and this Order shall modify any existing contract or agreement that would in any way be inconsistent with distributions under the Plan.

b. On the Confirmation Date, but subject to the Effective Date, (i) the obligations of the Debtors Stalking Horse Agreement and the Bid Procedures Order shall be cancelled as to the Debtors, and the Reorganized Debtors shall not have any continuing obligations thereunder and (ii) the obligations of the Debtors pursuant, relating, or pertaining to the Stalking Horse Agreement or the Bid Procedures Order to pay any LBAC Break-Up Fee or Expense Reimbursement, to the extent payable in accordance with the terms thereof, shall be released and discharged. For the avoidance of doubt, no party shall be entitled to, or receive (nor shall any reserve be required on account of), any LBAC Break-Up Fee or Expense Reimbursement.

23. Preservation, Transfer, and Waiver of Rights of Action.

a. In accordance with section 1123(b) of the Bankruptcy Code, but subject to Article VIII of the Plan, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including, but not limited to, any Retained Causes of Action that may be described in the Plan Supplement, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the Reorganized Debtors, as applicable, shall not pursue any and all available Causes of Action against them. The Debtors or the Reorganized Debtors, as

applicable, expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan or this Order. Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Court order, the Reorganized Debtors expressly reserve all Causes of Action for later adjudication and, therefore, no preclusion doctrine, including, but not limited to, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the confirmation or consummation of the Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in New LightSquared.

b. Upon the Effective Date of the Plan, Harbinger shall irrevocably assign to New LightSquared all Harbinger Litigations, and the New Investors shall irrevocably assign to New LightSquared any and all of their rights to commence any New Actions. New LightSquared will receive all Retained Causes of Action Proceeds, which, for the avoidance of doubt, shall include any and all proceeds from any of the Harbinger Litigations and New Actions.

c. Harbinger shall (i) use and undertake commercially reasonable and good faith efforts to obtain consent of each defendant in the FCC Action and the GPS Action to stay all proceedings therein and (ii) not pursue any New Action on its own behalf or derivatively on behalf of the Debtors or the Reorganized Debtors (as applicable).



24. Assumption of D&O Liability Insurance Policies.

a. To the extent that the D&O Liability Insurance Policies are considered to be Executory Contracts, then, notwithstanding anything in the Plan or herein to the contrary, the Debtors shall be deemed to have assumed all of the Debtors' unexpired D&O Liability Insurance Policies pursuant to section 365(a) of the Bankruptcy Code effective as of the Effective Date; provided that, all D&O Liability Insurance Policies to which a Reorganized Inc. Entity would be a counterparty or obligor shall be assigned to New LightSquared on the Effective Date and no Reorganized Inc. Entity shall have any liability or obligations with respect to any D&O Liability Insurance Policies. Entry of this Order shall constitute, subject to the occurrence of the Effective Date, the Court's approval of the Debtors' foregoing assumption of each of the unexpired D&O Liability Insurance Policies. Notwithstanding anything to the contrary contained in the Plan or herein, but without limiting the proviso in the first sentence of this paragraph, confirmation of the Plan shall not discharge, impair, or otherwise modify any indemnity obligations assumed by the foregoing assumption of the D&O Liability Insurance Policies, and each such indemnity obligation shall be deemed and treated as an Executory Contract that has been assumed by the Debtors under the Plan as to which no Proof of Claim need be filed.

b. In addition, but subject to the proviso in the first sentence of the first paragraph in Section IV.Q of the Plan, after the Effective Date, none of the Reorganized Debtors shall terminate or otherwise reduce the coverage under any D&O Liability Insurance Policies (including, but not limited to, any "tail policy") in effect on the Petition Date, with respect to conduct occurring prior thereto, and all directors and officers of the Debtors who served in such capacity at any time prior to the Effective Date shall be entitled to the full

benefits of any such policy for the full term of such policy regardless of whether such directors and officers remain in such positions after the Effective Date. As of the Effective Date, New LightSquared shall purchase and maintain continuing director and officer insurance coverage for a tail period of six (6) years.

25. Employee and Retiree Benefits.

a. Except as otherwise provided in the Plan or this Order, on and after the Effective Date, New LightSquared shall assume and continue to perform the Debtors' obligations to: (i) honor, in the ordinary course of business, any contracts, agreements, policies, programs, and plans, in each case, to the extent disclosed in the Disclosure Statement or the First Day Pleadings, for, among other things, compensation and wages (including, but not limited to, equity based and bonus compensation), health care benefits, disability benefits, deferred compensation benefits, travel benefits, savings, severance or termination benefits, retirement benefits, welfare benefits, workers' compensation insurance, and accidental death and dismemberment insurance for the directors, officers, and current and former employees of any of the Debtors who served in such capacity at any time; and (ii) honor, in the ordinary course of business, Claims of current and former employees employed as of the Effective Date for accrued vacation time arising prior to the Petition Date; provided, however, that the Debtors' or Reorganized Debtors' performance of any employment agreement shall not entitle any Person or Entity to any benefit or alleged entitlement under any policy, program, or plan that has expired or been terminated before the Effective Date, or restore, reinstate, or revive any such benefit or alleged entitlement under any such policy, program, or plan. In addition, as of the Effective Date, (i) Equity Interests granted to an existing employee of the Debtors pursuant to any equity plan maintained by the Debtors or under any existing employment agreement of the Debtors, and any such applicable equity plan, shall be (A) fully vested and (B) cancelled and terminated and (ii) Holders of such Equity Interests shall be treated in accordance with Class 12 in Section III.B.14 of the Plan; provided, that the applicable Reorganized Debtors Boards shall maintain the discretion to execute and implement agreements or plans that grant current and former employees of the applicable Reorganized

Debtors awards of stock options, equity appreciation rights, restricted equity, phantom equity, or any other Cash or performance-based awards as the Reorganized Debtors Boards deem appropriate.

b. Nothing in the Plan or this Order shall limit, diminish, or otherwise alter the Reorganized Debtors' defenses, claims, Causes of Action, or other rights with respect to any such contracts, agreements, policies, programs, and plans. Notwithstanding the foregoing, pursuant to section 1129(a)(13) of the Bankruptcy Code, on and after the Effective Date, all retiree benefits (as that term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid to the extent required by applicable law.

26. Executory Contracts and Unexpired Leases.

a. The Debtors have exercised sound business judgment in determining whether to assume or reject each of their Executory Contracts and Unexpired Leases pursuant to sections 365 and 1123(b)(2) of the Bankruptcy Code, Article V of the Plan, and as set forth in the Plan Supplement and in the Schedule of Assumed Agreements. Except as set forth herein and/or in separate orders entered by the Court relating to assumption of Executory Contracts or Unexpired Leases, the Debtors have cured, or provided adequate assurances of future performance, as that term is used in section 365 of the Bankruptcy Code, that the Debtors shall cure, defaults (if any) under or relating to each Executory Contract or Unexpired Lease assumed under the Plan. The Court shall adjudicate and decide any unresolved disputes relating to the assumption of Executory Contracts and Unexpired Leases, including, but not limited to, disputed issues relating to Cure Costs, financial wherewithal, or adequate assurance of future performance, at a hearing scheduled for \_\_\_\_\_, 2015 at \_\_\_\_\_.

b. As of the Effective Date, all Executory Contracts or Unexpired Leases listed on the Schedule of Assumed Agreements shall be assumed pursuant to sections 365(a) and 1123 of the Bankruptcy Code and shall remain in full force and effect for the benefit of the Reorganized Debtors, as applicable, and be enforceable by the Reorganized Debtors, as applicable, in accordance with their terms notwithstanding any provision in such Executory Contracts and Unexpired Leases that purports to prohibit, restrict, or condition such assumption; provided, that all assumed Executory Contracts and Unexpired Leases to which a Reorganized Inc. Entity would be a counterparty or an obligor shall be assigned to New LightSquared on the Effective Date and no Reorganized Inc. Entity shall have any liability or obligations with respect to any such Executory Contracts and Unexpired Leases. To the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan (including, but not limited to, any “change of control” provision) prohibits, restricts, or conditions, or purports to prohibit, restrict, or condition, such assumption or is modified, breached, or terminated or deemed modified, breached, or terminated, by (i) the commencement of the Chapter 11 Cases, (ii) any Debtor’s or any Reorganized Debtor’s assumption or assumption or assignment (as applicable) of such Executory Contract or Unexpired Lease, or (iii) the confirmation or consummation of the Plan, then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party to such Executory Contract or Unexpired Lease, to modify or terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights or remedies with respect thereto, and any required consent under any such contract or lease shall be deemed satisfied by the confirmation of the Plan.

c. The assumption of any Executory Contracts and Unexpired Leases shall be free and clear of all Liens, encumbrances, pledges, mortgages, deeds of trust, security interests, Claims, charges, options, rights of first refusal, easements, servitudes, proxies, voting trusts or agreements, and/or transfer restrictions under any shareholder or similar agreement or encumbrance.

d. Notwithstanding anything in the Claims Bar Date Order to the contrary, if the rejection of an Executory Contract or Unexpired Lease, including, but not limited to, pursuant to the Plan, gives rise to a Claim by the non-Debtor party or parties to such contract or lease, such Claim shall be forever barred and shall not be enforceable against the Debtors, their respective successors, or their respective property unless a Proof of Claim is Filed and served on the Reorganized Debtors no later than thirty (30) days after the Effective Date. All Allowed Claims arising from the rejection of the Inc. Debtors' Executory Contracts and Unexpired Leases shall be classified as Inc. General Unsecured Claims and shall be treated in accordance with Class 9 in Section III.B.11 of the Plan, and all Allowed Claims arising from the rejection of the LP Debtors' Executory Contracts and Unexpired Leases shall be classified as LP General Unsecured Claims and shall be treated in accordance with Class 10 in Section III.B.12 of the Plan.

e. Each Reorganized Debtor shall perform its obligations under each contract and lease entered into by the respective Debtor or applicable Reorganized Debtor after the Petition Date to the extent not rejected prior to the Effective Date, including, but not limited to, any Executory Contract and Unexpired Lease assumed by such Debtor or Reorganized Debtor, in each case, in accordance with, and subject to, the then applicable terms of such contract or lease; provided that each Reorganized Inc. Entity shall assign such

obligations to New LightSquared on the Effective Date. Accordingly, such contracts and leases, to the extent not rejected prior to the Effective Date (including, but not limited to, any assumed Executory Contracts or Unexpired Leases), shall survive, and remain unaffected by, entry of this Order.

27. Distributions Under Plan.

a. Except as set forth herein or in the Plan, each Plan Distribution referred to in Article VI of the Plan shall be governed by the terms and conditions set forth herein and in the Plan applicable to such Plan Distribution and by the terms and conditions of the instruments evidencing or relating to such Plan Distribution, if any, which terms and conditions shall bind each Entity receiving such Plan Distribution. Except as otherwise provided herein or in the Plan, Plan Distributions of Plan Consideration under the Plan shall be made by the Debtors or the Reorganized Debtors, as applicable, to the Disbursing Agent for the benefit of the Holders of Allowed Claims or Allowed Equity Interests, and the other eligible Entities under the Plan, as applicable. All Plan Distributions by the Disbursing Agent shall be at the discretion of the Debtors or the Reorganized Debtors, as applicable, and the Disbursing Agent shall not have any liability to any Entity for Plan Distributions made by it under the Plan.

b. Commencing upon the Effective Date (or the New DIP Closing Date and/or the Inc. Facilities Claims Purchase Closing Date with respect to DIP Inc. Claims and DIP LP Claims, as applicable), LightSquared, the Disbursing Agent, the New DIP Agents, the Prepetition Inc. Agent, and the Prepetition LP Agent, as applicable, shall be authorized and directed to distribute the amounts required under the Plan, this Order, or any other order of the Court, as applicable, to the Holders of Allowed Claims or Equity Interests or other eligible



Entities, as applicable, solely according to the provisions of the Plan, including, but not limited to, Article VI of the Plan, this Order, or any other order of the Court, as applicable.

28. Existing LP Preferred Units Election. Pursuant to Section III.B.13(b) of the Plan, each Holder of Existing LP Preferred Units has the option to receive, on account of its Existing LP Preferred Units, Plan Consideration in the form of either (a) New LightSquared Series A-2 Preferred Interests having a liquidation preference equal to such Holder's pro rata share of the Existing LP Preferred Units Distribution Amount or (b) New LightSquared Series C Preferred Interests having a liquidation preference equal to such Holder's pro rata share of the Existing LP Preferred Units Distribution Amount. Any Holder of Existing LP Preferred Units that wishes to receive New LightSquared Series A-2 Preferred Interests rather than New LightSquared Series C Preferred Interests must make an election to do so (the "Election") by timely and properly executing, completing, and delivering an election form, the approved form of which is attached hereto as Exhibit B (the "Election Form"), so that it is received by LightSquared and each of the New Investors **no later than \_\_\_\_\_, 2015, at 5 p.m. (prevailing Eastern time)** (the "Election Deadline"). If a Holder of Allowed Existing LP Preferred Units declines the Election, submits an Election Form without any box in Item 1 checked, or fails to timely or properly complete and deliver an Election Form so that it is received by the Election Deadline, such Holder shall be deemed to have elected to receive New LightSquared Series C Preferred Interests. For the avoidance of doubt, any New Investor that holds Allowed Existing LP Preferred Units shall be deemed, and hereby agrees, to elect to receive New LightSquared Series C Preferred Interests solely on account of the Allowed Existing LP Preferred Units held by such New Investor as of the Distribution Record Date.

29. Disputed Claims and Disputed Equity Interests. The provisions of Article VII of the Plan, including, but not limited to, the provisions governing procedures for resolving Disputed Claims and Disputed Equity Interests, are found to be fair and reasonable and are approved.

30. No Postpetition Interest on Claims. Unless otherwise (a) specifically provided for in the Plan or this Order, (b) agreed to by the New Investors (upon agreement of all of the New Investors) or the Reorganized Debtors, as applicable, (c) provided for in a postpetition agreement in writing between all of the New Investors or the Reorganized Debtors, as applicable, and a Holder of a Claim, or (d) allowed under applicable bankruptcy and non-bankruptcy law, postpetition interest shall not accrue or be paid on Claims (other than Inc. General Unsecured Claims and the LP General Unsecured Claims), and no Holder of a Claim (other than the Holders of Inc. General Unsecured Claims and the Holders of LP General Unsecured Claims) shall be entitled to interest accruing on or after the Petition Date on any Claim or right. Additionally, and without limiting the foregoing, and except as otherwise set forth in the Plan or this Order, interest shall not accrue or be paid on any Disputed Claim with respect to the period from the Effective Date to the date a final Plan Distribution is made on account of such Disputed Claim, if and when such Disputed Claim becomes an Allowed Claim.

31. Full and Final Satisfaction of Claims. Upon the Effective Date, all Claims against, or Equity Interests in, LightSquared shall be deemed fixed and adjusted pursuant to the Plan, and LightSquared shall have no further liability on account of any Claims or Equity Interests except as set forth in the Plan or in this Order. Except as otherwise provided by the Plan or this Order, all payments and all distributions made by LightSquared or the

Reorganized Debtors under, and in accordance with, the Plan shall be in full and final satisfaction, settlement, and release of all Claims and Equity Interests.

32. Discharge of Claims and Termination of Equity Interests.

a. Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or this Order, the Plan Distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims (including, but not limited to, any Intercompany Claims resolved or compromised after the Effective Date by the Reorganized Debtors in accordance with Section III.B.17 and Section III.B.18 of the Plan), Equity Interests, and Causes of Action of any nature whatsoever, including, but not limited to, any interest accrued on Claims or Equity Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Equity Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims or Equity Interests, including, but not limited to, demands, liabilities, and Causes of Action that arose before the Effective Date, any liability to the extent such Claims or Equity Interests relate to services performed by current or former employees of the Debtors prior to the Effective Date and that arise from a termination of employment or a termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case, whether or not (i) a Proof of Claim or proof of Equity Interest based upon such debt, right, or Equity Interest is Filed or deemed

Filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim or Equity Interest based upon such debt, right, or Equity Interest is Allowed pursuant to section 502 of the Bankruptcy Code, or (iii) the Holder of such a Claim or Equity Interest has accepted the Plan. Any default by the Debtors or their Affiliates with respect to any Claim or Equity Interest that existed immediately prior to, or on account of, the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date.

b. This Order constitutes a judicial determination of the discharge of all Claims and Equity Interests subject to the occurrence of the Effective Date that shall, to the fullest extent provided under section 524 and other applicable provisions of the Bankruptcy Code, (i) void any judgment at any time obtained, to the extent that such judgment is a determination of the personal liability of any Debtor or Reorganized Debtor with respect to any Claim discharged under this Order and (ii) operate as a permanent injunction against the commencement or continuation of an action, the employment of process, or an act, to collect, recover, or offset any such discharged Claim as a personal liability of any Debtor or Reorganized Debtor.

c. Except as otherwise expressly provided by the Plan or this Order, upon the Effective Date: (i) the rights afforded herein and the treatment of all Claims and Equity Interests under the Plan shall be in exchange for, and in complete satisfaction, settlement, discharge, and release of, all Claims and Equity Interests of any nature whatsoever, including, but not limited to, any interest accrued on such Claims from and after the Petition Date, against the Debtors or any of their respective assets, property, or Estates; (ii) all Claims and Equity Interests shall be satisfied, discharged, and released in full, and each of the Debtor's liability with respect thereto shall be extinguished completely without further notice or action;

and (iii) all Entities shall be precluded from asserting against the Debtors, the Estates, the Reorganized Debtors, each of their respective successors and assigns, and each of their respective assets and properties, any such Claims or Equity Interests, whether based upon any documents, instruments, act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date or otherwise.

33. Releases by Debtors. Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or this Order, for good and valuable consideration, including, but not limited to, the service of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the restructuring transactions contemplated by the Plan, on and after the Effective Date, the Released Parties are deemed released and discharged by the Debtors, the Reorganized Debtors, and the Estates from any and all claims, interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including, but not limited to, any derivative claims asserted on behalf of the Debtors or the Estates, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, that the Debtors, the Reorganized Debtors, the Estates, or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Equity Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the CCAA Proceeding, the prepetition or postpetition purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors, the Prepetition Facilities, the DIP Facilities, the Working Capital Facility, the Second Lien Exit Facility, the Exit Intercreditor Agreement, the New LightSquared Entities Shares, or the

Reorganized LightSquared Inc. Exit Facility, as applicable, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims or Equity Interests prior to or in the Chapter 11 Cases and/or the CCAA Proceeding, the negotiation, formulation, or preparation of the Plan and the Disclosure Statement, or related agreements (including, but not limited to, the Plan Support Agreement), instruments, or other documents, any of the Debtors' regulatory efforts (including, but not limited to, change of control applications), upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct (including, but not limited to, fraud) or gross negligence. Notwithstanding anything contained herein or in the Plan to the contrary, the foregoing release does not release any obligations of any party under the Plan or any document, instrument, or agreement (including, but not limited to, those set forth in the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, the Reorganized LightSquared Inc. Credit Agreement, the Exit Intercreditor Agreement, the Reorganized Debtors Governance Documents, and the Plan Supplement) executed to implement the Plan.

34. Exculpation. Except as otherwise specifically provided in the Plan or this Order, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any claim, obligation, Cause of Action, or liability for any act taken or omitted to be taken in connection with, or related to, formulating, negotiating, preparing, disseminating, implementing, administering, confirming, or effecting the confirmation or consummation of the Plan, the Disclosure Statement, the Plan Documents, or any contract, instrument, release, or other agreement or document created or entered into in connection with the Plan (including, but not limited to, the Plan Support Agreement), any act taken or omitted to be taken in connection with, or related to, any of the Debtors' regulatory efforts (including, but not limited to, change of control applications), the negotiation of Cure Costs, the amendment, assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases, or any other prepetition or postpetition act taken or omitted to be taken in connection with, or in contemplation of, the restructuring of the Debtors, the approval of the Disclosure Statement, or confirmation or consummation of the Plan, except for (a) willful misconduct (including, but not limited to, fraud) or gross negligence and/or (b) the rights of any Entity to enforce the Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered under, or in connection with, the Plan, or assumed pursuant to the Plan, or assumed pursuant to a Final Order, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon confirmation of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the distributions of the Securities pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be,

liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

35. Third-Party Releases by Holders of Claims or Equity Interests.



a. Except as otherwise specifically provided in the Plan or this Order, on and after the Effective Date, to the fullest extent permissible under applicable law, (i) each Released Party, (ii) each present and former Holder of a Claim or Equity Interest, and (iii) each of the foregoing Entities' respective predecessors, successors and assigns, and current and former shareholders, affiliates, subsidiaries, members (including, but not limited to, ex-officio members), officers, directors, principals, managers, trustees, employees, partners, attorneys, financial advisors, accountants, investment bankers, investment advisors, actuaries, professionals, consultants, agents, and representatives (in each case, in his, her, or its capacity as such) (each of the foregoing parties in (i), (ii), and (iii), a "Releasing Party") shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged the Released Parties from any and all claims, interests, obligations, rights, suits, damages, Claims, Equity Interests, Causes of Action, remedies, and liabilities whatsoever, including, but not limited to, any derivative claims asserted on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, that each Releasing Party would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the CCAA Proceeding, the prepetition or postpetition purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors, the Prepetition Facilities, the DIP Facilities, the Working Capital Facility, the Second Lien Exit Facility, the Exit Intercreditor Agreement, the New LightSquared Entities Shares, or the Reorganized LightSquared Inc. Exit Facility, as applicable, the subject matter of, or the transactions or events giving rise to, any Claim or

Equity Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims or Equity Interests prior to or in the Chapter 11 Cases and/or the CCAA Proceeding, the negotiation, formulation, or preparation of the Plan and the Disclosure Statement, or related agreements, instruments, or other documents, any act taken or omitted to be taken in connection with, or related to, any of the Debtors' regulatory efforts (including, but not limited to, change of control applications), the negotiation of Cure Costs, the amendment, assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases, upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct (including, but not limited to, fraud) or gross negligence; provided, however, that each present and former Holder of a Claim or Equity Interest voting to reject the Plan may reject the third-party release provided in Section VIII.F of the Plan by checking the box on the applicable Ballot indicating that such Holder opts not to grant such third-party release.

b. Notwithstanding anything contained herein or in the Plan to the contrary, the third-party release herein and in the Plan does not release any obligations of any party under the Plan or any document, instrument, or agreement (including, but not limited to, those set forth in the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, the Reorganized LightSquared Inc. Credit Agreement, the Exit Intercreditor Agreement, the Reorganized Debtors Governance Documents, and the Plan Supplement) executed to implement the Plan.

36. Injunction.

a. Except as otherwise expressly provided in the Plan or this Order, or for obligations issued pursuant to the Plan or this Order, all Entities who have held, hold, or may hold Claims or Equity Interests that have been released pursuant to Section VIII.D of the Plan (and herein) or Section VIII.F of the Plan (and herein), discharged pursuant to Section VIII.A of the Plan (and herein), or are subject to exculpation pursuant to Section VIII.E of the Plan (and herein) are permanently enjoined, from and after the Effective Date, from taking any of the following actions against the Debtors or the Reorganized Debtors: (i) commencing or continuing in any manner any action or other proceeding of any kind on account of, in connection with, or with respect to any such Claims or Equity Interests; (ii) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of, in connection with, or with respect to any such Claims or Equity Interests; (iii) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or Estates of such Entities on account of, in connection with, or with respect to any such Claims or Equity Interests; (iv) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property or Estates of such Entities on account of, in connection with, or with respect to any such Claims or Equity Interests unless such Holder has Filed a motion requesting the right to perform such setoff on or before the Confirmation Date, and notwithstanding an indication in a Proof of Claim or proof of Equity Interest or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to section 553 of the Bankruptcy Code or otherwise; and (v) commencing or continuing in any manner any action or other proceeding of any kind on account of, in connection with, or with respect to any such Claims or Equity Interests released or settled pursuant to the Plan. Nothing in the

Plan or this Order shall preclude any Entity from pursuing an action against one or more of the Debtors in a nominal capacity to recover insurance proceeds so long as the Debtors or Reorganized Debtors, as applicable, and any such Entity agree in writing that such Entity shall (i) waive all Claims against the Debtors, the Reorganized Debtors, and the Estates related to such action and (ii) enforce any judgment on account of such Claim solely against applicable insurance proceeds, if any.

b. No Holder of any Claim or Equity Interest, and none of any such Holder's heirs, successors, assigns, trustees, executors, administrators, controlled-affiliates, officers, directors, agents, representatives, attorneys, beneficiaries, and/or guardians (collectively, the "Representatives") shall take, or cause to be taken, and each such Holder and each of its Representatives is hereby permanently enjoined from taking, any action that is intended or is reasonably likely to directly or indirectly prevent, impede, hinder, adversely affect, and/or delay any actions or efforts of the Debtors or the Reorganized Debtors, as applicable, and/or their ability to: (i) implement the Plan and the Plan Transactions (including, but not limited to, performance and/or enforcement of contracts of LightSquared or the Reorganized Debtors); (ii) obtain any consents and/or approvals, achieve the expiration or termination of any waiting period, and/or take any actions necessary or appropriate to consummate the transactions contemplated by the Plan and this Order, including, but not limited to, under (A) the *Hart-Scott-Rodino Antitrust Improvements Act of 1976*, the *Investment Canada Act*, the *Competition Act* (Canada), and/or any comparable requirements in any foreign jurisdiction and (B) the rules and regulations of the FCC, Industry Canada, and the Canadian Radio-television Telecommunications Commission ("CRTC"), including, but not limited to, with respect to the assignment, transfer of control, and/or maintenance of the

Debtors' FCC, Industry Canada, and CRTC licenses and authorizations (collectively, the "Transfer Proceedings"); (iii) obtain grant of the License Modification Application or any Material Regulatory Request, as amended and/or supplemented from time to time, and/or any associated rulemaking, waiver, and/or other requests regarding the subject matter thereof, or the satisfaction of any FCC Objective; or (iv) undertake any acts related to, or in furtherance of, the matters described in clauses (i), (ii) and/or (iii) in this subparagraph; provided, however, that nothing in this Order shall prevent or enjoin anyone from communicating with or otherwise exercising their right to petition any Governmental entity, including the FCC, for any reason – including, but not limited to, any communications or petitions concerning the matters set forth in this paragraph.

c. Until such time as the New LightSquared Interest Holders Agreement is in full force and effect (at which time such agreement shall govern), each Holder of any Claim or Equity Interest and their Representatives that has a right to obtain New LightSquared Interests shall (i) promptly provide to the Debtors or the Reorganized Debtors, at such Holder's cost and expense, such ownership or other information as may be reasonably required in order for the Debtors or the Reorganized Debtors to comply with the Communications Laws (as defined in the New LightSquared Interest Holders Agreement), the *Competition Act* (Canada), the *Investment Canada Act*, and the *Defense Production Act* (Canada), in each case as amended, including, but not limited to, such information that may be necessary in connection with the Transfer Proceedings or such other information as reasonably requested by the Debtors or the Reorganized Debtors to obtain the necessary consents and approvals of any governmental authority, (ii) not complete any transaction, including, but not limited to, any assignment of its rights to obtain New LightSquared Interests or its obligations, and not permit

any transfer of direct or indirect ownership in or control of such Holder (or any entity holding an interest in such Holder), that would (individually or together with all other such transactions) require amendment, notice, supplement, or any other submission to the FCC, Industry Canada, or other Governmental Unit in connection with the Transfer Proceedings; provided, however, that the foregoing shall not preclude any such action that (x) is (i) expressly provided by the Plan or (ii) otherwise contemplated as part of any settlement agreements entered into in connection with confirmation of the Plan or entry of this Order, (y) both necessary and designed solely to effectuate the Transfer Proceedings as initially filed, or (z) would, in the judgment of the Debtors (after consultation with their applicable regulatory counsel), be reasonably likely to cause the FCC, Industry Canada, or other Governmental Unit to expedite the grant of any application or necessary consent in connection with the Transfer Proceedings, and (iii) not directly assign its rights to obtain New LightSquared Interests or its obligations (whether to a permitted assignee or otherwise), and not affirmatively take any action to permit any transfer or assignment of direct or indirect ownership in such Holder (or any entity holding an interest in the Holder) or knowingly take any other action, if such transfer, assignment, or other action would be reasonably likely to impede or delay approval of the License Modification Application or any Material Regulatory Request or the satisfaction of any FCC Objective. Notwithstanding anything to the contrary in this paragraph 36, the obligations and restrictions set forth in this paragraph 36(c) shall not apply to any transfer or assignment occurring as a result of public trading on a national securities exchange of the securities of any Entity that is a direct or indirect beneficial owner of a Holder of any Claim or Equity Interest that has a right to obtain New LightSquared Interests (a “Publicly Traded Entity”), or the issuance of securities by such Publicly Traded Entity, so long as (a) such

Entity is not in breach of the requirements of clause (i) above, and (b) upon determining that any transfer or issuance of the securities of such Publicly Traded Entity has directly resulted in a requirement for the Debtors or the Reorganized Debtors to obtain approvals under the Communications Laws relating to New LightSquared's direct or indirect foreign ownership or has directly resulted in a transfer of control of the Debtors or the Reorganized Debtors under the Communications Laws, such Entity, if so requested by the Debtors, diligently seeks any approvals or cooperates with the Debtors in seeking such approvals and clearances as may be needed from the FCC or Industry Canada under any Communications Laws as a result of such transfer or issuance of securities.

37. Reservation of Rights of the United States.

a. As to the United States of America, its agencies, departments, or agents (collectively, the "United States"), nothing in the Plan or this Order shall limit or expand the scope of discharge, release, or injunction to which the Debtors or the Reorganized Debtors are entitled under the Bankruptcy Code, if any. The discharge, release, and injunction provisions contained in the Plan and this Order are not intended, and shall not be construed, to bar the United States from, subsequent to this Order, pursuing any police or regulatory action.

b. Accordingly, notwithstanding anything contained in the Plan or this Order to the contrary, nothing in the Plan or this Order shall discharge, release, impair, or otherwise preclude: (i) any liability to the United States that is not a Claim; (ii) any Claim of the United States arising on or after the Confirmation Date; (iii) any valid right of setoff or recoupment of the United States against any of the Debtors; or (iv) any liability of the Debtors or the Reorganized Debtors under police or regulatory statutes or regulations to any Governmental Unit as the owner, lessor, lessee, or operator of property that such entity owns,



operates, or leases after the Confirmation Date. Further, nothing in this Order or the Plan shall: (i) enjoin or otherwise bar the United States or any Governmental Unit from asserting or enforcing, outside the Court, any liability described in the preceding sentence; or (ii) divest any court, commission, or tribunal of jurisdiction to determine whether any liabilities asserted by the United States or any Governmental Unit are discharged or otherwise barred by this Order, the Plan, or the Bankruptcy Code.

c. Moreover, nothing in this Order or the Plan shall release or exculpate any non-Debtor, including, but not limited to, any Released Parties or Exculpated Parties, from any liability to the United States, including, but not limited to, any liabilities arising under the Internal Revenue Code, the environmental laws, or the criminal laws against the Released Parties or Exculpated Parties, nor shall anything in this Order or the Plan enjoin the United States from bringing any claim, suit, action, or other proceeding against the Released Parties or Exculpated Parties for any liability whatsoever; provided, however, that the foregoing sentence shall not limit the scope of discharge granted to the Debtors under sections 524 and 1141 of the Bankruptcy Code or any findings of fact or conclusions of law set forth herein.

d. Nothing contained in the Plan or this Order shall be deemed to determine the tax liability of any person or entity, including, but not limited to, the Debtors and the Reorganized Debtors, nor shall the Plan or this Order be deemed to have determined the federal tax treatment of any item, distribution, or entity, including, but not limited to, the federal tax consequences of the Plan, nor shall anything in the Plan or this Order be deemed to have conferred jurisdiction upon the Court to make determinations as to federal tax liability and federal tax treatment except as provided under section 505 of the Bankruptcy Code.

38. USAC Claims. Notwithstanding anything to the contrary contained in the Plan, the Plan Supplement, this Order, and/or any document or instrument entered into in respect thereof, no term(s) or provision(s) contained in the foregoing shall: (a) effect a release, discharge, or otherwise preclude or prohibit any claim whatsoever against any Debtor and/or Reorganized Debtor by or on behalf of the Universal Service Administrative Company or its agents (collectively, "USAC"), including, but not limited to, any claims (i) arising under 47 C.F.R. Part 54, (ii) relating to audits that may be performed by USAC to (A) examine any Debtor's and/or Reorganized Debtor's compliance with universal service support program eligibility requirements, (B) confirm the accuracy of any Debtor's and/or Reorganized Debtor's data submissions, and (C) review any Debtor's and/or Reorganized Debtor's overall compliance with program rules promulgated by the FCC, (iii) for setoff or recoupment, and/or (iv) resulting from, or relating to, orders issued by the FCC (collectively, "USAC Claims"); (b) enjoin USAC from bringing any suit, action, claim, or other proceeding against any Debtor or Reorganized Debtor for any liability whatsoever, including, but not limited to, any liability arising from the USAC Claims; or (c) exculpate any Debtor and/or Reorganized Debtor from any liability to USAC whatsoever, including, but not limited to, any liability arising from any USAC Claim.

39. Conditions Precedent to Effective Date of Plan. The following are conditions precedent to the Effective Date of the Plan that must be satisfied or waived in accordance with Section IX.B of the Plan:

a. This Order, in form and in substance satisfactory to each of the New Investors, the Debtors, and MAST (solely with respect to those provisions of this Order that

relate to MAST Terms) and reasonably satisfactory to MAST as to all other provisions of this Order, shall have become a Final Order.

b. The transactions contemplated by the JPM Inc. Facilities Claims Purchase Agreement shall have been consummated.

c. The New DIP Orders (i) shall have been entered and (ii) shall have become Final Orders.

d. The New DIP Recognition Order shall have become a Final Order.

e. The New DIP Facilities shall have been funded, and there shall not be any default under the New DIP Credit Agreements or the New DIP Orders with respect to which the New DIP Agents or New DIP Lenders are exercising any rights and remedies against the collateral under such New DIP Facilities.

f. The Plan Documents, to the extent applicable to the transactions to be consummated pursuant to this Order, shall have been executed and delivered, and any conditions (other than the occurrence of the Effective Date or certification that the Effective Date has occurred) contained therein shall have been satisfied or waived in accordance therewith, including, but not limited to:

- (i) the Working Capital Facility Credit Agreement and any related documents, in forms and substance satisfactory to New LightSquared, each of the New Investors, and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof, and the incurrence of obligations pursuant to the Working Capital Facility Credit Agreement shall have occurred;
- (ii) the Second Lien Exit Credit Agreement and any related documents, in forms and substance satisfactory to each of the New Investors and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, all conditions precedent to the consummation thereof shall have

been waived or satisfied in accordance with the terms thereof, the incurrence of obligations pursuant to the Second Lien Exit Credit Agreement, and the funding of all New Money Lender Commitments (as such term is defined in the Second Lien Exit Credit Agreement) shall have occurred;

- (iii) the Reorganized LightSquared Inc. Exit Facility and any related documents, in forms and substance satisfactory to each of the New Investors and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, and the incurrence of obligations pursuant to the Reorganized LightSquared Inc. Exit Facility shall have occurred;
- (iv) the New LightSquared Interest Holders Agreement, in form and substance satisfactory to each of the New Investors and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, and all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof; and
- (v) the Debtors shall have sufficient Cash on hand to fund the Professional Fee Reserve and the Disputed Claims and Equity Interests Reserve.

g. The Canadian Court shall have entered the Confirmation Recognition Order and such order shall have become a Final Order.

h. All necessary actions, documents, certificates, and agreements necessary to implement the Plan shall have been effected or executed and delivered to the required parties and, to the extent required, Filed with the applicable Governmental Units in accordance with applicable laws.

i. Except as otherwise agreed by each of the New Investors, the FCC shall not have: (i) denied any Material Regulatory Request in writing on material substantive grounds; (ii) denied any Material Regulatory Request in writing on any other grounds without affording the applicant or petitioner an opportunity to submit a substantively similar request

without prejudice; or (iii) otherwise taken action so as to preclude a reasonable prospect of satisfying any FCC Objective.

j. The FCC, Industry Canada, and other applicable governmental authorities shall have granted any necessary consents and approvals required for the Debtors to emerge from chapter 11 pursuant to the Plan (including, but not limited to, and to the extent applicable, consents to the assignment of the Debtors' licenses and/or the transfer of control of the Debtors, as well as customary approvals and authorizations related thereto) and any statutory waiting periods shall have expired (including, but not limited to, under the *Hart-Scott-Rodino Antitrust Improvements Act of 1976* and the *Competition Act* (Canada)).

k. The Plan Support Agreement shall be in full force and effect.

l. The Debtors shall have paid in full in Cash all New Investor Fee Claims.

m. The Harbinger Litigations shall have been assigned to New LightSquared.

n. The identity of the Chairman of the New LightSquared Board shall be reasonably acceptable to each of the New Investors.

40. Waiver of Conditions Precedent. The conditions to the Confirmation Date and/or the Effective Date set forth in Article IX of the Plan may be waived by the agreement of each of the New Investors and the Debtors, without notice to, or action, order, or approval of, this Court, the Canadian Court, or any other Entity; provided, that if the Inc. Facilities Claims Purchase Closing Date and payment in full in Cash of the DIP Inc. Claims has not yet occurred, the conditions to Confirmation set forth in Section IX.A of the Plan may not be

waived without the consent of MAST, other than Sections IX.A.1, IX.A.10 and IX.A.11 of the Plan.

41. FCC and Industry Canada Approval. No provision in the Plan or this Order relieves the Reorganized Debtors from their obligations to comply with the Communications Laws and the rules, regulations, and orders promulgated thereunder by the FCC and Industry Canada, respectively. To the extent applicable, no assignment to the Reorganized Debtors of any federal license or authorization issued by the FCC or Industry Canada, or transfer of control of any entity holding any federal license or authorization issued by the FCC or Industry Canada, shall take place prior to the issuance of any required FCC or Industry Canada regulatory approval for such assignment or transfer of control pursuant to any applicable FCC regulations or Industry Canada rules. To the extent applicable, the rights and powers of the FCC and Industry Canada to take any action pursuant to their respective regulatory authority over the assignment or transfer of control, including, but not limited to, imposing any regulatory conditions on such assignment or transfer of control, are fully preserved, and nothing herein shall proscribe or constrain the exercise of such power or authority by the FCC and Industry Canada as the case may be.

42. Change of Control Provisions. Except for the transfer of control and ownership described in the Change of Control Application, and as contemplated by Article IV of the Plan, the consummation of the Plan shall not constitute a change of ownership or change in control, as such terms are used in any statute, regulation, contract, or agreement, including, but not limited to, any employment, severance, termination, or insurance agreements, in effect on the Effective Date and to which any of the Debtors is a party, or under any applicable law of any applicable Governmental Unit, and any acceleration, vesting, or similar change of control

rights under any employment, benefit, or other arrangements triggered by the consummation of the Plan shall be waived or otherwise cancelled under the Plan.

43. Effect of Non-Occurrence of Effective Date. If this Order is vacated, the Plan shall be null and void in all respects and nothing contained in the Plan, the Disclosure Statement, or this Order shall: (a) constitute a waiver or release of any Claims by or against, or any Equity Interests in, the LightSquared entities; (b) prejudice in any manner the rights of LightSquared or any other party; or (c) constitute an admission, acknowledgment, offer, or undertaking by the Plan Proponents; provided, that the vacatur of this Order shall not affect any other order of the Court (unless as otherwise specified in such other order); provided, further that, to the extent that the Inc. Facilities Claims Purchase Closing Date has occurred, (y) the vacatur of this Order shall not affect the purchases pursuant to the JPM Inc. Facilities Claims Purchase Agreement and/or the New Investor Commitment Documents, and (z) any distributions made from the proceeds of the New DIP Facilities, which purchases and distributions shall remain valid, in full force and effect, and not subject to revocation or reversal.

44. Modification of Plan. Except as otherwise specifically provided in the Plan or this Order, the Plan Proponents (in accordance with the Plan Support Agreement, as applicable, and the terms of Article X of the Plan), reserve the right with the written consent of each Plan Proponent to modify the Plan as to material terms and seek Confirmation consistent with the Bankruptcy Code; provided, however, that the Plan may not be modified or amended with respect to (a) a MAST Term or (b) Articles/Sections I, II, II.A, II.C, III, IV.A, IV.B.1, and VI of the Plan (solely as to such terms that pertain to MAST or the Prepetition Inc. Agent), Articles/Sections VIII, IX.A, IX.C, X, and XI of the Plan (solely as to such terms that pertain to MAST or the Prepetition Inc. Agent), and Article XII of the Plan, without the prior written consent of MAST and the Prepetition Inc. Agent, which consent, in the case of clause (b) immediately above and when unrelated to a MAST Term, shall not be unreasonably withheld or delayed. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, and those restrictions on modifications set forth in the Plan and in the Plan Support Agreement, the Plan Proponents other than the Debtors (in accordance with the Plan Support Agreement or the terms of Section X.A of the Plan), expressly reserve the right to alter, amend, or modify materially the Plan with respect to any Debtor, one or more times, after Confirmation, and, to the extent necessary, may initiate proceedings in this Court or Canadian Court to so alter, amend, or modify the Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement, this Order, or the Confirmation Recognition Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. Any such modification or supplement shall be considered a modification of the Plan and shall be made in accordance with Section X.A of the Plan.



45. Revocation or Withdrawal of Plan. The Plan Proponents, with the consent of each Plan Proponent, MAST, and the Prepetition Inc. Agent, in accordance with the Plan Support Agreement (or, in the case of the Debtors, the terms of Section X.C of the Plan), reserve the right to revoke or withdraw the Plan prior to the Confirmation Date and to file subsequent chapter 11 plans. The Debtors reserve their right to withdraw support for the Plan at any time if it is determined that pursuing the Plan would be inconsistent with the exercise of their fiduciary duties; provided, however, that such withdrawal is without prejudice to the right of the other Plan Proponents to continue to seek consummation of the Plan. If the Plan Proponents collectively revoke or withdraw the Plan, or if consummation of the Plan does not occur, then: (a) the Plan shall be null and void in all respects; (b) any settlement or compromise embodied in the Plan (including, but not limited to, the fixing or limiting to an amount certain of any Claims or Equity Interests or Class of Claims or Equity Interests), assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void in all respects (provided, however, that the foregoing shall not apply to (i) the Standing Motion Stipulation and the withdrawal of the Standing Motion as to the Prepetition Inc. Facility Non-Subordinated Claims or (ii) the JPM Inc. Facilities Claims Purchase Agreement or the New Investor Commitment Documents to the extent that the Inc. Facilities Claims Purchase Closing Date has occurred); and (c) nothing contained in the Plan, the Disclosure Statement, or this Order shall (i) constitute a waiver or release of any Claims or Equity Interests in any respect, (ii) prejudice in any manner the rights of the Debtors or any other Entity in any respect, or (iii) constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Entity in any respect.

46. Validity of Certain Plan Transactions If Effective Date Does Not Occur. If, for any reason, the Plan is Confirmed, but the Effective Date does not occur, any and all post-Confirmation Date and pre-Effective Date Plan Transactions that were authorized by the Court, whether as part of the New DIP Facilities, the purchases pursuant to the JPM Inc. Facilities Claims Purchase Agreement, the New Investor Commitment Documents, the Plan, or otherwise, and any distributions made from proceeds of the New DIP Facilities, shall be deemed valid, in full force and effect, and not subject to revocation or reversal.

47. Reversal. If any or all of the provisions of this Order are hereafter reversed, modified, or vacated by subsequent order of the Court or any other court of competent jurisdiction, (a) such reversal, modification, or vacatur shall not affect the validity or the enforceability of (i) any act, obligations, indebtedness, liability, priority, or Lien incurred or undertaken by the Debtors or the Reorganized Debtors, as applicable, under or in connection with the Plan (including, but not limited to, pursuant to any other order of the Court) prior to the date that LightSquared or the Reorganized Debtors received actual written notice of the effective date of any such reversal, modification, or vacatur or (ii) any provisions of this Order that are not expressly reversed, modified, or vacated by such subsequent order of the Court or any other court of competent jurisdiction, and (b) to the extent that the Inc. Facilities Claims Purchase Closing Date has occurred, the purchases pursuant to the JPM Inc. Facilities Claims Purchase Agreement and/or the New Investor Commitment Documents, and any distributions made from the proceeds of the New DIP Facilities, shall be deemed valid, in full force and effect, and not subject to revocation or reversal. Notwithstanding any such reversal, modification, or vacatur of this Order, any such act or obligation incurred or undertaken pursuant to, and in reliance on, this Order prior to the effective date of such reversal,

modification, or vacatur shall be governed in all respects by the provisions of this Order, the Plan, and any amendments or modifications thereto.

48. Retention of Jurisdiction.

a. Pursuant to Article XI of the Plan, notwithstanding the entry of this Order and the occurrence of the Effective Date, on and after the Effective Date, the Court shall retain jurisdiction over all matters arising out of, or relating to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including, but not limited to, jurisdiction to:

- (i) Allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Equity Interest, including, but not limited to, the resolution of any request for payment of any Administrative Claim, of any request for the payment or Plan Distribution on account of Claims entitled to priority pursuant to section 507 of the Bankruptcy Code, and of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Equity Interests;
- (ii) Decide and resolve all matters relating to the granting and denying, in whole or in part, of any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;
- (iii) Resolve any matters relating to the following: (A) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including, but not limited to, Cure Costs pursuant to section 365 of the Bankruptcy Code; (B) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed, or assumed and assigned; (C) the Reorganized Debtors amending, modifying, or supplementing, after the Effective Date, pursuant to Article V of the Plan, the Schedule of Assumed Agreements; and (D) any dispute regarding whether a contract or lease is or was executory or unexpired;

- (iv) Ensure that Plan Distributions to Holders of Allowed Claims and Allowed Equity Interests are accomplished pursuant to the provisions of the Plan;
- (v) Adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;
- (vi) Adjudicate, decide, or resolve any and all matters related to Causes of Action;
- (vii) Adjudicate, decide, or resolve all matters related to the Standing Motion Stipulation and Standing Motion Stipulation Order;
- (viii) Adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;
- (ix) Enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan or the Disclosure Statement;
- (x) To hear and determine any matters relating to, arising out of, or in connection with the implementation of the Working Capital Facility, the Second Lien Exit Facility, the Reorganized LightSquared Inc. Exit Facility, the Exit Intercreditor Agreement, the Reorganized Debtors Governance Documents, the Second Lien Exit Facility Commitment Letter, or any ancillary or related agreements thereto;
- (xi) Resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the Consummation, interpretation, or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;
- (xii) Issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with the Consummation or enforcement of the Plan, including, but not limited to, the releases set forth therein;
- (xiii) Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the releases, injunctions, and other provisions contained in Article VIII of the Plan and enter such

orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;

- (xiv) Hear and determine all disputes involving the existence, nature, or scope of the Debtors' discharge, including, but not limited to, any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date;
- (xv) Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of Plan Distributions and the recovery of additional amounts owed by the Holder of a Claim or Equity Interest for amounts not timely repaid pursuant to Section VI.J of the Plan;
- (xvi) Enter and implement such orders as are necessary or appropriate if this Order is for any reason modified, stayed, reversed, revoked, or vacated;
- (xvii) Determine any other matters that may arise in connection with, or relate to, the Plan, the Disclosure Statement, this Order, or any contract, instrument, release, indenture, or other agreement or document created in connection with the Plan or the Disclosure Statement;
- (xviii) Enter an order or final decree concluding or closing the Chapter 11 Cases;
- (xix) Adjudicate any and all disputes arising from, or relating to, Plan Distributions under the Plan or any transactions contemplated therein;
- (xx) Adjudicate any and all disputes arising from or relating to the JPM Inc. Facilities Claims Purchase Agreement;
- (xxi) Adjudicate any and all disputes arising from, or relating to, the New Investor Commitment Documents;
- (xxii) Consider any modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in any Court order, including, but not limited to, this Order;
- (xxiii) Hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

(xxiv) Enforce all orders previously entered by the Court; and

(xxv) Hear any other matter not inconsistent with the Bankruptcy Code.

b. Notwithstanding any other provision in Article XI of the Plan to the contrary, nothing herein or in the Plan shall prevent the Reorganized Debtors from commencing and prosecuting any Causes of Action before any other court or judicial body which would otherwise have appropriate jurisdiction over the matter and parties thereto, and nothing herein shall restrict any such courts or judicial bodies from hearing and resolving such.

49. Successors and Assigns. Except as expressly set forth in the Plan or this Order, the rights, benefits, and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign, affiliate, officer, director, agent, representative, attorney, beneficiary, or guardian, if any, of each Entity.

50. No Successors In Interest. Except as to obligations expressly assumed pursuant to the Plan, the Reorganized Debtors shall not be deemed to be successors to LightSquared and shall not assume, nor be deemed to assume, or in any way be responsible for, any successor liability or similar liability with respect to LightSquared or LightSquared's operations that are not expressly assumed or reinstated in connection with, or expressly provided by, the Plan or this Order.

51. Further Assurances. The Holders of Claims or Equity Interests receiving distributions under the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

52. Service of Documents. Any pleading, notice, or other document required by the Plan to be served shall be served pursuant to the terms of Section XII.E of the Plan.

53. Effectiveness of All Actions. Except as set forth in the Plan or this Order, all actions authorized to be taken pursuant to the Plan shall be effective on, prior to, or after the Effective Date pursuant to this Order, as applicable, without further notice to, or action, order, or approval of, the Court or further action by the respective shareholders, affiliates, subsidiaries, members (including, but not limited to, ex-officio members), officers, directors, principals, managers, trustees, employees, partners, agents, or representatives of the Debtors or the Reorganized Debtors and with the effect that such actions had been taken by unanimous action of such shareholders, affiliates, subsidiaries, members (including, but not limited to, ex-officio members), officers, directors, principals, managers, trustees, employees, partners, agents, or representatives.

54. Notice of Confirmation Order and Effective Date; Substantial Consummation of Plan. KCC shall serve notice of the entry of this Order (including the Election Form) to (a) all Holders of Claims or Equity Interests and (b) those parties on whom the Plan, Disclosure Statement, and related documents were served. Such service constitutes good and sufficient notice pursuant to Bankruptcy Rules 2002(f)(7) and 3020(c). On the Effective Date, or as soon thereafter as is reasonably practicable, LightSquared shall file with the Court a “Notice of Effective Date” and cause KCC to serve such Notice of Effective Date by first class mail, postage prepaid, or by facsimile to those persons who have filed with the Court requests for notices pursuant to Bankruptcy Rule 2002, which notice and service shall constitute appropriate and adequate notice that the Plan has become effective. Upon the Effective Date, the Plan shall be deemed substantially consummated as to each LightSquared entity, consistent

with the definition of “substantial consummation” as defined in section 1101(2) of the Bankruptcy Code.

55. Transactions on Business Days. If the date on which a transaction may occur under the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day.

56. Filing of Additional Documents. On or before the Effective Date, the Plan Proponents may file with the Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

57. Utility Deposits. All utilities, including, but not limited to, any Person who received a deposit or other form of “adequate assurance” of performance pursuant to section 366 of the Bankruptcy Code during the Chapter 11 Cases (collectively, the “Deposits”), whether pursuant to the *Order Determining Adequate Assurance of Payment for Future Utility Services* [Docket No. 120] or otherwise, including, but not limited to, gas, electric, and telephone services, are directed to return such Deposits to the Reorganized Debtors, either by setoff against postpetition indebtedness or by Cash refund, within thirty (30) days following the Effective Date.

58. Insurance Neutrality. Notwithstanding any other term or provision in the Plan or this Order, nothing in the Plan or this Order: (a) shall prejudice any of the rights, claims, or defenses of the Debtors’ insurers (the “Insurers”) under any insurance policies under which the Debtors, or successor in interest, seeks coverage (the “Policies”) and any agreements related to the Policies (together, with the Policies, the “Insurance Agreements”); (b) shall modify any of the terms, conditions, limitations, and/or exclusions contained in the Insurance Agreements, which shall remain in full force and effect; (c) shall be deemed to create any



insurance coverage that does not otherwise exist, if at all, under the terms of the Insurance Agreements, or create any right of action against the Insurers that does not otherwise exist under applicable non-bankruptcy law; (d) shall be deemed to prejudice any of the Insurers' rights and/or defenses in any pending or subsequent litigation in which the Insurers or the Debtors may seek any declaration regarding the nature and/or extent of any insurance coverage under the Insurance Agreements; (e) shall be deemed to alter the continuing duties and obligations of any insured under the Insurance Agreements; (f) shall be deemed or construed to create a direct right of action for any claimant or plaintiff against any of the Insurers for insurance proceeds, except where such right exists as a matter of law or otherwise; or (g) shall be construed as an acknowledgement that the Insurance Agreements cover or otherwise apply to any claims or that any claims are eligible for payment under any of the Insurance Agreements. In addition, notwithstanding any other term or provision in the Plan or this Order, nothing in the Plan or this Order shall alter, diminish, or otherwise prejudice the rights, claims, or defenses of any of the Debtors or their successors in interest in respect of any Insurance Agreements.

59. Administrative Claims.

a. Except for Accrued Professional Compensation Claims, DIP Claims, U.S. Trustee Fees, and KEIP Payments, and unless previously Filed, requests for payment of Administrative Claims must be Filed and served on New LightSquared no later than the Administrative Claims Bar Date (i.e., thirty (30) days after the Effective Date) pursuant to the procedures specified in this Order and the notice of the occurrence of the Effective Date. Objections to such requests must be Filed and served on New LightSquared and the requesting party by the later of (i) one hundred and eighty (180) days after the Effective Date and (ii) one

hundred and eighty (180) days after the Filing of the applicable request for payment of Administrative Claims, if applicable. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior Court orders, the Allowed amounts, if any, of Administrative Claims shall be determined by, and satisfied in accordance with an order of, the Court.

b. Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not File and serve such a request by the Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, the Reorganized Debtors, or their property, and such Administrative Claims shall be deemed discharged as of the Effective Date without the need for any objection from the Reorganized Debtors or any action by the Court.

c. Notwithstanding anything to the contrary herein, (i) a New Investor, the DIP Inc. Lenders, the DIP Inc. Agent, the Holders of Prepetition Inc. Facility Non-Subordinated Claims, and the Prepetition Inc. Agent shall not be required to File any request for payment of any Administrative Claims, including, but not limited to, any New Investor Fee Claims, DIP Claims, DIP Inc. Fee Claims, or Prepetition Inc. Fee Claims, and (ii) any New Investor, the DIP Inc. Lenders, the DIP Inc. Agent, the Holders of Prepetition Inc. Facility Non-Subordinated Claims, and the Prepetition Inc. Agent shall be paid in accordance with the terms of the Plan, this Order, the DIP Inc. Order, the DIP LP Order, or other applicable governing documents.

d. Notwithstanding anything to the contrary herein, (i) the New Investor Fee Claims incurred through and including, but not limited to, the Confirmation Date shall be paid in full, in Cash following the Inc. Facilities Claims Purchase Closing Date from the

proceeds of the New DIP Facilities or Cash on hand, to the extent available up to \$10 million, with any such unpaid New Investor Fee Claims being paid on the Effective Date, and (ii) the New Investor Fee Claims incurred after the Confirmation Date through and including, but not limited to, the Effective Date (to the extent not previously paid) shall be paid monthly from the proceeds of the New DIP Facilities or Cash on hand, subject to the New Investors and the Debtors' prior receipt of invoices and reasonable documentation in connection therewith and without the requirement to File a fee application with the Court. The New Investor Fee Claims shall be deemed Allowed Administrative Claims following the Inc. Facilities Claims Purchase Closing Date.

60. Post-Confirmation Date Fees and Expenses.

a. Notwithstanding anything herein or in any prior order of the Court to the contrary, all final requests for payment of Claims of a Professional shall be Filed no later than forty-five (45) days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior Court orders, the Allowed amounts of such Accrued Professional Compensation Claims shall be determined by the Court and satisfied in accordance with an order of the Court.

b. Except as otherwise specifically provided herein or in the Plan or this Order, on and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to, or action, order, or approval of, the Court, and upon five (5) Business Days' advance notice to all of the New Investors, pay in Cash the reasonable legal, Professional, or other fees and expenses related to the Consummation and implementation of the Plan incurred by the Debtors on or after the Confirmation Date through the Effective Date. Upon the Confirmation Date, any requirement that Professionals comply

with sections 327 through 331 of the Bankruptcy Code or the Interim Compensation Order in seeking retention or compensation for services rendered from the Confirmation Date through the Effective Date shall terminate, and the Debtors may employ and pay any Professional in the ordinary course of business without any further notice to, or action, order, or approval of, the Court, subject to the terms of the New DIP Orders. The payments contemplated by this section shall be included in all final requests for payment of Claims of a Professional as contemplated by Section II.B.1 of the Plan.

61. Payment of Statutory Fees. On the Effective Date or as soon thereafter as reasonably practicable, the Reorganized Debtors shall pay all U.S. Trustee Fees that are due and owing on the Effective Date. Following the Effective Date, New LightSquared shall pay the U.S. Trustee Fees for each quarter (including any fraction thereof) until the first to occur of the Chapter 11 Cases being converted, dismissed, or closed.

62. Term of Injunctions or Stays. Unless otherwise provided in this Order, in the Plan, or in the Confirmation Recognition Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Court or the Canadian Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan, this Order, or the Confirmation Recognition Order), shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan, this Order, or the Confirmation Recognition Order shall remain in full force and effect in accordance with their terms.

63. Plan Supplement. All materials included in the Plan Supplement (as may be amended in accordance with the terms of the Plan or this Order) are integral to, part of, and incorporated by reference into the Plan. The Plan Supplement (as may be amended in

accordance with the terms of the Plan or this Order) and all related documents are hereby approved, including, but not limited to: (a) executed commitment letters, engagement letters, highly confident letters, or form and/or definitive agreements, and related documents with respect to (i) the Working Capital Facility Credit Agreement, (ii) the Second Lien Exit Facility, (iii) the Reorganized LightSquared Inc. Credit Agreement, and (iv) the Effective Date Investments; (b) the Reorganized Debtors Governance Documents; (c) the Schedule of Assumed Agreements; (d) the Schedule of Retained Causes of Action; (e) the JPM Inc. Facilities Claims Purchase Agreement; and (f) the New Investor Commitment Documents.

64. Entire Agreement. Except as otherwise indicated, the Plan and the Plan Supplement (which, for the avoidance of doubt, shall not include the New Inc. DIP Order, the Alternative Transaction Fee Order, or the KEIP Order) supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

65. Headings. The headings contained within this Order are used for the convenience of the parties and shall not alter or affect the meaning of the text of this Order.

66. References to Plan Provisions. The failure specifically to include or to refer to any particular article, section, or provision of the Plan, the Plan Supplement, or any related document in this Order shall not diminish or impair the effectiveness of such article, section, or provision, it being the intent of the Court that the Plan be confirmed and any related documents be approved in their entirety.

67. Existing Board of Directors. The existing boards of directors and other governing bodies of LightSquared shall be deemed to have resigned on and as of the Effective

Date, in each case, without further (a) notice to, or order of, the Court, (b) act or action under applicable law, regulation, order, or rule, or (c) vote, consent, authorization, or approval of any Person or Entity.

68. Non-Severability. This Order constitutes a judicial determination that each term and provision of the Plan, as it may have been altered or interpreted in accordance with Section XII.I of the Plan, is (a) valid and enforceable pursuant to its terms, (b) integral to the Plan and may not be deleted or modified without the consent of LightSquared, the New Investors, and, to the extent otherwise set forth herein or in the Plan Support Agreement, MAST, and (c) non-severable and mutually dependent. The provisions of the Plan shall not be severable unless such severance is agreed to by LightSquared (or, if after the Effective Date, by the Reorganized Debtors), the New Investors, and, to the extent otherwise set forth herein, in the Plan, or in the Plan Support Agreement, MAST, and such severance would constitute a permissible modification of the Plan pursuant to section 1127 of the Bankruptcy Code.

69. Final Order. This Order is a Final Order and the period in which an appeal must be filed shall commence upon the entry hereof.

70. Closing of Chapter 11 Cases. The Reorganized Debtors shall promptly, upon the full administration of the Chapter 11 Cases, file with the Court all documents required by the Bankruptcy Rules and any applicable orders of the Court to close the Chapter 11 Cases.

71. Binding Effect; Waiver of Bankruptcy Rules 3020(e), 6004(h), and 7062 and Federal Rule of Civil Procedure 62(a). The fourteen (14) day stay provided by Bankruptcy Rules 3020(e), 6004(h), and 7062 and Federal Rule of Civil Procedure 62(a) shall not apply to this Order. Immediately upon the entry of this Order: (a) the provisions of the Plan shall be

binding upon (i) LightSquared, (ii) all Holders of Claims against, or Equity Interests in, LightSquared, whether or not Impaired under the Plan and whether or not, if Impaired, such Holders accepted the Plan, (iii) each Person acquiring property under the Plan, (iv) any other party in interest, (v) any Person making an appearance in the Chapter 11 Cases, and (vi) each of the foregoing's respective heirs, successors, assigns, trustees, executors, administrators, affiliates, officers, directors, agents, representatives, attorneys, beneficiaries, or guardians; and (b) LightSquared is authorized to consummate the Plan immediately upon entry of this Order.

72. Conflicts with This Order. The provisions of the Plan and this Order shall be construed in a manner consistent with each other so as to effect the purpose of each; provided, however, that if there is determined to be any inconsistency between any Plan provision and any provision of this Order that cannot be so reconciled, then solely to the extent of such inconsistency, the provisions of this Order shall govern, and any provision of this Order shall be deemed a modification of the Plan and shall control and take precedence. Subject to paragraph 47(a) of this Order, the provisions of this Order are integrated with each other and are non-severable and mutually dependent. To the extent of any inconsistency between this Order and either the New Inc. DIP Order, the Alternative Transaction Fee Order, or the KEIP Order that cannot be reconciled, then solely to the extent of such inconsistency, the provisions of this Order shall govern.

73. Pending Motions. Unless otherwise addressed herein, all motions pending, as of the entry of this Order, before the Court in the Chapter 11 Cases shall be denied. Notwithstanding the foregoing, and for the avoidance of all doubt, the following shall not be denied as a result of the prior sentence: (a) the New Inc. DIP Motion; (b) the Alternative Transaction Fee Motion; (c) the Amended KEIP Motion; (d) the Commitment Letters Motion

and the corresponding *Motion for Order Authorizing LightSquared To File Under Seal Portions of Exhibits Attached to LightSquared's Motion for Entry of Order, Pursuant to 11 U.S.C. §§ 105(a) and 363, Authorizing LightSquared to (A) Enter Into and Perform Under Letters Related to \$1,515,000,000 Second Lien Exit Financing Arrangements, (B) Pay Fees and Expenses in Connection Therewith, and (C) Provide Related Indemnities* [Docket No. 2240]; (e) the Providence Motion; (f) the Centaurus Motion; (g) the Harbinger Litigation Stay Motion; (h) any request for payment of Claims by a Professional.

Dated: \_\_\_\_\_, 2015  
New York, New York

---

HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE



**Exhibit A**

Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code

[TO BE PROVIDED]

**Exhibit B**

Election Form

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

LIGHTSQUARED INC., *et al.*,

Debtors.<sup>1</sup>

)  
) Chapter 11  
)  
) Case No. 12-12080 (SCC)  
)  
) Jointly Administered  
)

**ELECTION FORM FOR EXISTING LP PREFERRED UNITS (CLASS 11)**

You are receiving this election form (the “Election Form”) because you are a holder of Existing LP Preferred Units as described in the *Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, dated March 17, 2015 [Docket No. 2238] (as amended, supplemented, or modified from time in accordance with the terms thereof, the “Plan”).

Please read and follow the enclosed instructions carefully before completing the Election Form. If you have any questions about the contents of the Election Form or the related instructions, please contact counsel to LightSquared, Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005-1413, Attn: Matthew S. Barr, Esq., Steven Z. Szanzer, Esq., and Karen Gartenberg, Esq. at (212) 530-5000. Capitalized terms used in this Election Form or the related instructions but not otherwise defined herein have the meanings given to them in the Plan.

**PLAN DISTRIBUTION**

Pursuant to the Plan, each holder of Existing LP Preferred Units has the option to receive, on account of its Existing LP Preferred Units, Plan Consideration in the form of either (1) New LightSquared Series A-2 Preferred Interests having a liquidation preference equal to such holder’s pro rata share of the Existing LP Preferred Units Distribution Amount or (2) New LightSquared Series C Preferred Interests having a liquidation preference equal to such holder’s pro rata share of the Existing LP Preferred Units Distribution Amount. Any holder of Existing LP Preferred Units that wishes to receive New LightSquared Series A-2 Preferred Interests rather than New LightSquared Series C Preferred Interests must timely make the election to do so (the “Election”). **If you do not timely make the Election, you will receive New LightSquared Series C Preferred Interests having a liquidation preference equal to your pro rata share of the Existing LP Preferred Units Distribution Amount.**

<sup>1</sup> The debtors in these Chapter 11 Cases (collectively, “LightSquared” or the “Debtors”), along with the last four digits of each Debtor’s federal or foreign tax or registration identification number, are: LightSquared Inc. (8845), LightSquared Investors Holdings Inc. (0984), One Dot Four Corp. (8806), One Dot Six Corp. (8763), SkyTerra Rollup LLC (N/A), SkyTerra Rollup Sub LLC (N/A), SkyTerra Investors LLC (N/A), TMI Communications Delaware, Limited Partnership (4456), LightSquared GP Inc. (6190), LightSquared LP (3801), ATC Technologies, LLC (3432), LightSquared Corp. (1361), LightSquared Finance Co. (6962), LightSquared Network LLC (1750), LightSquared Inc. of Virginia (9725), LightSquared Subsidiary LLC (9821), Lightsquared Bermuda Ltd. (7247), SkyTerra Holdings (Canada) Inc. (0631), SkyTerra (Canada) Inc. (0629), and One Dot Six TVCC Corp. (0040). The location of the Debtors’ corporate headquarters is 10802 Parkridge Boulevard, Reston, VA 20191.

The terms of the New LightSquared Series A-2 Preferred Interests and New LightSquared Series C Preferred Interests are set forth in the New LightSquared Interest Holders Agreement on file with the Bankruptcy Court.

### **TIMING OF THE ELECTION**

The timing for the Election is separate from voting on the Plan. As we have previously informed you, the deadline to vote on the Plan was February 9, 2015, at 4 p.m. (prevailing Pacific time). The option to make the Election remains open after the voting deadline. To make the Election, this Election Form must be completed, signed, and timely received by LightSquared and each of the New Investors **by [ ], 2015, at 5 p.m. (prevailing Eastern time)** (the "Election Deadline"). If your Election Form is not received by LightSquared and each of the New Investors by the Election Deadline, you shall be deemed to have elected to receive New LightSquared Series C Preferred Interests.

### **INFORMATION AND INSTRUCTIONS FOR COMPLETING THE ELECTION FORM**

In Item 1 of the Election Form, please indicate (a) the number of Existing LP Preferred Units that you own or hold and (b) by checking one of the boxes provided therein, either your acceptance or rejection of the Election. If you choose to accept the Election, you agree to receive New LightSquared Series A-2 Preferred Interests. If you decline the Election, submit your Election Form without any box in Item 1 checked, or fail to timely submit your Election Form, you shall be deemed to have elected to receive New LightSquared Series C Preferred Interests.

Complete the Election Form by providing all of the information requested. Please deliver your Election Form by first class mail, hand delivery, overnight courier to:

the Debtors:

LightSquared Inc.  
Attn: General Counsel  
10802 Parkridge Boulevard  
Reston, VA 20191

Milbank, Tweed, Hadley & McCloy LLP  
Matthew S. Barr  
Steven Z. Szanzer  
Karen Gartenberg  
One Chase Manhattan Plaza  
New York, NY 10005

With a copy to counsel for each of the New Investors at:

Stroock & Stroock & Lavan LLP  
Kristopher Hansen  
Jayme T. Goldstein  
180 Maiden Lane  
New York, NY 10038

Simpson Thacher & Bartlett LLP  
Sandeep Qusba  
Elisha D. Graff  
425 Lexington Avenue  
New York, NY 10017

Kasowitz, Benson, Torres & Friedman LLP  
David M. Friedman  
Adam L. Shiff  
1633 Broadway  
New York, NY 10019

Fried, Frank, Harris, Shriver & Jacobson LLP  
Brad Eric Scheler  
Peter B. Siroka  
Aaron S. Rothman  
One New York Plaza  
New York, NY 10004

The method of delivery of Election Forms to be sent to LightSquared and the New Investors is at the election and risk of each holder of Existing LP Preferred Units, but, except as otherwise provided herein, such delivery shall be deemed made only when the executed Election Form is actually received by LightSquared and each of the New Investors.

PLEASE COMPLETE, SIGN, AND DATE THE ELECTION FORM AND RETURN IT PROMPTLY.

The Election Form is not a letter of transmittal and may not be used for any purpose other than making the Election. Accordingly, you should not surrender instruments or certificates representing or evidencing your Equity Interests, and neither LightSquared nor the New Investors shall accept delivery of such instruments or certificates surrendered together with an Election Form.

All Elections are final and may not be withdrawn or revoked without the consent of LightSquared and each of the New Investors. If multiple Election Forms are received by LightSquared and the New Investors from the same holder of Existing LP Preferred Units with respect to the same Existing LP Preferred Units prior to the Election Deadline, the first dated valid Election Form received by LightSquared shall supersede and override any subsequently dated Election Form.

Holders of Existing LP Preferred Units must make the Election for all of their Existing LP Preferred Units. Accordingly, an Election Form that makes the Election for only a portion of such holder's Existing LP Preferred Units shall not be deemed a valid Election.

Unless otherwise ordered by the Bankruptcy Court, all questions as to the validity, form, and eligibility (including time of receipt) of Elections shall be determined by LightSquared and the New Investors, which determination shall be final and binding.

A person signing an Election Form in its capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation, or otherwise acting in a fiduciary or representative capacity must indicate such capacity when signing and, if required or requested by the applicable holder of Existing LP Preferred Units or its agent, LightSquared, any of the New Investors, or the Bankruptcy Court, must submit proper evidence to the requesting party demonstrating its authority to so act on behalf of such holder of Existing LP Preferred Units.

Any defects or irregularities in connection with deliveries of Election Forms must be cured prior to the Election Deadline or such Elections shall not be deemed made; provided, however, that LightSquared and the New Investors, subject to contrary order of the Bankruptcy Court, may waive any defects or irregularities as to any particular Election at any time, either before or after the Election Deadline.

Neither LightSquared, any of the New Investors, nor any other entity shall (a) be under any duty to provide notification of defects or irregularities with respect to delivered Election Forms or (b) incur any liability for failure to provide such notification.

Subject to any contrary order of the Bankruptcy Court, LightSquared and the New Investors reserve the right to reject any and all Elections not in proper form.

The following shall render Elections invalid: (a) any Election Form that is illegible or contains insufficient information to permit the identification of the holder of the Existing LP Preferred Units; (b) any Election Form that contains the Election by a party that does not hold Existing LP Preferred Units that is entitled to make the Election under the Plan; (c) any unsigned Election Form; or (d) any Election Form not marked to accept or reject the Election or any Election Form marked both to accept and reject the Election.

**ELECTION FORM**

**PLEASE READ THE ATTACHED ELECTION INFORMATION  
AND INSTRUCTIONS BEFORE COMPLETING THE ELECTION FORM**

PLEASE PROVIDE ALL OF THE REQUESTED INFORMATION AND COMPLETE ALL  
OF THE APPLICABLE ITEMS BELOW. IF THE ELECTION FORM IS NOT SIGNED ON  
THE APPROPRIATE LINES, THIS ELECTION FORM WILL NOT BE VALID.

**Item 1. Election.** The undersigned, the record holder of Existing LP Preferred Units in connection with the following number of units \_\_\_\_\_, makes the following choice with respect to the Election (check one box):

☐

**Accepts** the Election.

☐

**Declines** the Election.

**NOTE:** Check the box to **ACCEPT** if you choose to receive New LightSquared Series A-2 Preferred Interests. If you check the box to **DECLINE**, submit your Election Form without any box in Item 1 checked, or fail to timely submit your Election Form, you shall be deemed to have elected to receive New LightSquared Series C Preferred Interests.

**Item 2. Certification and Acknowledgment.** By signing this Election Form, the undersigned certifies to the Bankruptcy Court, LightSquared, and the New Investors under the penalty of perjury that either (a) such person or entity is the holder, as of the Distribution Record Date, of the Existing LP Preferred Units for which the Election is being made or (b) such person or entity is an authorized signatory for a person or entity which is the holder, as of the Distribution Record Date, of the Existing LP Preferred Units for which the Election is being made. The undersigned acknowledges that if the Election is made, the holder of Existing LP Preferred Units will receive New LightSquared Series A-2 Preferred Interests on account of its Existing LP Preferred Units and will not receive New LightSquared Series C Preferred Interests.

\_\_\_\_\_  
Name of Holder

\_\_\_\_\_  
Signature

\_\_\_\_\_  
If by Authorized Agent, Name and Title

\_\_\_\_\_  
Name of Institution

\_\_\_\_\_  
Street Address

---

City, State, Zip Code

---

Telephone Number

---

Email Address

---

Date Completed

☐ *Please check here if the above address is a change of address that you would like reflected in the Master Service List for the Chapter 11 Cases.*

**PLEASE MAKE SURE YOU HAVE PROVIDED ALL OF THE INFORMATION REQUESTED BY THIS ELECTION FORM AND COMPLETED ALL OF THE APPLICABLE ITEMS. YOU SHOULD READ AND FOLLOW THE ENCLOSED INSTRUCTIONS CAREFULLY BEFORE COMPLETING THIS ELECTION FORM. YOU MAY WISH TO SEEK LEGAL ADVICE CONCERNING THE ELECTION. PLEASE COMPLETE, SIGN, AND DATE THIS ELECTION FORM AND RETURN IT PROMPTLY, SO AS TO BE RECEIVED BY LIGHTSQUARED AND EACH OF THE NEW INVESTORS NO LATER THAN 5:00 P.M. (PREVAILING EASTERN TIME) ON - \_\_\_\_\_, 2015, OR YOUR ELECTION SHALL NOT BE DEEMED MADE.**



**Exhibit B-2**

**Blackline Comparison of Modified Proposed Confirmation Order  
(Changed Pages Only)**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

---

In re:	) Chapter 11
LIGHTSQUARED INC., <i>et al.</i> ,	) Case No. 12-12080 (SCC)
	)
Debtors. <sup>1</sup>	) Jointly Administered
	)

---

**ORDER CONFIRMING MODIFIED SECOND AMENDED JOINT PLAN  
PURSUANT TO CHAPTER 11 OF BANKRUPTCY CODE**

The Plan Proponents<sup>2</sup> having proposed and filed:

- a. the Modified *Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, dated ~~January 20~~March 26, 2015 [Docket No. ~~2035~~      ] (as amended, supplemented, or modified from time to time in accordance with the terms thereof, the “Plan”), attached hereto as Exhibit A;
- b. the *First Amended General Disclosure Statement*, dated October 7, 2013 [Docket No. 918] (as amended, supplemented, or modified from time to time, the “General Disclosure Statement”); and
- c. the *Second Amended Specific Disclosure Statement for Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, dated January 20, 2015 [Docket No. 2035] (as amended, supplemented, or modified from time to time, and including all exhibits and supplements thereto, the “Specific Disclosure Statement” and, together with the General Disclosure Statement, the “Disclosure Statement”); and

this Court having:

<sup>1</sup> The debtors in these Chapter 11 Cases (as defined below), along with the last four digits of each debtor’s federal or foreign tax or registration identification number, are: LightSquared Inc. (8845), LightSquared Investors Holdings Inc. (0984), One Dot Four Corp. (8806), One Dot Six Corp. (8763), SkyTerra Rollup LLC (N/A), SkyTerra Rollup Sub LLC (N/A), SkyTerra Investors LLC (N/A), TMI Communications Delaware, Limited Partnership (4456), LightSquared GP Inc. (6190), LightSquared LP (3801), ATC Technologies, LLC (3432), LightSquared Corp. (1361), LightSquared Finance Co. (6962), LightSquared Network LLC (1750), LightSquared Inc. of Virginia (9725), LightSquared Subsidiary LLC (9821), Lightsquared Bermuda Ltd. (7247), SkyTerra Holdings (Canada) Inc. (0631), SkyTerra (Canada) Inc. (0629), and One Dot Six TVCC Corp. (0040). The location of the debtors’ corporate headquarters is 10802 Parkridge Boulevard, Reston, VA 20191.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan or the Disclosure Statement Order (each, as defined below), as applicable.

methodology used for the tabulation of votes and the results of voting with respect to the Plan; and

this Court having:

- k. found that the notice provided regarding the Confirmation Hearing and the opportunity for any party in interest to object to Confirmation have been adequate and appropriate under the circumstances and no further notice is required;
- l. been fully familiar with the Plan and other relevant factors affecting the Chapter 11 Cases;
- m. been fully familiar with, and having taken judicial notice of, the entire record of the Chapter 11 Cases;
- n. held the Confirmation Hearing, which hearing included further evidence regarding (i) *LightSquared's Motion for Order, Pursuant To 11 U.S.C. §§ 105, 361, 362, 363, 364, and 507, (A) Approving Postpetition Financing, (B) Authorizing Use of Cash Collateral, If Any, (C) Granting Liens and Providing Superpriority Administrative Expense Status, (D) Granting Adequate Protection, and (E) Modifying Automatic Stay* [Docket No. 2063] (the "New Inc. DIP Motion"), (ii) *LightSquared's Motion for Entry of Order Authorizing Payment of Alternative Transaction Fee in Connection with Proposed Plan of Reorganization* [Docket No. 2002] (the "Alternative Transaction Fee Motion"), (iii) *LightSquared's Motion for Entry of Order Authorizing LightSquared To Modify and Extend Existing Key Employee Incentive Plan* [Docket No. 2065] (the "KEIP Motion"), ~~and~~ (iv) the *Supplement and Reply in Support of LightSquared's Motion for Entry of Order Authorizing LightSquared To Modify and Extend Existing Key Employee Incentive Plan* [Docket No. ~~2065~~ 2181] (the "KEIP Supplement" and, together with the KEIP Motion, the "Amended KEIP Motion"), ~~and~~ (v) *LightSquared's Motion for Entry of Order, Pursuant to 11 U.S.C. §§ 105(a) and 363, Authorizing LightSquared to (A) Enter Into and Perform Under Letters Related to \$1,515,000,000 Second Lien Exit Financing Arrangements, (B) Pay Fees and Expenses in Connection Therewith, and (C) Provide Related Indemnities* [Docket No. 2239] (the "Commitment Letters Motion");
- o. considered the entire record of the Confirmation Hearing, including, but not limited to,
  - i. the Plan (including, but not limited to, the Plan Supplement documents), the Disclosure Statement, and the Disclosure Statement Order,
  - ii. the Solicitation/Notice Affidavit and Tabulation Affidavit,
  - iii. the objections, reservation of rights, and other responses filed with respect to the Plan (collectively, the "Objections"), including the following:
    - (A) *Oracle's Reservation of Rights Regarding Debtors' Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code ("Reservation Rights")* [Docket No. 2110];
    - (B) *Objection of Centaurus Capital L.P., Keith Holst and Stephen Douglas to Confirmation of Debtors' Amended Joint*

*Plan Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 2112]; (C) Reservation of Rights of Jacksonville Police and Fire Pension Fund with Respect to Confirmation of Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code [Docket No. 2113]; (D) Boeing Satellite Systems, Inc.'s Supplemental Limited Objection and Reservation of Rights to the Debtors' Proposed Cure Obligation Associated with Boeing Contract [Docket No. 2114]; (E) Reservation of Rights of Jefferies LLC with Respect to Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 2117]; (F) Joinder in Objection of Centaurus Capital L.P., Keith Holst and Stephen Douglas to Confirmation of Debtors' Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code and Objection of Sanjiv Ahuja to Confirmation of the Debtors' Second Amended Joint Plan of Reorganization [Docket No. 2122] (the "Ahuja Objection"); (G) Objection of Providence TMT Special Situations Fund LP and Providence TMT Debt Opportunity Fund II LP to (1) Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code and (2) Motion for Entry of Order Authorizing Payment of Alternative Transaction Fee in Connection with Proposed Plan of Reorganization [Docket No. 2127]; (H) Objection of SP Special Opportunities, LLC to Confirmation of Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 2130]; (I) Objection of Solus Alternative Asset Management LP to the Debtors' Motion for Entry of Order Authorizing Payment of Alternative Transaction Fee in Connection with Proposed Plan of Reorganization [Docket No. 2131]; and (J) Objection of Solus Alternative Asset Management LP to Confirmation of the Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code [Docket No. 2133],*

iv. *LightSquared's (I) Memorandum of Law in Support of Confirmation of Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code and (II) Omnibus Response to Objections to (A) Confirmation of Plan, (B) Alternative Transaction Fee Motion, and (C) Inc. DIP Motion [Docket No. 2184],*

v. *the Declaration of Douglas Smith in Support of Confirmation of Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code [Docket No. 2193] (the "Smith Declaration"),*

vi. *Statement of the Ad Hoc Secured Group of LightSquared LP Lenders in Support of the Debtors' Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code [Docket No. 2187];*

vii. ~~vi.~~ arguments of counsel and the evidence proffered, adduced, and/or presented at the Confirmation Hearing, including, but not limited to, as referenced in the Smith Declaration,

vii. ~~the [Statement of the Special Committee] [Docket No. 2187];~~

~~viii. the statements in support of the Plan, including, but not limited to, the [ ] (together, the “Supporting Statements”), and~~

~~viii.~~ ~~ix.~~ the Mediator’s Third Supplemental Memorandum Under §§ 14 and 15 of Mediation Order, dated December 17, 2014 [Docket No. 1983] (the “Mediator’s Report”);

ix. the Notice of Withdrawal of Objection of SP Special Opportunities, LLC to Confirmation of Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 2258], and

x. the PSA Joinders (as defined below) [Docket No. \_\_\_\_];

p. overruled any and all Objections to the Plan and to Confirmation not consensually resolved or withdrawn, including, but not limited to, the Ahuja Objection, unless otherwise indicated herein; ~~and~~

q. found the legal and factual bases set forth in the documents filed in support of Confirmation and presented at the Confirmation Hearing establish just cause for the relief granted herein; and

r. entered orders (collectively, the “Vote Changing Orders”) approving the relief requested in the (i) Motion of Providence TMT Special Situations Fund LP and Providence TMT Debt Opportunity Fund II LP Pursuant to Bankruptcy Rule 3018(a) To Change Votes Relating to Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 2242] (the “Providence Motion”) and (ii) Motion for Order Pursuant to Bankruptcy Rule 3018(a) Authorizing Centaurus Capital L.P. and Keith Holst To Change Votes Relating to Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 2244] (the “Centaurus Motion”); and

after due deliberation and good and sufficient cause appearing therefor, it is hereby **FOUND, ORDERED, and ADJUDGED that:**

#### **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

A. Jurisdiction and Venue. The Court has jurisdiction over the Chapter 11 Cases and confirmation of the Plan pursuant to 28 U.S.C. § 1334. Confirmation of the Plan is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (L), and (O), and the Court has jurisdiction to enter a Final Order with respect thereto. Each of the LightSquared entities is an eligible debtor under section 109 of the Bankruptcy Code. Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

acceptances or rejections of the Plan in accordance with the approved solicitation procedures and shorted deadlines, and (c) incorporated by reference, to the extent not inconsistent with the Solicitation Order, the terms, provisions, and procedures of the Original Disclosure Statement Order.

3. Promptly following entry of the Solicitation Order, in compliance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Disclosure Statement Order, and as evidenced by the Solicitation/Notice Affidavit, KCC effectuated:

- (a) filing and service on all parties in interest of a notice concerning the Disclosure Statement, the Plan, and the Plan Documents, and deadlines and hearing dates with respect thereto, including, but not limited to, setting forth the proposed release, exculpation, and injunction provisions in the Plan, the dates applicable to, and procedures regarding, the solicitation of votes on the Plan, the date of the Confirmation Hearing, and the procedures for objecting to confirmation of the Plan; and
- (b) service of the appropriate solicitation materials on each Holder of Claims or Equity Interests entitled to vote under the Plan (i.e., Holders of Prepetition Inc. Facility Non-Subordinated Claims (Class 5), Prepetition Inc. Facility Subordinated Claims (Class 6), Prepetition LP Facility Non-SPSO Claims (Class 7A), Prepetition LP Facility SPSO Claims (Class 7B), Prepetition LP Facility Non-SPSO Guaranty Claims (Class 8A), Prepetition LP Facility SPSO Guaranty Claims (Class 8B), Existing LP Preferred Units ~~Equity Interests~~ (Class 11), and Existing Inc. Preferred Stock Equity Interests (Class 12)), including (i) the Disclosure Statement, (ii) the Solicitation Order, (iii) a notice regarding the Confirmation Hearing, and (iv) an appropriate number of Ballots (with voting instructions with respect thereto) (collectively, the "Solicitation Materials").

4. As described in the Solicitation Order and as evidenced by the Solicitation/Notice Affidavit, (a) service of the Solicitation Materials was adequate and sufficient under the circumstances of the Chapter 11 Cases and (b) adequate and sufficient notice of the Confirmation Hearing and other requirements, deadlines, hearings, and matters described in the Solicitation Order (i) was timely and properly provided in compliance with

Proponents at or in connection with the Confirmation Hearing was credible, reliable, and qualified to testify as to the topics addressed in his or her testimony.

I. Bankruptcy Rule 3016. The Plan is dated and identifies the Debtors, Fortress, Centerbridge, and Harbinger as the specific Plan Proponents, thereby satisfying Bankruptcy Rule 3016(a). The filing of the Disclosure Statement satisfied Bankruptcy Rule 3016(b).

J. New DIP Facilities.

1. *Eighth Replacement DIP Facility*. On January 20, 2015, the Court entered the *Final Order (A) Authorizing DIP Obligors to Obtain Eighth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 2053] ([as amended, supplemented, or modified from time to time](#), the “Eighth Replacement DIP Facility Order”). The Eighth Replacement DIP Facility Order approved a debtor-in-possession credit facility (the “Eighth Replacement DIP Facility”) which, subject to the satisfaction [of the](#) Conditions to Combined Delayed Draw Funding (as defined in the Eighth Replacement DIP Facility Order), will, among other things, provide (a) funding to the Inc. Debtors to satisfy those Inc. DIP Claims that are not JPM Acquired DIP Inc. Claims and pay the Prepetition Inc. Fee Claims and DIP Inc. Fee Claims (including, if necessary, any estimates of such claims) and (b) other post-confirmation funding for the Inc. Debtors’ estates.

2. *New Investor New Inc. DIP Facility*. On February 9, 2015 the Debtors filed the New Inc. DIP Motion, seeking approval of the New Investor New Inc. DIP Facility. In the event that the Conditions to Combined Delayed Draw Funding have not been or will not be satisfied, the Court has issued or entered, or shall issue or enter, findings, rulings,

judgments, and/or orders regarding the New Inc. DIP Motion under the appropriate sections of the Bankruptcy Code and applicable law (collectively, the “New Inc. DIP Order”). This Order fully incorporates by reference the New Inc. DIP Order (and all terms thereof) to the extent that the Court has entered such New Inc. DIP Order.

K. Alternative Transaction Fee. In connection with confirmation of the Plan, the Court has issued or entered, or shall issue or enter, findings, rulings, judgments, and/or orders regarding the Alternative Transaction Fee Motion under the appropriate sections of the Bankruptcy Code and applicable law (collectively, the “Alternative Transaction Fee Order”). This Order fully incorporates by reference the Alternative Transaction Fee Order (and all terms thereof).

L. Key Employee Incentive Plan. In connection with confirmation of the Plan, the Court has issued or entered, or shall issue or enter, findings, rulings, judgments, and/or orders regarding the Amended KEIP Motion under the appropriate sections of the Bankruptcy Code and applicable law (collectively, the “KEIP Order”). This Order fully incorporates by reference the KEIP Order (and all terms thereof).

M. Commitment Letters. In connection with confirmation of the Plan, the Court has issued or entered, or shall issue or enter, findings, rulings, judgments, and/or orders regarding the Commitment Letters Motion under the appropriate sections of the Bankruptcy Code and applicable law (collectively, the “Commitment Letters Order”). This Order fully incorporates by reference the Commitment Letters Order (and all terms thereof).

N. ~~M.~~ Standing Motion Stipulation. On January 30, 2015, the Court entered the Standing Motion Stipulation Order, which order is a Final Order. This Order fully



incorporates by reference the Standing Motion Stipulation Order (and all of the terms thereof) to the extent not inconsistent herewith.

**COMPLIANCE WITH SECTION 1129 OF BANKRUPTCY CODE**

**O.** ~~N.~~ Plan Compliance with Bankruptcy Code (11 U.S.C. § 1129(a)(1)). As further detailed below, the Plan complies with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(1) of the Bankruptcy Code.

1. *Proper Classification (11 U.S.C. §§ 1122 and 1123(a)(1)).* Article III of the Plan designates twenty (20) Classes of Claims or Equity Interests. The Claims or Equity Interests in each Class are substantially similar to other Claims or Equity Interests in each such Class. Valid business, legal, and factual reasons exist for separately classifying the various Classes of Claims and Equity Interests under the Plan. The Plan, therefore, satisfies sections 1122 and 1123(a)(1) of the Bankruptcy Code.

2. *Specified Unimpaired Classes (11 U.S.C. § 1123(a)(2)).* The Plan specifies that Classes 1, 2, 3, 4, 7B, 8B, 9, 10, 15B, 16A, and 16B are unimpaired under the Plan, within the meaning of section 1124 of the Bankruptcy Code, thereby satisfying section 1123(a)(2) of the Bankruptcy Code.

3. *Specified Treatment of Impaired Classes (11 U.S.C. § 1123(a)(3)).* The Plan specifies that Classes 5, 6, 7A, ~~7B, 8A, 8B~~, 11, 12, 13, 14, and 15A are impaired under the Plan, within the meaning of section 1124 of the Bankruptcy Code, and specifies the treatment of such Classes, thereby satisfying section 1123(a)(3) of the Bankruptcy Code.

4. *No Discrimination (11 U.S.C. § 1123(a)(4)).* The Plan provides for the same treatment for each Claim or Equity Interest in each respective Class unless the Holder of

shall purchase from the DIP Inc. Claims Sellers in Cash all right, title, and interest to the Fortress/Centerbridge Acquired DIP Inc. Claims upon the Inc. Facilities Claims Purchase Closing Date.

(ii) *New DIP Facilities.*

A. *New Inc. DIP Facility.* On the Inc. Facilities Claims Purchase Closing Date, the New Inc. DIP Obligors, the New Inc. DIP Lenders, and other relevant Entities shall enter into the New Inc. DIP Credit Agreement and, subject to the terms of the New Inc. DIP Credit Agreement, the New Inc. DIP Lenders shall fund the New Inc. DIP Facility (including, but not limited to, by converting Acquired DIP Inc. Claims into New Inc. DIP Loans to the extent applicable), the proceeds of which shall be used (1) to indefeasibly repay the Allowed DIP Inc. Claims (other than the Acquired DIP Inc. Claims to the extent applicable) in full in Cash, (2) to indefeasibly repay in full, in Cash all DIP Inc. Fee Claims and Prepetition Inc. Fee Claims (including, if necessary, estimates of such DIP Inc. Fee Claims and Prepetition Inc. Fee Claims through and including the Inc. Facilities Claims Purchase Closing Date), (3) for general corporate purposes, and (4) to fund the working capital needs of the Inc. Debtors through the Effective Date.

1. *JPM Acquired DIP Inc. Claims.* On the New Inc. DIP Closing Date, the JPM Acquired DIP Inc. Claims purchased by SIG shall be converted into New Inc. DIP Loans on a dollar-for-dollar basis, of which on the Effective Date, ~~\$41~~ million41,000,000 shall be converted into the Reorganized LightSquared Inc. Exit Facility as set forth in Section IV.B.2(d)(i) of the Plan and the remainder of New Inc. DIP Claims held by SIG (including, but not limited to, any accrued and unpaid interest thereon) shall be paid in Cash.

2. *Fortress/Centerbridge Acquired DIP Inc. Claims.* To the extent applicable, on the New Inc. DIP Closing Date, the Fortress/Centerbridge Acquired DIP Inc. Claims purchased by Fortress and Centerbridge shall be converted into New Inc. DIP Loans on a dollar-for-dollar basis.

interests, if any, in any Reorganized Debtor (except as provided below), intellectual property, contractual rights, Retained Causes of Action, and the right to prosecute such Retained Causes of Action and receive the benefits therefrom; but excluding each Reorganized Inc. Entity's tax attributes and direct or indirect equity interests in One Dot Four Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, TMI Communications Delaware, Limited Partnership, LightSquared Investors Holdings Inc., and SkyTerra Investors LLC; and

- (ii) As consideration for the Reorganized Inc. Entities assigning, contributing, or otherwise transferring their assets to New LightSquared as described in Section IV.B.2(c)(i) of the Plan, New LightSquared shall (A) issue to the Reorganized Inc. Entities (1) 21.25% of the New LightSquared Common Interests, (2) New LightSquared Series C Preferred Interests having an original liquidation preference ~~of \$100,000,000~~ equal to (y) the outstanding liquidation preference of the Existing Inc. Preferred Stock held by the Other Existing Inc. Preferred Equity Holders as of the Effective Date (excluding any prepayment or redemption premium) plus (z) \$73,000,000 (subject to the distribution obligations set forth in Section IV.B.2(d)(iii) of the Plan), (3) New LightSquared Series B Preferred Interests having an original liquidation preference of \$41,000,000, and (4) New LightSquared Series ~~A-1~~ A-1 Preferred Interests having an original liquidation preference equal to the Allowed Prepetition Inc. Facility Non-Subordinated Claims held by SIG as of the Effective Date, and (B) assume all obligations, and make the Plan Distributions required to be made under the Plan, with respect to Allowed Inc. Other Priority Claims, Allowed Inc. Other Secured Claims, Allowed Prepetition Inc. Facility Subordinated Claims, and Allowed Inc. General Unsecured Claims.

(e) Certain Transactions Regarding Claims Against and Equity Interests in the Inc. Debtors.

- (i) The Acquired Inc. Facility Claims (including all Inc. Facility Postpetition Interest) and ~~\$41 million~~ \$41,000,000 of the New Inc. DIP Loans held by SIG (as a result of the conversion of its JPM Acquired DIP Inc. Claims into such New Inc. DIP Loans in accordance with Section II.C. of the Plan), will be converted into the Reorganized

LightSquared Inc. Exit Facility on a dollar-for-dollar basis (with the remainder of the New Inc. DIP Loans held by SIG to be repaid in full in Cash).

- (ii) Reorganized LightSquared Inc. shall issue 100% of the Reorganized LightSquared Inc. Common Shares to SIG in satisfaction of its Existing Inc. Preferred Stock Equity Interests as set forth in Section III.B.14(b)(ii) of the Plan.
- (iii) The Reorganized Inc. Entities shall distribute to the Other Existing Inc. Preferred Equity Holders in satisfaction of their Existing Inc. Preferred Stock Equity Interests, as set forth in Section III.B.14(b)(i) of the Plan, New LightSquared Series C Preferred Interests having an original liquidation preference ~~of \$27,000,000~~ equal to the outstanding liquidation preference of the Existing Inc. Preferred Stock held by the Other Existing Inc. Preferred Equity Holders as of the Effective Date (excluding any prepayment or redemption premium).
- (iv) After giving effect to the transfer of assets contemplated by Section IV.B.2(c) of the Plan, and to the distributions of New LightSquared Series C Preferred Interests contemplated by Section IV.B.2(d)(iii) of the Plan, (A) the Reorganized Inc. Entities will (1) collectively, hold 21.25% of New LightSquared Common Interests, New LightSquared Series C Preferred Interests having an original liquidation preference of \$73,000,000, New LightSquared Series B Preferred Interests having an original liquidation preference of \$41,000,000, and New LightSquared Series ~~A~~A-1 Preferred Interests having an original liquidation preference equal to the Prepetition Inc. Facility Non-Subordinated Claims held by SIG as of the Effective Date and (2) retain their tax attributes and (B) Reorganized LightSquared Inc. will retain 100% of the equity interests in One Dot Four Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, TMI Communications Delaware, Limited Partnership, LightSquared Investors Holdings Inc., and SkyTerra Investors LLC; provided that, on the Effective Date, the Reorganized Inc. Entities shall have the option to exchange on a dollar-for-dollar basis all or a portion of their New LightSquared Series A-1 Preferred Interests into New LightSquared Series A-2 Preferred Interests and/or additional New LightSquared Series C Preferred Interests.

satisfactory to New LightSquared, each of the New Investors, and the Debtors.

New LightSquared shall use the proceeds from the Working Capital Facility for the purposes specified in the Plan, including, but not limited to, to satisfy Allowed Administrative Claims, to repay the New DIP Facilities (other than \$~~41 million~~41,000,000 of the New Inc. DIP Loans held by SIG on account of the JPM Acquired DIP Inc. Claims), for general corporate purposes and working capital needs, and to make Plan Distributions.

The Working Capital Facility Loans may not be made by or assigned or otherwise transferred (including, but not limited to, by participation) to any Prohibited Transferee, and any assignment or other transfer thereof (including, but not limited to, by participation) to a Prohibited Transferee shall be *void ab initio*.

- B. *Second Lien Exit Facility.* The New LightSquared Obligors, and the ~~Second Lien Exit Lenders, and their agents~~other relevant Entities shall enter ~~or be deemed to have entered~~ into the Second Lien Exit Facility. The Second Lien Exit Facility shall be ~~deemed~~-funded through (1) the provision of new financing in Cash by certain of the Second Lien Exit Term Lenders in an amount equal to the Prepetition LP Facility SPSO Claims as of the Effective Date and (2) the conversion of the Prepetition LP Facility Non-SPSO Claims ~~and the Prepetition LP Facility SPSO Claims as of the Effective Date~~ into loans under the Second Lien Exit Facility in accordance with the Plan, this Order, and the Second Lien Exit Credit Agreement. The Second Lien Exit Facility shall provide for loans in the ~~original~~-aggregate principal amount of the Prepetition LP Facility Claims as of the Effective Date plus the amount of the commitment fee under the Second Lien Exit Facility Commitment Letter. Second Lien Exit Term Loans shall be secured by second liens on all assets of the New LightSquared Obligors, have a five (5) year term, bear interest at the rate of the higher of (1) 12% and (2) 300 basis points greater than the interest rate of the Working Capital Facility per annum, payable in kind, and not be callable for

the first two (2) years after the Effective Date,  
subject in each case to the terms of the Second Lien  
Exit Facility Credit Agreement.

~~Given that Classes 7B and 8B did not vote to accept the Plan, the Second Lien Exit Term Loans and related guaranties resulting from the conversion of the Prepetition LP Facility SPSO Claims and Prepetition LP Facility SPSO Guaranty Claims, respectively, shall be subject to reduction (whether through cancellation, setoff, or otherwise) to the extent this Court or any other court of competent jurisdiction disallows all or any part of the Prepetition LP Facility SPSO Claims or the Prepetition LP Facility SPSO Guaranty Claims, and any such loans transferred by the Holders of the Prepetition LP Facility SPSO Claims shall be subject to such risk of reduction.~~

The Second Lien Exit Term Loans ~~evidenced by~~made pursuant to the Second Lien Exit Facility shall be ~~deemed~~ made by the Holders of Prepetition LP Facility Non-SPSO Claims:

and certain third parties. In connection with the Second Lien Exit Facility, certain of the Second Lien Exit Term Lenders have entered into the Second Lien Exit Facility Commitment Letter, pursuant to which the Debtors have agreed to pay to the Second Lien Exit Term Lenders party thereto a commitment fee in an amount of ~~Other than Holders of Prepetition LP Facility SPSO Claims, who shall be prohibited from increasing (excluding any accrued and capitalized interest) their holdings of Second Lien Exit Term Loans from the amount received by them from the Disbursing Agent on the Effective Date, no~~ in accordance with the terms of such commitment letter.

No Prohibited Transferee (including, but not limited to, the SPSO Parties) shall be permitted to hold (either by assignment, participation, or otherwise) any Second Lien Exit Term Loans and any assignment or other transfer thereof (including, but not limited to, by participation) to a Prohibited Transferee (including the SPSO Parties) shall be *void ab initio*.

~~If any Tranche B Second Lien Exit Term Loans are transferred to an Eligible Transferee (as determined by the New LightSquared Board), such Tranche B Second Lien Exit Term Loans shall convert into Tranche A Second Lien Exit Term Loans and shall have full voting rights.~~

The Second Lien Exit Credit Agreement shall also provide that, prior to a vote or other consent solicitation on any matter requiring a vote or consent by Second Lien Exit Term Lenders (or any portion thereof), the administrative agent under the Second Lien Exit Facility must receive prior to each such vote or consent solicitation a written certification from each Second Lien Exit Term Lender ~~(other than SPSO)~~ that no Prohibited Transferee has any direct or indirect interest (including, but not limited to, pursuant to any participation or voting agreement) in such Second Lien Exit Term Lender's Second Lien Exit Term Loans (and if no such certificate is delivered by a particular Second Lien Exit Term Lender, such Second Lien Exit Term Lender's Second Lien Exit Term Loans shall be excluded from such vote or consent solicitation).

(g) Reorganized LightSquared Inc. Exit Facility.

- (i) Reorganized LightSquared Inc. and SIG shall enter into the Reorganized LightSquared Inc. Exit Facility, which shall (A) provide for loans in the original aggregate principal amount equal to ~~\$41 million~~ \$41,000,000 of the New Inc. DIP Loans held by SIG on account of the JPM Acquired DIP Inc. Claims as of the Effective Date and the Acquired Inc. Facility Claims as of the Effective Date and (B) be secured by liens on all assets of Reorganized LightSquared Inc. The Reorganized LightSquared Inc. Exit Facility shall be funded through the conversion of the Acquired Inc. Facility Claims and ~~\$41 million~~ \$41,000,000 of the New Inc. DIP Loans held by SIG into loans under the Reorganized LightSquared Inc. Exit Facility in accordance with the Plan.
- (ii) Entry of this Order shall constitute (A) approval of the Reorganized LightSquared Inc. Exit Facility and all transactions contemplated thereby, including, but not limited to, any and all actions to be taken, undertakings to be made, and obligations to be incurred by Reorganized LightSquared Inc. in connection therewith and



7. *Designation of Directors and Officers (11 U.S.C. § 1123(a)(7)).* The identities and affiliations of any and all persons proposed to serve as a director or officer of the Reorganized Debtors, to the extent known and determined, were disclosed at, or before, the Confirmation Hearing in compliance with applicable law. The foregoing is consistent with the interests of Holders of Claims and Holders of Equity Interests, and with public policy, thereby satisfying section 1123(a)(7) of the Bankruptcy Code.

8. *Additional Plan Provisions (11 U.S.C. § 1123(b)).* As set forth below, the discretionary provisions of the Plan comply with section 1123(b) of the Bankruptcy Code and are not inconsistent with the applicable provisions of the Bankruptcy Code. Thus, section 1123(b) of the Bankruptcy Code is satisfied.

- (a) *Impairment/Unimpairment of Classes (11 U.S.C. § 1123(b)(1)).* In accordance with section 1123(b)(1) of the Bankruptcy Code, Classes 1, 2, 3, 4, 7B, 8B, 9, 10, 15B, 16A, and 16B are Unimpaired, and Classes 5, 6, 7A, ~~7B, 8A, 8B~~, 11, 12, 13, 14, and 15A are Impaired, by the Plan.
- (b) *Assumption and Rejection of Executory Contracts and Unexpired Leases (11 U.S.C. § 1123(b)(2)).* In accordance with section 1123(b)(2) of the Bankruptcy Code, Article V of the Plan provides for the rejection of each Executory Contract and Unexpired Lease, unless any such Executory Contract or Unexpired Lease: (i) is listed on the Schedule of Assumed Agreements in the Plan Supplement; (ii) has been previously assumed, assumed and assigned, or rejected by the Debtors by Final Order of the Court or has been assumed, assumed and assigned, or rejected by the Debtors by order of the Court as of the Effective Date, which order becomes a Final Order after the Effective Date; (iii) is the subject of a motion to assume, assume and assign, or reject pending as of the Effective Date; (iv) is an Intercompany Contract; or (v) is otherwise assumed, or assumed and assigned, pursuant to the terms of the Plan.
- (c) *Retention of Claims (11 U.S.C. § 1123(b)(3)).* In accordance with section 1123(b)(3) of the Bankruptcy Code, Section IV.P of the Plan provides, among other things, that, subject to Article VIII of the Plan, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any



**P.** ~~**Q.**~~ LightSquared's Compliance with Bankruptcy Code (11 U.S.C. § 1129(a)(2)).

As further detailed below, LightSquared has complied with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(2) of the Bankruptcy Code. Specifically:

1. Each of the LightSquared entities is a proper debtor under section 109 of the Bankruptcy Code.

2. LightSquared has complied with all applicable provisions of the Bankruptcy Code, except as otherwise provided or permitted by orders of the Court.

3. LightSquared has complied with the applicable provisions of the Disclosure Statement Order, the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, including, but not limited to, sections 1125 and 1126(b) of the Bankruptcy Code, in (a) transmitting the Solicitation Materials and related documents and (b) soliciting and tabulating votes with respect to the Plan.

4. Good, sufficient, and timely notice of the Confirmation Hearing has been provided to each Holder of Claims or Equity Interests that was entitled to vote to accept or reject the Plan and to Holders of Claims or Equity Interests that were not entitled to vote to accept or reject the Plan.

5. LightSquared did not solicit acceptances of the Plan by any Holder of Claims or Holder of Equity Interests prior to the transmission of the Disclosure Statement.

**Q.** ~~**P.**~~ Plan Proposed in Good Faith (11 U.S.C. § 1129(a)(3)). The Plan is the product of the open, honest, and good faith process through which LightSquared has conducted its restructuring from the beginning of the Chapter 11 Cases and reflects extensive, good faith, arm's length negotiations among the Plan Proponents and the other Plan Support Parties. The Plan itself and the process leading to its formulation provide independent

evidence of the Plan Proponents' good faith, serve the public interest, and assure fair treatment of Holders of Claims and Equity Interests. Throughout the Chapter 11 Cases, LightSquared has upheld its fiduciary duty to stakeholders and protected the interests of all constituents with an even hand. In addition to achieving a result consistent with the objectives of the Bankruptcy Code, the Plan allows LightSquared's stakeholders to realize the highest possible recoveries under the circumstances. Consistent with the overriding purpose of the Bankruptcy Code, the Chapter 11 Cases were filed, the Plan was proposed, and the New Investors made or are making their investments, with the legitimate and honest purpose of reorganizing LightSquared and maximizing the value of LightSquared's Estates. Accordingly, the Plan is fair, reasonable, and consistent with sections 1122, 1123, and 1129 of the Bankruptcy Code. Based on the foregoing, the facts and record of the Chapter 11 Cases, including, but not limited to, the Disclosure Statement Hearing, the Confirmation Hearing, the Mediator's Report, and the Smith Declaration, the Plan has been proposed in good faith and not by any means forbidden by law, thereby satisfying section 1129(a)(3) of the Bankruptcy Code.

**R.** ~~Q.~~ Payment for Services or Cost and Expenses (11 U.S.C. § 1129(a)(4)). All payments made or to be made by LightSquared for services or for costs and expenses in connection with the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, have been approved by, or are subject to the approval of, the Court as reasonable, thereby satisfying section 1129(a)(4) of the Bankruptcy Code.

**S.** ~~R.~~ Service of Certain Individuals (11 U.S.C. § 1129(a)(5)). The identity and affiliations of the persons proposed to serve as the initial directors and officers of the Reorganized Debtors after the confirmation of the Plan, to the extent known and determined, were disclosed at, or before, the Confirmation Hearing in compliance with applicable law.

Selection of members of the Reorganized Debtors Boards was, and is, in compliance with the procedures set forth for selection in the Reorganized Debtors Governance Documents. The appointment to, or continuance in, such offices and roles of such persons is consistent with the interests of Holders of Claims against, or Equity Interests in, the Debtors and with public policy. The identity of any insider that shall be employed or retained by the Reorganized Debtors, and the nature of such insider's compensation, have also been fully disclosed. Accordingly, LightSquared has satisfied the requirements of section 1129(a)(5) of the Bankruptcy Code.

**T.** ~~**S.**~~ Rate Changes (11 U.S.C. § 1129(a)(6)). Section 1129(a)(6) of the Bankruptcy Code is satisfied because the Plan does not provide for any rate changes over which a governmental regulatory commission has jurisdiction.

**U.** ~~**T.**~~ Best Interest of Creditors (11 U.S.C. § 1129(a)(7)).

1. The Plan satisfies section 1129(a)(7) of the Bankruptcy Code because each Holder of a Claim or Equity Interest either (a) has voted to accept the Plan, (b) is Unimpaired and deemed to have accepted the Plan, or (c) shall receive or retain under the Plan, on account of such Claim or Equity Interest, property of a value, as of the Effective Date of the Plan, that is not less than the amount that such Holder would receive or retain if the Debtors were to be liquidated under chapter 7 of the Bankruptcy Code on such date.

2. In addition, the liquidation analysis attached to the Disclosure Statement and the other evidence related thereto in support of the Plan that was proffered or adduced at, prior to, or in affidavits in connection with, the Confirmation Hearing: (a) are reasonable, persuasive, credible, and accurate as of the dates such analysis or evidence was proffered, adduced, and/or presented; (b) utilize reasonable and appropriate methodologies and

assumptions; (c) have not been controverted by other evidence; and (d) establish that, with respect to each Impaired Class, each Holder of an Allowed Claim or Equity Interest in such Class shall receive under the Plan on account of such Allowed Claim or Equity Interest property of a value, as of the Effective Date, that is not less than the amount such Holder would receive if the Debtors were liquidated on the Effective Date under chapter 7 of the Bankruptcy Code. Accordingly, LightSquared has satisfied the requirements of section 1129(a)(7) of the Bankruptcy Code.

**V.** ~~U.~~ Acceptance by Certain Classes (11 U.S.C. § 1129(a)(8)).

1. Holders of Claims or Equity Interests in Classes 1 (Inc. Other Priority Claims), 2 (LP Other Priority Claims), 3 (Inc. Other Secured Claims), 4 (LP Other Secured Claims), **7B (Prepetition LP Facility SPSO Claims)**, **8B (Prepetition LP Facility SPSO Guaranty Claims)**, 9 (Inc. General Unsecured Claims), 10 (LP General Unsecured Claims), 15B (LP Debtor Intercompany Claims), 16A (LP Debtor Intercompany Interests), and 16B (Inc. Debtor Intercompany Interests) are Unimpaired and, pursuant to section 1126(f) of the Bankruptcy Code, are conclusively presumed to have accepted the Plan, thus meeting the requirements of section 1128(a)(8) of the Bankruptcy Code.

2. In addition, in respect of Impaired Classes of Claims or Equity Interests under the Plan:

- (a) If a Class contains Claims or Equity Interests eligible to vote and no Holders of Claims or Equity Interests eligible to vote in such Class voted to accept or reject the Plan, the Plan shall be presumed accepted by the Holders of such Claims or Equity Interests in such Class.
- (b) Any Class of Claims or Equity Interests that does not contain a Holder of an Allowed Claim or Allowed Equity Interest, or a Claim or Equity Interest temporarily Allowed by the Court as of the Confirmation Hearing Date, shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and

for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

- (c) As reflected in the Tabulation Affidavit, and as a result of the entry of the Vote Changing Orders, more than the requisite:
- (i) number of Holders and Claim amounts in ~~multiple~~each Impaired ~~Classes~~Class of Claims entitled to vote to accept or reject the Plan have affirmatively voted to accept the Plan (i.e., Class 5 (Prepetition Inc. Facility Non-Subordinated Claims) voted 100% in number and 100% in amount to accept the Plan, Class 6 (Prepetition Inc. Facility Subordinated Claims) voted 100% in number and 100% in amount to accept the Plan, Class 7A (Prepetition LP Facility Non-SPSO Claims) voted ~~88.33~~93.33% in number and ~~88.28~~90.88% in amount to accept the Plan, and Class 8A (Prepetition LP Facility Non-SPSO Guaranty Claims) voted ~~88.33~~93.33% in number and ~~88.28~~90.88% in amount to accept the Plan); and (ii) Equity Interest amounts in ~~one~~each of the Impaired Classes of Equity Interests entitled to vote to accept or reject the Plan have affirmatively voted to accept the Plan (i.e., Class 11 (Existing LP Preferred Units) voted 100% in amount to accept the Plan and Class 12 (Existing Inc. Preferred Stock Equity Interests) voted ~~74.96~~76.85% in amount to accept the Plan).

3. Accordingly, LightSquared has satisfied the requirements of section 1129(a)(8) of the Bankruptcy Code with respect to such Impaired Classes of Claims or Equity Interests. Although Classes ~~7B, 8B, 11,~~ 13, 14, and 15A are rejecting Classes for purposes of section 1129(a)(8) of the Bankruptcy Code, the Plan is confirmable pursuant to section 1129(b) of the Bankruptcy Code notwithstanding such rejection.

W. ~~V.~~ Treatment of Administrative Claims, Priority Tax Claims, and Other Priority Claims (11 U.S.C. § 1129(a)(9)). The treatment of Administrative Claims, Priority Tax Claims, and Other Priority Claims pursuant to Articles II and III of the Plan satisfies the requirements of sections 1129(a)(9) of the Bankruptcy Code.

X. ~~W.~~ Acceptance by Impaired Class of Claims (11 U.S.C. § 1129(a)(10)). Class 5 (Prepetition Inc. Facility Non-Subordinated Claims), Class 6 (Prepetition Inc. Facility

Subordinated Claims), Class 7A (Prepetition LP Facility Non-SPSO Claims), and Class 8A (Prepetition LP Facility Non-SPSO Guaranty Claims), each of which is Impaired under the Plan, have voted to accept the Plan, determined without including any vote to accept the Plan by any insider, thereby satisfying section 1129(a)(10) of the Bankruptcy Code.

**Y.** ~~**X.**~~ Feasibility (11 U.S.C. § 1129(a)(11)). All Allowed Claims and Equity Interests shall be paid or otherwise satisfied in full in accordance with the terms of the Plan and the Plan Documents. The evidence proffered, adduced, and/or presented at the Confirmation Hearing (1) is reasonable, persuasive, credible, and accurate as of the dates such analysis or evidence was prepared, presented, or proffered, (2) utilizes reasonable and appropriate methodologies and assumptions, (3) has not been controverted by other evidence, and (4) establishes that the Plan is feasible, the Reorganized Debtors shall have sufficient liquidity and be able to meet their financial obligations under the Plan and in the ordinary course of their businesses, and the confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Reorganized Debtors, thereby satisfying the requirements of section 1129(a)(11) of the Bankruptcy Code.

**Z.** ~~**Y.**~~ Payment of Fees (11 U.S.C. § 1129(a)(12)). The Plan provides that (1) on the Effective Date or as soon thereafter as reasonably practicable, the Reorganized Debtors shall pay all U.S. Trustee Fees that are due and owing on the Effective Date and (2) following the Effective Date, New LightSquared shall pay the U.S. Trustee Fees for each quarter (including any fraction thereof) until the first to occur of the Chapter 11 Cases being converted, dismissed, or closed, thereby satisfying section 1129(a)(12) of the Bankruptcy Code.

**AA.** ~~**ZZ.**~~ Continuation of Retiree Benefits (11 U.S.C. § 1129(a)(13)). The Plan provides that, on and after the Effective Date, all retiree benefits (as that term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid to the extent required by applicable law, thereby satisfying the requirements of section 1129(a)(13) of the Bankruptcy Code.

**BB.** ~~**AA.**~~ Domestic Support Obligations (11 U.S.C. § 1129(a)(14)). LightSquared is not required by a judicial or administrative order, or by statute, to pay a domestic support obligation and, accordingly, section 1129(a)(14) of the Bankruptcy Code is inapplicable to the Plan.

**CC.** ~~**BB.**~~ Plan of an Individual Debtor (11 U.S.C. § 1129(a)(15)). LightSquared is not an individual and, accordingly, section 1129(a)(15) of the Bankruptcy Code is inapplicable to the Plan.

**DD.** ~~**CC.**~~ Transfers in Accordance with Non-Bankruptcy Law (11 U.S.C. § 1129(a)(16)). None of the LightSquared entities is a nonprofit entity and, accordingly, section 1129(a)(16) of the Bankruptcy Code is inapplicable to the Plan.

**EE.** ~~**DD.**~~ No Unfair Discrimination; Fair and Equitable (11 U.S.C. § 1129(b)).

Although Classes ~~7B, 8B, 11,~~ 13, 14, and 15A are rejecting Classes for purposes of section 1129(a)(8) of the Bankruptcy Code, the Plan is confirmable pursuant to section 1129(b) of the Bankruptcy Code notwithstanding such rejection because, based upon the record before the Court and the treatment provided to such Claims and Equity Interests, the Plan does not discriminate unfairly against, and is fair and equitable with respect to, such Classes of Claims or Equity Interests, and the Plan satisfies all the requirements for confirmation set forth in section 1129(a) of the Bankruptcy Code, except section 1129(a)(8). The evidence in support

of confirmation of the Plan proffered or adduced by LightSquared at, or prior to, or in declarations filed in connection with, the Confirmation Hearing regarding the Debtors' classification and treatment of Claims and Equity Interests and the requirements for confirmation of the Plan under section 1129(b) of the Bankruptcy Code: (1) is reasonable, persuasive, credible, and accurate; (2) utilizes reasonable and appropriate methodologies and assumptions; and (3) has not been controverted by other credible evidence.

**FF.** ~~**EE.**~~ Only One Plan (11 U.S.C. § 1129(c)). Notwithstanding the other chapter 11 plans proposed in the Chapter 11 Cases, the Plan is the only plan confirmed by the Court in the Chapter 11 Cases and, accordingly, section 1129(c) of the Bankruptcy Code is inapplicable to the Plan.

**GG.** ~~**FF.**~~ Principal Purpose of Plan (11 U.S.C. § 1129(d)). The principal purpose of the Plan is not the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act, thereby satisfying the requirements of section 1129(d) of the Bankruptcy Code.

**HH.** ~~**GG.**~~ Not Small Business Cases (11 U.S.C. § 1129(e)). The Chapter 11 Cases are not small business cases and, accordingly, section 1129(e) of the Bankruptcy Code is inapplicable to the Chapter 11 Cases.

**II.** ~~**HH.**~~ Good Faith Solicitation (11 U.S.C. § 1125(e)). Based on the record of the Chapter 11 Cases, including, but not limited to, the evidence proffered, adduced, and/or presented at the Confirmation Hearing, which is reasonable, persuasive, and credible, utilizes reasonable and appropriate methodologies and assumptions, and has not been controverted by other evidence, the Plan Proponents, the Reorganized Debtors, and each of their successors, predecessors, control persons, members, agents, employees, officers, directors, financial advisors, investment bankers, attorneys, accountants, consultants, and other professionals



(1) have solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including, but not limited to, section 1125(e) of the Bankruptcy Code, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with such solicitation, and (2) shall be deemed to have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer, issuance, sale, and purchase of any securities offered and sold under the Plan and, therefore, (a) are not, and, on account of any such offer, issuance, and solicitation, shall not be, liable at any time for any violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or the offer, issuance, sale, or purchase of any securities offered and sold under the Plan and (b) are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and the exculpation provisions set forth in Article VIII of the Plan. In addition, the Plan Support Parties have acted and entered into the documents effectuating LightSquared's restructuring pursuant to the Plan in good faith and shall be deemed to continue to act in good faith if they (1) proceed to consummate the Plan, the transactions contemplated thereby, and LightSquared's restructuring pursuant thereto and (2) take the actions authorized and directed by this Order. The Plan Support Parties fairly and reasonably negotiated the transactions effectuating the Debtors' restructuring at arm's length, and the resulting terms of the agreements (including the JPM Inc. Facilities Claims Purchase Agreement and the New Investor Commitment Documents, to the extent applicable) are in the best interests of the Debtors and the Estates.

**JJ.** ~~H.~~ Satisfaction of Confirmation Requirements. Based upon the foregoing, all other pleadings, documents, exhibits, statements, declarations, and affidavits filed in connection with confirmation of the Plan, and all evidence and arguments made, proffered, or

adduced at the Confirmation Hearing, the Plan satisfies the requirements for confirmation set forth in section 1129 of the Bankruptcy Code.

**ADDITIONAL FINDINGS REGARDING CHAPTER 11 CASES AND PLAN**

**KK.** ~~**JJ.**~~ Implementation. All documents and agreements necessary to implement the Plan, including, but not limited to, those contained in the Plan Supplement, the JPM Inc. Facilities Claims Purchase Agreement, and the New Investor Commitment Documents (to the extent applicable) are essential elements of the Plan and have been negotiated in good faith and at arm's length, and entry into and consummation of the transactions contemplated by each such document and agreement is in the best interests of the Debtors, the Estates, and the Holders of Claims or Equity Interests and shall, upon completion of documentation and execution, be valid, binding, and enforceable agreements and not be in conflict with any federal, state, or local law. LightSquared has exercised reasonable business judgment in determining which agreements to enter into and has provided sufficient and adequate notice of such documents and agreements. LightSquared is authorized, without any further notice to, or action, order, or approval of, the Court, to finalize, execute, and deliver all agreements, documents, instruments, and certificates relating to the Plan and to perform its obligations under such agreements, documents, instruments, and certificates in accordance with the Plan.

**LL.** ~~**KK.**~~ Transfers by LightSquared. All transfers of property of the Estates shall be free and clear of all Liens, Claims, charges, interests, and other encumbrances, in accordance with applicable law, except as expressly provided in the Plan or this Order.

**MM.** ~~**LL.**~~ Exemption from Securities Law. The offering, issuance, and distribution of the securities contemplated by the Plan and any and all agreements incorporated therein, including, but not limited to, the New LightSquared Entities Shares, shall be exempt from,

among other things, the registration and prospectus delivery requirements of section 5 of the Securities Act, and any other applicable state or federal law requiring registration or delivery of a prospectus prior to the offering, issuance, distribution, or sale of securities, pursuant to section 1145 of the Bankruptcy Code or pursuant to another applicable exemption from the registration requirements of the Securities Act.

**NN.** ~~**MM.**~~ Exemption from Taxation. The making and delivery of an instrument of transfer under the Plan is exempt from taxation under any law imposing a document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, sales or use tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, FCC filing or recording fee, Industry Canada filing or recording fee, or other similar tax or governmental assessment, in accordance with section 1146(a) of the Bankruptcy Code (to the extent permitted by Canadian law, as applicable).

| OO. ~~NN.~~ Working Capital Facility, Second Lien Exit Facility, and Reorganized  
LightSquared Inc. Exit Facility.

1. The Working Capital Facility, Second Lien Exit Facility, and Reorganized LightSquared Inc. Exit Facility (collectively, the “Reorganized Debtors Financings”), as may be amended or modified without further approval from the Court in accordance with their terms, are essential elements of the Plan, were proposed in good faith, are critical to the success and feasibility of the Plan, and are necessary and appropriate for the consummation of the Plan. Entry into the Reorganized Debtors Financings, and all related agreements and documents (including, but not limited to, the Exit Intercreditor Agreement), is fair, reasonable, and in the best interests of LightSquared, its Estates, all Holders of Claims or Equity Interests, and the Reorganized Debtors. The Working Capital Lenders, the Second Lien Exit Term Lenders, the lenders under the Reorganized LightSquared Inc. Exit Facility (together with such lenders’ agents, the “RLI Exit Facility Lenders”), and each of their respective agents and affiliates (collectively with the Second Lien Exit Agent, the “Reorganized Debtors Financing Parties”) participated in good faith, arm’s length negotiations with respect to the Reorganized Debtors Financings and all other contracts, instruments, agreements, and documents to be executed and delivered in connection therewith (including, but not limited to, the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, the Exit Intercreditor Agreement, the Reorganized LightSquared Inc. Credit Agreement, any guarantee agreements, any pledge and security agreements, any mortgages, any exhibits and schedules to any agreements, UCC financing statements, deposit account control agreements, or other perfection documents, any subordination agreements, and any intercreditor agreements, and collectively with any and all commitment [and fee](#) letters and any and all highly confident letters, the “Reorganized Debtors Financing Documents”), and any credit extended or loans made to the Reorganized Debtors by the Working Capital Lenders,

Second Lien Exit Term Lenders, or the RLI Exit Facility Lenders pursuant to the Reorganized Debtors Financings, as applicable, shall be deemed to have been extended, issued, and made in good faith and for legitimate business purposes.

2. The Reorganized Debtors Financing Parties and their respective agents, affiliates, members, officers, directors, employees, advisors, and attorneys are entitled to the protections and indemnifications provided for in the Reorganized Debtors Financing Documents. LightSquared exercised reasonable business judgment in determining to enter into the Reorganized Debtors Financings and the Reorganized Debtors Financing Documents and has provided sufficient and adequate notice thereof, and, in addition, LightSquared and the Reorganized Debtors, as applicable, are hereby authorized, without further approval of this Court or notice to any other party, to execute and deliver the applicable Reorganized Debtors Financing Documents, amend or modify such documents without further notice to, or approval from, this Court or the Canadian Court, and fully perform their obligations thereunder. The Reorganized Debtors Financing Documents (when, and to the extent, entered into) shall be, and are hereby deemed to be, valid, binding, and enforceable against the applicable Reorganized Debtors in accordance with their terms. The Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, and the Reorganized LightSquared Inc. Credit Agreement (a) each contain, or shall contain, fixed maturity dates, (b) in the case of the (i) Working Capital Facility Credit Agreement and the Second Lien Exit Credit Agreement, contain, or shall contain, fixed interest rate margins, and (ii) Reorganized LightSquared Inc. Credit Agreement, ~~contain~~contains a fixed interest rate and scheduled payments of interest, which shall be capitalized as principal, and (c) are, or shall be, as the case may be, secured by mortgages, pledges, Liens, and other security interests. The mortgages, pledges, Liens, and

PP. ~~OO.~~ Reorganized Debtors Governance Documents.

1. The Reorganized Debtors Governance Documents, as may be amended or modified without further approval from the Court in accordance with their terms, are essential elements of the Plan, were proposed in good faith, are critical to the success and feasibility of the Plan, and are necessary and appropriate for the consummation of the Plan. Entry into the Reorganized Debtors Governance Documents, and all related agreements and documents, is fair, reasonable, and in the best interests of LightSquared, its Estates, all Holders of Claims or Equity Interests, and the Reorganized Debtors. The Reorganized Debtors Governance Documents are the product of good faith, arm's length negotiations.

2. LightSquared exercised reasonable business judgment in determining to enter into the Reorganized Debtors Governance Documents and has provided sufficient and adequate notice thereof. LightSquared and the Reorganized Debtors, as applicable, are hereby authorized, without further approval of this Court or notice to any other party, to execute and deliver the applicable Reorganized Debtors Governance Documents, amend or modify such documents without further notice to, or approval from, this Court or the Canadian Court, and fully perform their obligations thereunder. Neither the execution and delivery by the Reorganized Debtors of any of the Reorganized Debtors Governance Documents, nor the performance by the applicable Reorganized Debtors of its obligations thereunder, constitutes a violation of, or a default under, any contract or agreement to which they are a party, including, but not limited to, those contracts or agreements reinstated under the Plan.

QQ. ~~PP.~~ Injunction, Exculpation, and Releases.

1. The Court has jurisdiction under sections 157 and 1334(a) and (b) of title 28 of the United States Code to approve the releases, exculpations, and injunctions set forth in Article VIII of the Plan. Section 105(a) of the Bankruptcy Code permits issuance of the injunctions and approval of the releases and exculpations set forth in Article VIII of the Plan.

2. The Released Parties and Exculpated Parties include the Debtors, the Reorganized Debtors, and certain non-Debtor parties, including (a) each New Investor, (b) each Plan Support Party, (c) each DIP Agent, (d) each DIP Lender (other than any SPSO Party), and each arranger and book runner of the DIP Facilities, (e) MAST, (f) the Prepetition Inc. Agent, (g) the Second Lien Exit Agent, the agent under the Working Capital Facility, and each arranger and book runner of the Second Lien Exit Facility and the Working Capital Facility, (h) the holder of the Reorganized LightSquared Inc. Exit Facility and each agent, arranger, and book runner of the Reorganized LightSquared Inc. Exit Facility, (i) each Holder of an Allowed Prepetition Facility Claim that votes to accept, or is deemed to accept, the Plan (in each case, other than any SPSO Party), (j) the Prepetition LP Agent, (k) the LP Group, (l) each Holder of Allowed Existing Inc. Preferred Stock that votes to accept, or is deemed to accept, the Plan, (m) each Holder of Allowed Existing LP Preferred Units that votes to accept, or is deemed to accept, the Plan, (n) the JPM Investment Parties, and (o) each of the foregoing Entities' respective predecessors, successors and assigns, and current and former shareholders, affiliates, subsidiaries, members (including, but not limited to, ex-officio members), officers, directors, principals, managers, trustees, employees, partners, attorneys, financial advisors, accountants, investment bankers, investment advisors, actuaries, professionals, consultants,



reject the Plan that rejects the third-party release provided in the Plan by checking the box on the applicable Ballot indicating that such Holder opts not to grant such third-party release.

4. Therefore, based upon the record of the Chapter 11 Cases, including, but not limited to, the evidence proffered, adduced, and/or presented at the Confirmation Hearing, the Court finds that the release, exculpation, and injunction provisions set forth in the Plan (a) were proposed in good faith, are essential to the Plan, are appropriately tailored, and are intended to promote finality and prevent parties from attempting to circumvent the Plan's terms and (b) are consistent with the Bankruptcy Code and applicable law and, therefore, valid and binding.

**RR.** ~~**QQ.**~~ Disputed Claims and Equity Interests Reserve and Effective Date Distributions. Based on the evidence proffered, adduced, and/or presented by LightSquared at the Confirmation Hearing, the Disputed Claims and Equity Interests Reserve is adequate to ensure that Holders of Claims or Equity Interests that are Disputed on the Effective Date but Allowed thereafter shall receive distributions equal to the Plan Distributions such Disputed Claim or Disputed Equity Interest would be entitled to on the Effective Date if such Disputed Claim or Disputed Equity Interest were Allowed in its full amount on the Effective Date.

**SS.** ~~**RR.**~~ Payment of Administrative Claims and Priority Claims. Based on the evidence proffered, adduced, and/or presented by LightSquared at the Confirmation Hearing, the Plan Consideration provides for payment in full in Cash (or, with respect to the JPM Acquired DIP Inc. Claims and ~~\$41-million~~ **41,000,000** of the New Inc. DIP Claims held by SIG, satisfaction in full in accordance with the Plan) of all Allowed Administrative Claims, DIP Claims, Priority Tax Claims, and Other Priority Claims, as well as the U.S. Trustee Fees.

**TT.** ~~**SS.**~~ Retention of Jurisdiction. The Court may properly retain jurisdiction over any matter arising under the Bankruptcy Code, or arising in, or related to, the Chapter 11 Cases or the Plan, after Confirmation thereof and after the Effective Date, and any other matter or proceeding that is within the Court's jurisdiction pursuant to 28 U.S.C. § 1334 or 28 U.S.C. § 157.

**UU.** ~~**TT.**~~ Likelihood of Satisfaction of Conditions Precedent. Each of the conditions precedent to the Confirmation Date and Effective Date, as set forth in Article IX of the Plan, has been satisfied or waived in accordance with the provisions of the Plan or is reasonably likely to be satisfied or waived prior to the Confirmation Date and Effective Date, as applicable.

**NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:**

1. Findings of Fact and Conclusions of Law. The findings of fact and conclusions of law set forth herein or incorporated herein by reference, and the record of the Confirmation Hearing, including, but not limited to, the findings of fact and conclusions of law set forth in the New Inc. DIP Order (if applicable), the Alternative Transaction Fee Order, and the KEIP Order, to the extent not inconsistent herewith, constitute the Court's findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Bankruptcy Rules 7052 and 9014. To the extent that any of the prior findings of fact constitute conclusions of law, they are adopted as such. To the extent that any of the following conclusions of law constitute findings of fact, they are adopted as such.

2. Confirmation. All requirements for the confirmation of the Plan have been satisfied. Accordingly, the Plan, in its entirety, is CONFIRMED pursuant to section 1129 of the Bankruptcy Code. Each of the terms and conditions of the Plan and the exhibits and

reasonable. Any settlements of objections to the Plan which are conditioned upon the occurrence of the effectiveness of the Plan, shall become effective contemporaneously or substantially contemporaneously with the effectiveness of the Plan, subject to the terms and conditions of such settlements. Plan Distributions made to Holders of Allowed Claims or Equity Interests are intended to be final; provided, however, that the ~~Tranche B Second Lien Exit Term Loans~~ Cash received by ~~and guaranties granted to,~~ the Holders of the Prepetition LP Facility SPSO Claims and Prepetition LP Facility SPSO Guaranty Claims, ~~or any immediate or mediate transferees of such Holders (as applicable),~~ shall be subject to ~~reduction (whether through cancellation, setoff, or otherwise),~~ disgorgement to New LightSquared without the further approval of any Entity, to the extent that ~~the Bankruptcy~~ this Court or any other court of competent jurisdiction, at the request of any party in interest, disallows (on the grounds set forth in ~~Section~~ Sections III.B.8(b) and ~~Section~~ III.B.10(b) of the Plan, ~~as applicable~~) all or any part of the Prepetition LP Facility SPSO Claims or the Prepetition LP Facility SPSO Guaranty Claims. For the avoidance of doubt, the Prepetition LP Facility SPSO Claims, ~~the~~ Prepetition LP Facility SPSO Guaranty Claims, and ~~the Tranche B Second Lien Exit Term Loans issued and guaranties granted~~ any Cash received on account thereof shall be subject to any equitable or legal remedy previously sought and currently subject to the Appeal, other than equitable subordination of the Prepetition LP Facility SPSO Claims ~~or~~ and the Prepetition LP Facility SPSO Guaranty Claims. In accordance with the provisions of the Plan, pursuant to sections 363 and 1123 of the Bankruptcy Code and Bankruptcy Rule 9019(a), without any further notice to or action, order, or approval of this Court, the Canadian Court, or any other Entity, after the Effective Date, New LightSquared may compromise and settle Claims against, or Equity Interests in, the Debtors, and Causes of

Action against other Entities; provided that, any settlement with respect to Claims against, or Equity Interests in, or any Causes of Action against any Reorganized Inc. Entity shall require the prior approval of Reorganized LightSquared Inc. ~~In addition, and for~~

b. For the avoidance of doubt, entry of this Order shall also operate to settle all claims and causes of action alleged in (a) the Standing Motion against the Prepetition Inc. Agent and the Prepetition Inc. Lenders in respect of the Prepetition Inc. Facility Subordinated Claims, ~~and the~~ (b) *LightSquared's Motion To Stay Harbinger's Litigation Efforts, dated October 8, 2014 [Docket No. 1816] (the "Harbinger Litigation Stay Motion"), and (c) the Motion of SP Special Opportunities, LLC for Entry of an Order Granting Leave, Standing and Authority to Commence, Prosecute and/or Settle Certain Claims for the Debtors' Estates Against Philip Falcone, date April 4 2014 [Docket No. 1473] (the "SPSO Standing Motion, to"). To* the extent not previously withdrawn with prejudice, (x) the Standing Motion shall be deemed withdrawn with prejudice upon the occurrence of the Inc. Facilities Claims Purchase Closing Date, (y) the SPSO Standing Motion shall be deemed withdrawn with prejudice upon the occurrence of the Effective Date, and (z) the Harbinger Litigation Stay Motion shall be deemed withdrawn with prejudice upon the occurrence of (i) the Effective Date and (ii) Harbinger's irrevocable assignment of all of the Harbinger Litigations to New LightSquared.

c. Entry of this Order shall also operate to settle certain objections asserted and alternatives proposed by (i) Solus Alternative Asset Management LP on behalf of certain of its funds and/or managed accounts ("Solus") and (ii) Cerberus Capital Management, L.P. on behalf of certain of its funds and/or managed accounts against LightSquared's estates ("Cerberus"). Specifically, in exchange for and on

account of (i) withdrawing from or otherwise terminating the Plan Support Agreement, dated March 17, 2015, by and among Solus, Cerberus, SPSO, and Charles W. Ergen, (ii) withdrawing all objections to the Plan and Plan Transactions, (iii) withdrawing any proposed alternative chapter 11 plan and all supplementary filings and pleadings related thereto, and (iv) the other agreements set forth in those certain Joinder Agreements, dated as of March 26, 2015, to the Plan Support Agreement (as amended, supplemented, or otherwise modified from time to time in accordance with the terms thereof, the “PSA Joinders”), by and among the Designated Plan Support Parties (as defined in the PSA Joinders) party thereto and each of Solus and Cerberus, respectively, LightSquared shall reimburse Solus’ and Cerberus’ reasonable and documented out-of-pocket fees and expenses (including, but not limited to, the documented fees, disbursements, and other charges of Solus’ and Cerberus’ respective counsel), (A) in each case incurred by Solus and Cerberus on or prior to the date hereof in connection with the Chapter 11 Cases, the entry into the PSA Joinders, the Plan, and the transactions contemplated by the PSA Joinders and the Plan and (B) in amounts not to exceed \$2,600,000 for Solus and \$500,000 for Cerberus, to be paid in full in Cash on the Effective Date in full and final satisfaction of any and all fees and expenses that are due to Solus and Cerberus, respectively. LightSquared is hereby authorized to pay such amounts without any further notice to or action, order, or approval of, the Bankruptcy Court, all in accordance with the terms and subject to the conditions of the PSA Joinders. In addition, in exchange for and on account of the Designated Plan Support Party Purchasers’ (as defined in the PSA Joinders) agreement to commit funds to finance each Trade (as defined in the PSA Joinders) under the PSA Joinders, LightSquared shall pay

on the Closing Date (as defined in the PSA Joinders) of the Trades a commitment fee in Cash (the “PSA Joinders Commitment Fee”) to each Designated Plan Support Party Purchaser in an amount equal to three percent (3%) of the Accrued Claim Amount (as defined in the PSA Joinders) with respect to such Designated Plan Support Party Purchaser’s Trades. The PSA Joinders, including, but not limited to, the PSA Joinders Commitment Fee, are hereby approved and authorized in its entirety pursuant to sections 363 and 1123 of the Bankruptcy Code and Bankruptcy Rule 9019. Any and all objections to the Plan and Plan Transactions, as well as any proposed alternative chapter 11 plan and any supplementary filings and pleadings related thereto, previously filed by or on behalf of Solus or Cerberus shall be deemed withdrawn with prejudice as of the date hereof.

7. Plan Transactions. All of the Plan Transactions contemplated by the Plan are hereby approved. The Debtors and the Reorganized Debtors, as applicable, with the consent of each ~~of~~ New Investor are authorized to take all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including, but not limited to: (a) the execution and delivery of (i) appropriate agreements or other documents of merger, amalgamation, consolidation, equity issuance, sale, and dissolution, and (ii) certificates of incorporation, certificates of partnership, operating agreements, bylaws, or other documents containing terms that are consistent with or reasonably necessary to implement the terms of the Plan and that satisfy the requirements of applicable law; (b) the execution and delivery of appropriate instruments of equity issuance, transfer, assignment, assumption, or delegation of any property, right, liability, duty, or obligation on terms consistent with the terms of the Plan; and (c) all other actions that are

13. Reorganized Debtors Financings Liens. The security interests and Liens granted pursuant to, or in connection with, the Reorganized Debtors Financings and the Reorganized Debtors Financing Documents (a) shall constitute, as of the Effective Date, legal, valid, binding, and duly perfected Liens on, and security interests in, the applicable property and assets of the Reorganized Debtors as set forth in the applicable Reorganized Debtors Financing Documents, (b) are granted in good faith as an inducement to the lenders thereunder to extend credit thereunder, and (c) shall be, and hereby are, deemed not to constitute fraudulent conveyances, fraudulent transfers, or contributions of equity and shall not otherwise be subject to avoidance or recharacterization, and the priorities of such Liens and security interests shall be as set forth in the Reorganized Debtors Financing Documents. On the Effective Date, all of the Liens and security interests to be created under, or in connection with, the Reorganized Debtors Financing Documents shall (x) be deemed created, (y) be legal, valid, binding, and perfected, and (z) afford to the Reorganized Debtors Financing Parties thereunder all remedies customarily granted to a holder of such Liens and security interests, without (i) any requirement of filing or recording of financing statements, or other evidence of such Liens and security interests and (ii) any approvals or consents from governmental entities or any other persons and regardless of whether or not there are any errors, deficiencies, or omissions in any property descriptions attached to any filing, and, to the extent permitted under applicable law, no further act shall be required for perfection of such Liens and security interests. Notwithstanding the foregoing, the parties granting such Liens and security interests are authorized to make all ~~filing~~[filings](#) and recordings and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of state, federal, or Canadian law that would be applicable in the absence

authorized, without further approval of the Court or any other party, to (a) issue the New LightSquared Entities Shares and Reinstate the Reinstated Intercompany Interests in accordance with the Plan, (b) execute and deliver all agreements, documents, instruments, and certificates relating thereto, and (c) perform their obligations thereunder.

16. Sale, Assignment, and/or Transfer of Assets and Equity Interests to New LightSquared. The Reorganized Debtors are authorized to take all actions as may be necessary or appropriate to, on or as soon as practicable after the Effective Date, consummate the Plan Transactions between New LightSquared and the Reorganized Inc. Entities. Upon consummation of the Plan Transactions between New LightSquared and the Reorganized Inc. Entities, the Reorganized Inc. Entities shall hold only the assets described in ~~Article~~Section IV~~(B)(2)~~(d)(iv) of the Plan and shall not directly hold any leases, spectrum, or tangible assets other than those set forth in ~~Article~~Section IV~~(B)(2)~~(d)(iv) of the Plan.

17. Reorganized Debtors Governance Documents. The Reorganized Debtors Governance Documents are essential elements of the Plan, and entry into the Reorganized Debtors Governance Documents and the other related documents (as may be amended or modified without further approval from the Court or the Canadian Order in accordance with their terms) is fair, reasonable, and in the best interests of the Debtors, their Estates, and all Holders of Claims or Equity Interests and is hereby approved. The Debtors have exercised reasonable business judgment in determining to implement the Reorganized Debtors Governance Documents and the other related documents and have provided sufficient and adequate notice of the terms of the Reorganized Debtors Governance Documents. The terms and conditions of the Reorganized Debtors Governance Documents are fair and reasonable, and the Reorganized Debtors Governance Documents were negotiated in good faith and at



governmental assessment, and the appropriate state or local governmental officials or agents shall forego the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

21. Vesting of Assets in Reorganized Debtors.

a. Except as otherwise provided in the Plan, this Order, or any agreement, instrument, or other document incorporated therein, on the Effective Date, notwithstanding any prohibition of assignability under applicable non-bankruptcy law and in accordance with section 1141 of the Bankruptcy Code, all property in each Estate, all Retained Causes of Action, and any property acquired by any of the Debtors pursuant to the Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, or other encumbrances (except for (i) any Liens granted to secure the Working Capital Facility and any rights of any of the parties under the Working Capital Facility Credit Agreement or any related documents, (ii) any Liens granted to secure the Second Lien Exit Facility and any rights of any of the parties under the Second Lien Exit Credit Agreement or any related documents, (iii) any Liens granted to secure the Reorganized LightSquared Inc. Exit Facility and any rights of any of the parties under the Reorganized LightSquared Inc. Credit Agreement or any related documents, and (iv) any rights of any of the parties under any of [the](#) Reorganized Debtors Governance Documents) without further notice to, or action, order, or approval of, this Court, the Canadian Court, or any other Entity.

b. On and after the Effective Date, except as otherwise provided in the Plan or this Order, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Equity Interests, or Retained Causes

applicable, expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan or this Order. Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Court order, the Reorganized Debtors expressly reserve all Causes of Action for later adjudication and, therefore, no preclusion doctrine, including, but not limited to, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the confirmation or consummation of the Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in New LightSquared.

b. Upon the Effective Date of the Plan, Harbinger shall irrevocably assign to New LightSquared all Harbinger Litigations, and the New Investors shall irrevocably assign to New LightSquared any and all of their rights to commence any New Actions.

New LightSquared will receive all Retained Causes of Action Proceeds, which, for the avoidance of doubt, shall include any and all proceeds from any of the Harbinger Litigations and New Actions.

c. Harbinger shall (i) use and undertake commercially reasonable and good faith efforts to obtain consent of each defendant in the FCC Action and the GPS Action to stay all proceedings therein and (ii) not pursue any New Action on its own behalf or derivatively on behalf of the Debtors or the Reorganized Debtors (as applicable).

Entities, as applicable, solely according to the provisions of the Plan, including, but not limited to, Article VI of the Plan, this Order, or any other order of the Court, as applicable.

28. Existing LP Preferred Units Election. Pursuant to Section III.B.13(b) of the Plan, each Holder of Existing LP Preferred Units has the option to receive, on account of its Existing LP Preferred Units, Plan Consideration in the form of either (a) New LightSquared Series A-2 Preferred Interests having a liquidation preference equal to such Holder's pro rata share of the Existing LP Preferred Units Distribution Amount or (b) New LightSquared Series C Preferred Interests having a liquidation preference equal to such Holder's pro rata share of the Existing LP Preferred Units Distribution Amount. Any Holder of Existing LP Preferred Units that wishes to receive New LightSquared Series A-2 Preferred Interests rather than New LightSquared Series C Preferred Interests must make an election to do so (the "Election") by timely and properly executing, completing, and delivering an election form, the approved form of which is attached hereto as Exhibit B (the "Election Form"), so that it is received by LightSquared and each of the New Investors no later than \_\_\_\_\_, 2015, at 5 p.m. (prevailing Eastern time) (the "Election Deadline"). If a Holder of Allowed Existing LP Preferred Units declines the Election, submits an Election Form without any box in Item 1 checked, or fails to timely or properly complete and deliver an Election Form so that it is received by the Election Deadline, such Holder shall be deemed to have elected to receive New LightSquared Series C Preferred Interests. For the avoidance of doubt, any New Investor that holds Allowed Existing LP Preferred Units shall be deemed, and hereby agrees, to elect to receive New LightSquared Series C Preferred Interests solely

on account of the Allowed Existing LP Preferred Units held by such New Investor as of the Distribution Record Date.

29. ~~28.~~ Disputed Claims and Disputed Equity Interests. The provisions of Article VII of the Plan, including, but not limited to, the provisions governing procedures for resolving Disputed Claims and Disputed Equity Interests, are found to be fair and reasonable and are approved.

30. ~~29.~~ No Postpetition Interest on Claims. Unless otherwise (a) specifically provided for in the Plan or this Order, (b) agreed to by the New Investors (upon agreement of all of the New Investors) or the Reorganized Debtors, as applicable, (c) provided for in a postpetition agreement in writing between all of the New Investors or the Reorganized Debtors, as applicable, and a Holder of a Claim, or (d) allowed under applicable bankruptcy and non-bankruptcy law, postpetition interest shall not accrue or be paid on Claims (other than Inc. General Unsecured Claims and the LP General Unsecured Claims), and no Holder of a Claim (other than the Holders of Inc. General Unsecured Claims and the Holders of LP General Unsecured Claims) shall be entitled to interest accruing on or after the Petition Date on any Claim or right. Additionally, and without limiting the foregoing, and except as otherwise set forth in the Plan or this Order, interest shall not accrue or be paid on any Disputed Claim with respect to the period from the Effective Date to the date a final Plan Distribution is made on account of such Disputed Claim, if and when such Disputed Claim becomes an Allowed Claim.

31. ~~30.~~ Full and Final Satisfaction of Claims. Upon the Effective Date, all Claims against, or Equity Interests in, LightSquared shall be deemed fixed and adjusted pursuant to the Plan, and LightSquared shall have no further liability on account of any Claims or Equity

Interests except as set forth in the Plan or in this Order. ~~At~~Except as otherwise provided by the Plan or this Order, all payments and all distributions made by LightSquared or the Reorganized Debtors under, and in accordance with, the Plan shall be in full and final satisfaction, settlement, and release of all Claims and Equity Interests.

32. ~~31.~~ Discharge of Claims and Termination of Equity Interests.

a. Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or this Order, the Plan Distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims (including, but not limited to, any Intercompany Claims resolved or compromised after the Effective Date by the Reorganized Debtors in accordance with Section III.B.17 and Section III.B.18 of the Plan), Equity Interests, and Causes of Action of any nature whatsoever, including, but not limited to, any interest accrued on Claims or Equity Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Equity Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims or Equity Interests, including, but not limited to, demands, liabilities, and Causes of Action that arose before the Effective Date, any liability to the extent such Claims or Equity Interests relate to services performed by current or former employees of the Debtors prior to the Effective Date and that arise from a termination of employment or a termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g),

Equity Interests shall be satisfied, discharged, and released in full, and each of the Debtor's liability with respect thereto shall be extinguished completely without further notice or action; and (iii) all Entities shall be precluded from asserting against the Debtors, the Estates, the Reorganized Debtors, each of their respective successors and assigns, and each of their respective assets and properties, any such Claims or Equity Interests, whether based upon any documents, instruments, act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date or otherwise.

**33.** ~~32.~~ Releases by Debtors. Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or this Order, for good and valuable consideration, including, but not limited to, the service of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the restructuring transactions contemplated by the Plan, on and after the Effective Date, the Released Parties are deemed released and discharged by the Debtors, the Reorganized Debtors, and the Estates from any and all claims, interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including, but not limited to, any derivative claims asserted on behalf of the Debtors or the Estates, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, that the Debtors, the Reorganized Debtors, the Estates, or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Equity Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the CCAA Proceeding, the prepetition or postpetition purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors, the

**34.** ~~33.~~ Exculpation. Except as otherwise specifically provided in the Plan or this Order, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any claim, obligation, Cause of Action, or liability for any act taken or omitted to be taken in connection with, or related to, formulating, negotiating, preparing, disseminating, implementing, administering, confirming, or effecting the confirmation or consummation of the Plan, the Disclosure Statement, the Plan Documents, or any contract, instrument, release, or other agreement or document created or entered into in connection with the Plan (including, but not limited to, the Plan Support Agreement), any act taken or omitted to be taken in connection with, or related to, any of the Debtors' regulatory efforts (including, but not limited to, change of control applications), the negotiation of Cure Costs, the amendment, assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases, or any other prepetition or postpetition act taken or omitted to be taken in connection with, or in contemplation of, the restructuring of the Debtors, the approval of the Disclosure Statement, or confirmation or consummation of the Plan, except for (a) willful misconduct (including, but not limited to, fraud) or gross negligence and/or (b) the rights of any Entity to enforce the Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered under, or in connection with, the Plan, or assumed pursuant to the Plan, or assumed pursuant to a Final Order, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon confirmation of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the distributions of the Securities pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be,

liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

**35.** ~~34.~~ Third-Party Releases by Holders of Claims or Equity Interests.



|        36.    ~~35.~~ Injunction.

Plan or this Order shall preclude any Entity from pursuing an action against one or more of the Debtors in a nominal capacity to recover insurance proceeds so long as the Debtors or Reorganized Debtors, as applicable, and any such Entity agree in writing that such Entity shall (i) waive all Claims against the Debtors, the Reorganized Debtors, and the Estates related to such action and (ii) enforce any judgment on account of such Claim solely against applicable insurance proceeds, if any.

b. No Holder of any Claim or Equity Interest, and none of any such Holder's heirs, successors, assigns, trustees, executors, administrators, controlled-affiliates, officers, directors, agents, representatives, attorneys, beneficiaries, and/or guardians (collectively, the "Representatives") shall take, or cause to be taken, and each such Holder and each of its Representatives is hereby permanently enjoined from taking, any action ~~(including, but not limited to, any communication or discussion with any federal, state, or local governmental body of any type, any third party, and/or any person and/or entity who represents or seeks to influence any such body or third party)~~ that is intended or is reasonably likely to directly or indirectly prevent, impede, hinder, adversely affect, and/or delay any actions or efforts of the Debtors or the Reorganized Debtors, as applicable, and/or their ability to: (i) implement the Plan and the Plan Transactions (including, but not limited to, performance and/or enforcement of contracts of LightSquared or the Reorganized Debtors); (ii) obtain any consents and/or approvals, achieve the expiration or termination of any waiting period, and/or take any actions necessary or appropriate to consummate the transactions contemplated by the Plan and this Order, including, but not limited to, under (A) the *Hart-Scott-Rodino Antitrust Improvements Act of 1976*, the *Investment Canada Act*, the *Competition Act* (Canada), and/or any comparable requirements in any foreign jurisdiction and (B) the rules and regulations of

the FCC, Industry Canada, and the Canadian Radio-television Telecommunications Commission (“CRTC”), including, but not limited to, with respect to the assignment, transfer of control, and/or maintenance of the Debtors’ FCC, Industry Canada, and CRTC licenses and authorizations (collectively, the “Transfer Proceedings”); (iii) obtain grant of the License Modification Application or any Material Regulatory Request, as amended and/or supplemented from time to time, and/or any associated rulemaking, waiver, and/or other requests regarding the subject matter thereof, or the satisfaction of any FCC Objective; or (iv) undertake any acts related to, or in furtherance of, the matters described in clauses (i), (ii) and/or (iii) in this subparagraph; provided, however, that nothing in this Order shall prevent or enjoin anyone from communicating with or otherwise exercising their right to petition any Governmental entity, including the FCC, for any reason – including, but not limited to, any communications or petitions concerning the matters set forth in this paragraph.

c. Until such time as the New LightSquared Interest Holders Agreement is in full force and effect (at which time such agreement shall govern), each Holder of any Claim or Equity Interest and their Representatives that has a right to obtain New LightSquared Interests shall (i) promptly provide to the Debtors or the Reorganized Debtors, at such Holder’s cost and expense, such ownership or other information as may be reasonably required in order for the Debtors or the Reorganized Debtors to comply with the Communications Laws (as defined in the New LightSquared Interest Holders Agreement), the *Competition Act* (Canada), the *Investment Canada Act*, and the *Defense Production Act* (Canada), in each case as amended, including, but not limited to, such information that may be necessary in connection with the Transfer Proceedings or such other information as reasonably requested by

the Debtors or the Reorganized Debtors to obtain the necessary consents and approvals of any governmental authority, (ii) not complete any transaction, including, but not limited to, any assignment of its rights to obtain New LightSquared Interests or its obligations, and not permit any transfer of direct or indirect ownership in or control of such Holder (or any entity holding an interest in such Holder), that would (individually or together with all other such transactions) require amendment, notice, supplement, or any other submission to the FCC, Industry Canada, or other Governmental Unit in connection with the Transfer Proceedings; provided, however, that the foregoing shall not preclude any such action that (x) is (i) expressly provided by the Plan or (ii) otherwise contemplated as part of any settlement agreements entered into in connection with confirmation of the Plan or entry of this Order, (y) both necessary and designed solely to effectuate the Transfer Proceedings as initially filed, or (z) would, in the judgment of the Debtors (after consultation with their applicable regulatory counsel), be reasonably likely to cause the FCC, Industry Canada, or other Governmental Unit to expedite the grant of any application or necessary consent in connection with the Transfer Proceedings, and (iii) not directly assign its rights to obtain New LightSquared Interests or its obligations (whether to a permitted assignee or otherwise), and not affirmatively take any action to permit any transfer or assignment of direct or indirect ownership in such Holder (or any entity holding an interest in the Holder) or knowingly take any other action, if such transfer, assignment, or other action would be reasonably likely to impede or delay approval of the License Modification Application or any Material Regulatory Request or the satisfaction of any FCC Objective. Notwithstanding anything to the contrary in this paragraph ~~35~~36, the obligations and restrictions set forth in this paragraph ~~35~~36(c) shall not apply to any transfer or assignment occurring as a result of public trading on a national

securities exchange of the securities of any Entity that is a direct or indirect beneficial owner of a Holder of any Claim or Equity Interest that has a right to obtain New LightSquared Interests (a “Publicly Traded Entity”), or the issuance of securities by such Publicly Traded Entity, so long as (a) such Entity is not in breach of the requirements of clause (i) above, and (b) upon determining that any transfer or issuance of the securities of such Publicly Traded Entity has directly resulted in a requirement for the Debtors or the Reorganized Debtors to obtain approvals under the Communications Laws relating to New LightSquared’s direct or indirect foreign ownership or has directly resulted in a transfer of control of the Debtors or the Reorganized Debtors under the Communications Laws, such Entity, if so requested by the Debtors, diligently seeks any approvals or cooperates with the Debtors in seeking such approvals and clearances as may be needed from the FCC or Industry Canada under any Communications Laws as a result of such transfer or issuance of securities.

**37.** ~~36.~~ Reservation of Rights of the United States.

a. As to the United States of America, its agencies, departments, or agents (collectively, the “United States”), nothing in the Plan or this Order shall limit or expand the scope of discharge, release, or injunction to which the Debtors or the Reorganized Debtors are entitled under the Bankruptcy Code, if any. The discharge, release, and injunction provisions contained in the Plan and this Order are not intended, and shall not be construed, to bar the United States from, subsequent to this Order, pursuing any police or regulatory action.

b. Accordingly, notwithstanding anything contained in the Plan or this Order to the contrary, nothing in the Plan or this Order shall discharge, release, impair, or otherwise preclude: (i) any liability to the United States that is not a Claim; (ii) any Claim of the United States arising on or after the Confirmation Date; (iii) any valid right of setoff or

to have conferred jurisdiction upon the Court to make determinations as to federal tax liability and federal tax treatment except as provided under section 505 of the Bankruptcy Code.

**38.** ~~37.~~ USAC Claims. Notwithstanding anything to the contrary contained in the Plan, the Plan Supplement, this Order, and/or any document or instrument entered into in respect thereof, no term(s) or provision(s) contained in the foregoing shall: (a) effect a release, discharge, or otherwise preclude or prohibit any claim whatsoever against any Debtor and/or Reorganized Debtor by or on behalf of the Universal Service Administrative Company or its agents (collectively, “USAC”), including, but not limited to, any claims (i) arising under 47 C.F.R. Part 54, (ii) relating to audits that may be performed by USAC to (A) examine any Debtor’s and/or Reorganized Debtor’s compliance with universal service support program eligibility requirements, (B) confirm the accuracy of any Debtor’s and/or Reorganized Debtor’s data submissions, and (C) review any Debtor’s and/or Reorganized Debtor’s overall compliance with program rules promulgated by the FCC, (iii) for setoff or recoupment, and/or (iv) resulting from, or relating to, orders issued by the FCC (collectively, “USAC Claims”); (b) enjoin USAC from bringing any suit, action, claim, or other proceeding against any Debtor or Reorganized Debtor for any liability whatsoever, including, but not limited to, any liability arising from the USAC Claims; or (c) exculpate any Debtor and/or Reorganized Debtor from any liability to USAC whatsoever, including, but not limited to, any liability arising from any USAC Claim.

**39.** ~~38.~~ Conditions Precedent to Effective Date of Plan. The following are conditions precedent to the Effective Date of the Plan that must be satisfied or waived in accordance with Section IX.B of the Plan:

- (ii) the Second Lien Exit Credit Agreement and any related documents, in forms and substance satisfactory to each of the New Investors and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof, ~~and~~ the incurrence of obligations pursuant to the Second Lien Exit Credit Agreement, and the funding of all New Money Lender Commitments (as such term is defined in the Second Lien Exit Credit Agreement) shall have occurred;
- (iii) the Reorganized LightSquared Inc. Exit Facility and any related documents, in forms and substance satisfactory to each of the New Investors and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, and the incurrence of obligations pursuant to the Reorganized LightSquared Inc. Exit Facility shall have occurred;
- (iv) the New LightSquared Interest Holders Agreement, in form and substance satisfactory to each of the New Investors and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, and all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof; and
- (v) the Debtors shall have sufficient Cash on hand to fund the Professional Fee Reserve and the Disputed Claims and Equity Interests Reserve.

g. The Canadian Court shall have entered the Confirmation Recognition Order and such order shall have become a Final Order.

h. All necessary actions, documents, certificates, and agreements necessary to implement the Plan shall have been effected or executed and delivered to the required parties and, to the extent required, Filed with the applicable Governmental Units in accordance with applicable laws.

i. Except as otherwise agreed by each of the New Investors, the FCC shall not have: (i) denied any Material Regulatory Request in writing on material substantive grounds; (ii) denied any Material Regulatory Request in writing on any other grounds without

affording the applicant or petitioner an opportunity to submit a substantively similar request without prejudice; or (iii) otherwise taken action so as to preclude a reasonable prospect of satisfying any FCC Objective.

j. The FCC, Industry Canada, and other applicable governmental authorities shall have granted any necessary consents and approvals required for the Debtors to emerge from chapter 11 pursuant to the Plan (including, but not limited to, and to the extent applicable, consents to the assignment of the Debtors' licenses and/or the transfer of control of the Debtors, as well as customary approvals and authorizations related thereto) and any statutory waiting periods shall have expired (including, but not limited to, under the *Hart-Scott-Rodino Antitrust Improvements Act of 1976* and the *Competition Act* (Canada)).

k. The Plan Support Agreement shall be in full force and effect.

l. The Debtors shall have paid in full in Cash all New Investor Fee Claims.

m. The Harbinger Litigations shall have been assigned to New LightSquared.

**n. The identity of the Chairman of the New LightSquared Board shall be reasonably acceptable to each of the New Investors.**

**40.** ~~39.~~ Waiver of Conditions Precedent. The conditions to the Confirmation Date and/or the Effective Date set forth in Article IX of the Plan may be waived by the agreement of each of the New Investors and the Debtors, without notice to, or action, order, or approval of, this Court, the Canadian Court, or any other Entity; provided, that if the Inc. Facilities Claims Purchase Closing Date and payment in full in Cash of the DIP Inc. Claims has not yet occurred, the conditions to Confirmation set forth in Section IX.A of the Plan may not be



waived without the consent of MAST, other than Sections IX.A.1, IX.A.10 and IX.A.11 of the Plan.

**41.** ~~40.~~ FCC and Industry Canada Approval. No provision in the Plan or this Order relieves the Reorganized Debtors from their obligations to comply with the Communications Laws and the rules, regulations, and orders promulgated thereunder by the FCC and Industry Canada, respectively. To the extent applicable, no assignment to the Reorganized Debtors of any federal license or authorization issued by the FCC or Industry Canada, or transfer of control of any entity holding any federal license or authorization issued by the FCC or Industry Canada, shall take place prior to the issuance of any required FCC or Industry Canada regulatory approval for such assignment or transfer of control pursuant to any applicable FCC regulations or Industry Canada rules. To the extent applicable, the rights and powers of the FCC and Industry Canada to take any action pursuant to their respective regulatory authority over the assignment or transfer of control, including, but not limited to, imposing any regulatory conditions on such assignment or transfer of control, are fully preserved, and nothing herein shall proscribe or constrain the exercise of such power or authority by the FCC and Industry Canada as the case may be.

**42.** ~~41.~~ Change of Control Provisions. Except for the transfer of control and ownership described in the Change of Control Application, and as contemplated by Article IV of the Plan, the consummation of the Plan shall not constitute a change of ownership or change in control, as such terms are used in any statute, regulation, contract, or agreement, including, but not limited to, any employment, severance, termination, or insurance agreements, in effect on the Effective Date and to which any of the Debtors is a party, or under any applicable law of any applicable Governmental Unit, and any acceleration, vesting,

or similar change of control rights under any employment, benefit, or other arrangements triggered by the consummation of the Plan shall be waived or otherwise cancelled under the Plan.

**43.** ~~42.~~ Effect of Non-Occurrence of Effective Date. If this Order is vacated, the Plan shall be null and void in all respects and nothing contained in the Plan, the Disclosure Statement, or this Order shall: (a) constitute a waiver or release of any Claims by or against, or any Equity Interests in, the LightSquared entities; (b) prejudice in any manner the rights of LightSquared or any other party; or (c) constitute an admission, acknowledgment, offer, or undertaking by the Plan Proponents; provided, that the vacatur of this Order shall not affect any other order of the Court (unless as otherwise specified in such other order); provided, further that, to the extent that the Inc. Facilities Claims Purchase Closing Date has occurred, (y) the vacatur of this Order shall not affect the purchases pursuant to the JPM Inc. Facilities Claims Purchase Agreement and/or the New Investor Commitment Documents, and (z) any distributions made from the proceeds of the New DIP Facilities, which purchases and distributions shall remain valid, in full force and effect, and not subject to revocation or reversal.

**44.** ~~43.~~ Modification of Plan. Except as otherwise specifically provided in the Plan or this Order, the Plan Proponents (in accordance with the Plan Support Agreement, as applicable, and the terms of Article X of the Plan), reserve the right with the written consent of each Plan Proponent to modify the Plan as to material terms and seek Confirmation consistent with the Bankruptcy Code; provided, however, that the Plan may not be modified or amended with respect to (a) a MAST Term or (b) Articles/Sections I, II, II.A, II.C, III, IV.A, IV.B.1, and VI of the Plan (solely as to such terms that pertain to MAST or the Prepetition Inc. Agent), Articles/Sections VIII, IX.A, IX.C, X, and XI of the Plan (solely as to such terms that pertain to MAST or the Prepetition Inc. Agent), and Article XII of the Plan, without the prior written consent of MAST and the Prepetition Inc. Agent, which consent, in the case of clause (b) immediately above and when unrelated to a MAST Term, shall not be unreasonably withheld or delayed. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, and those restrictions on modifications set forth in the Plan and in the Plan Support Agreement, the Plan Proponents other than the Debtors (in accordance with the Plan Support Agreement or the terms of Section X.A of the Plan), expressly reserve the right to alter, amend, or modify materially the Plan with respect to any Debtor, one or more times, after Confirmation, and, to the extent necessary, may initiate proceedings in this Court or Canadian Court to so alter, amend, or modify the Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement, this Order, or the Confirmation Recognition Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. Any such modification or supplement shall be considered a modification of the Plan and shall be made in accordance with Section X.A of the Plan.

**45.** ~~44.~~ Revocation or Withdrawal of Plan. The Plan Proponents, with the consent of each Plan Proponent, MAST, and the Prepetition Inc. Agent, in accordance with the Plan Support Agreement (or, in the case of the Debtors, the terms of Section X.C of the Plan), reserve the right to revoke or withdraw the Plan prior to the Confirmation Date and to file subsequent chapter 11 plans. The Debtors reserve their right to withdraw support for the Plan at any time if it is determined that pursuing the Plan would be inconsistent with the exercise of their fiduciary duties; provided, however, that such withdrawal is without prejudice to the right of the other Plan Proponents to continue to seek consummation of the Plan. If the Plan Proponents collectively revoke or withdraw the Plan, or if consummation of the Plan does not occur, then: (a) the Plan shall be null and void in all respects; (b) any settlement or compromise embodied in the Plan (including, but not limited to, the fixing or limiting to an amount certain of any Claims or Equity Interests or Class of Claims or Equity Interests), assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void in all respects (provided, however, that the foregoing shall not apply to (i) the Standing Motion Stipulation and the withdrawal of the Standing Motion as to the Prepetition Inc. Facility Non-Subordinated Claims or (ii) the JPM Inc. Facilities Claims Purchase Agreement or the New Investor Commitment Documents to the extent that the Inc. Facilities Claims Purchase Closing Date has occurred); and (c) nothing contained in the Plan, the Disclosure Statement, or this Order shall (i) constitute a waiver or release of any Claims or Equity Interests in any respect, (ii) prejudice in any manner the rights of the Debtors or any other Entity in any respect, or (iii) constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Entity in any respect.

46. ~~45.~~ Validity of Certain Plan Transactions If Effective Date Does Not Occur. If, for any reason, the Plan is Confirmed, but the Effective Date does not occur, any and all post-Confirmation Date and pre-Effective Date Plan Transactions that were authorized by the Court, whether as part of the New DIP Facilities, the purchases pursuant to the JPM Inc. Facilities Claims Purchase Agreement, the New Investor Commitment Documents, the Plan, or otherwise, and any distributions made from proceeds of the New DIP Facilities, shall be deemed valid, in full force and effect, and not subject to revocation or reversal.

47. ~~46.~~ Reversal. If any or all of the provisions of this Order are hereafter reversed, modified, or vacated by subsequent order of the Court or any other court of competent jurisdiction, (a) such reversal, modification, or vacatur shall not affect the validity or the enforceability of (i) any act, obligations, indebtedness, liability, priority, or Lien incurred or undertaken by the Debtors or the Reorganized Debtors, as applicable, under or in connection with the Plan (including, but not limited to, pursuant to any other order of the Court) prior to the date that LightSquared or the Reorganized Debtors received actual written notice of the effective date of any such reversal, modification, or vacatur or (ii) any provisions of this Order that are not expressly reversed, modified, or vacated by such subsequent order of the Court or any other court of competent jurisdiction, and (b) to the extent that the Inc. Facilities Claims Purchase Closing Date has occurred, the purchases pursuant to the JPM Inc. Facilities Claims Purchase Agreement and/or the New Investor Commitment Documents, and any distributions made from the proceeds of the New DIP Facilities, shall be deemed valid, in full force and effect, and not subject to revocation or reversal. Notwithstanding any such reversal, modification, or vacatur of this Order, any such act or obligation incurred or undertaken pursuant to, and in reliance on, this Order prior to the effective date of such

reversal, modification, or vacatur shall be governed in all respects by the provisions of this Order, the Plan, and any amendments or modifications thereto.

48. ~~47.~~ Retention of Jurisdiction.

a. Pursuant to Article XI of the Plan, notwithstanding the entry of this Order and the occurrence of the Effective Date, on and after the Effective Date, the Court shall retain jurisdiction over all matters arising out of, or relating to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including, but not limited to, jurisdiction to:

- (i) Allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Equity Interest, including, but not limited to, the resolution of any request for payment of any Administrative Claim, of any request for the payment or Plan Distribution on account of Claims entitled to priority pursuant to section 507 of the Bankruptcy Code, and of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Equity Interests;
- (ii) Decide and resolve all matters relating to the granting and denying, in whole or in part, of any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;
- (iii) Resolve any matters relating to the following: (A) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including, but not limited to, Cure Costs pursuant to section 365 of the Bankruptcy Code; (B) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed, or assumed and assigned; (C) the Reorganized Debtors amending, modifying, or supplementing, after the Effective Date, pursuant to Article V of the Plan, the Schedule of Assumed Agreements; and (D) any dispute regarding whether a contract or lease is or was executory or unexpired;

- (iv) Ensure that Plan Distributions to Holders of Allowed Claims and Allowed Equity Interests are accomplished pursuant to the provisions of the Plan;
- (v) Adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;
- (vi) Adjudicate, decide, or resolve any and all matters related to Causes of Action;
- (vii) Adjudicate, decide, or resolve all matters related to the Standing Motion Stipulation and Standing Motion Stipulation Order;
- (viii) Adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;
- (ix) Enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan or the Disclosure Statement;
- (x) To hear and determine any matters relating to, arising out of, or in connection with the implementation of the Working Capital Facility, the Second Lien Exit Facility, the Reorganized LightSquared Inc. Exit Facility, the Exit Intercreditor Agreement, the Reorganized Debtors Governance Documents, [the Second Lien Exit Facility Commitment Letter](#), or any ancillary or related agreements thereto;
- (xi) Resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the Consummation, interpretation, or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;
- (xii) Issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with the Consummation or enforcement of the Plan, including, but not limited to, the releases set forth therein;
- (xiii) Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the releases, injunctions, and other provisions contained in Article VIII of the Plan and enter such

(xxiv) Enforce all orders previously entered by the Court; and

(xxv) Hear any other matter not inconsistent with the Bankruptcy Code.

b. Notwithstanding any other provision in Article XI of the Plan to the contrary, nothing herein or in the Plan shall prevent the Reorganized Debtors from commencing and prosecuting any Causes of Action before any other court or judicial body which would otherwise have appropriate jurisdiction over the matter and parties thereto, and nothing herein shall restrict any such courts or judicial bodies from hearing and resolving such.

**49.** ~~48.~~ Successors and Assigns. Except as expressly set forth in the Plan or this Order, the rights, benefits, and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign, affiliate, officer, director, agent, representative, attorney, beneficiary, or guardian, if any, of each Entity.

**50.** ~~49.~~ No Successors In Interest. Except as to obligations expressly assumed pursuant to the Plan, the Reorganized Debtors shall not be deemed to be successors to LightSquared and shall not assume, nor be deemed to assume, or in any way be responsible for, any successor liability or similar liability with respect to LightSquared or LightSquared's operations that are not expressly assumed or reinstated in connection with, or expressly provided by, the Plan or this Order.

**51.** ~~50.~~ Further Assurances. The Holders of Claims or Equity Interests receiving distributions under the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.



52. ~~51.~~ Service of Documents. Any pleading, notice, or other document required by the Plan to be served shall be served pursuant to the terms of Section XII.E of the Plan.

53. ~~52.~~ Effectiveness of All Actions. Except as set forth in the Plan or this Order, all actions authorized to be taken pursuant to the Plan shall be effective on, prior to, or after the Effective Date pursuant to this Order, as applicable, without further notice to, or action, order, or approval of, the Court or further action by the respective shareholders, affiliates, subsidiaries, members (including, but not limited to, ex-officio members), officers, directors, principals, managers, trustees, employees, partners, agents, or representatives of the Debtors or the Reorganized Debtors and with the effect that such actions had been taken by unanimous action of such shareholders, affiliates, subsidiaries, members (including, but not limited to, ex-officio members), officers, directors, principals, managers, trustees, employees, partners, agents, or representatives.

54. ~~53.~~ Notice of Confirmation Order and Effective Date; Substantial Consummation of Plan. KCC shall serve notice of the entry of this Order (including the Election Form) to (a) all Holders of Claims or Equity Interests and (b) those parties on whom the Plan, Disclosure Statement, and related documents were served. Such service constitutes good and sufficient notice pursuant to Bankruptcy Rules 2002(f)(7) and 3020(c). On the Effective Date, or as soon thereafter as is reasonably practicable, LightSquared shall file with the Court a "Notice of Effective Date" and cause KCC to serve such Notice of Effective Date by first class mail, postage prepaid, or by facsimile to those persons who have filed with the Court requests for notices pursuant to Bankruptcy Rule 2002, which notice and service shall constitute appropriate and adequate notice that the Plan has become effective. Upon the Effective Date, the Plan shall be deemed substantially consummated as to each LightSquared

entity, consistent with the definition of “substantial consummation” as defined in section 1101(2) of the Bankruptcy Code.

**55.** ~~54.~~ Transactions on Business Days. If the date on which a transaction may occur under the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day.

**56.** ~~55.~~ Filing of Additional Documents. On or before the Effective Date, the Plan Proponents may file with the Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

**57.** ~~56.~~ Utility Deposits. All utilities, including, but not limited to, any Person who received a deposit or other form of “adequate assurance” of performance pursuant to section 366 of the Bankruptcy Code during the Chapter 11 Cases (collectively, the “Deposits”), whether pursuant to the *Order Determining Adequate Assurance of Payment for Future Utility Services* [Docket No. 120] or otherwise, including, but not limited to, gas, electric, and telephone services, are directed to return such Deposits to the Reorganized Debtors, either by setoff against postpetition indebtedness or by Cash refund, within thirty (30) days following the Effective Date.

**58.** ~~57.~~ Insurance Neutrality. Notwithstanding any other term or provision in the Plan or this Order, nothing in the Plan or this Order: (a) shall prejudice any of the rights, claims, or defenses of the Debtors’ insurers (the “Insurers”) under any insurance policies under which the Debtors, or successor in interest, seeks coverage (the “Policies”) and any agreements related to the Policies (together, with the Policies, the “Insurance Agreements”); (b) shall modify any of the terms, conditions, limitations, and/or exclusions contained in the Insurance Agreements, which shall remain in full force and effect; (c) shall be deemed to

create any insurance coverage that does not otherwise exist, if at all, under the terms of the Insurance Agreements, or create any right of action against the Insurers that does not otherwise exist under applicable non-bankruptcy law; (d) shall be deemed to prejudice any of the Insurers' rights and/or defenses in any pending or subsequent litigation in which the Insurers or the Debtors may seek any declaration regarding the nature and/or extent of any insurance coverage under the Insurance Agreements; (e) shall be deemed to alter the continuing duties and obligations of any insured under the Insurance Agreements; (f) shall be deemed or construed to create a direct right of action for any claimant or plaintiff against any of the Insurers for insurance proceeds, except where such right exists as a matter of law or otherwise; or (g) shall be construed as an acknowledgement that the Insurance Agreements cover or otherwise apply to any claims or that any claims are eligible for payment under any of the Insurance Agreements. In addition, notwithstanding any other term or provision in the Plan or this Order, nothing in the Plan or this Order shall alter, diminish, or otherwise prejudice the rights, claims, or defenses of any of the Debtors or their successors in interest in respect of any Insurance Agreements.

**59.** ~~58.~~ Administrative Claims.

a. Except for Accrued Professional Compensation Claims, DIP Claims, U.S. Trustee Fees, and KEIP Payments, and unless previously Filed, requests for payment of Administrative Claims must be Filed and served on New LightSquared no later than the Administrative Claims Bar Date (i.e., thirty (30) days after the Effective Date) pursuant to the procedures specified in this Order and the notice of the occurrence of the Effective Date. Objections to such requests must be Filed and served on New LightSquared and the requesting party by the later of (i) one hundred and eighty (180) days after the Effective Date and (ii) one

proceeds of the New DIP Facilities or Cash on hand, to the extent available up to \$10 million, with any such unpaid New Investor Fee Claims being paid on the Effective Date, and (ii) the New Investor Fee Claims incurred after the Confirmation Date through and including, but not limited to, the Effective Date (to the extent not previously paid) shall be paid monthly from the proceeds of the New DIP Facilities or Cash on hand, subject to the New Investors and the Debtors' prior receipt of invoices and reasonable documentation in connection therewith and without the requirement to File a fee application with the Court. The New Investor Fee Claims shall be deemed Allowed Administrative Claims following the Inc. Facilities Claims Purchase Closing Date.

60. ~~59.~~ Post-Confirmation Date Fees and Expenses.

a. Notwithstanding anything herein or in any prior order of the Court to the contrary, all final requests for payment of Claims of a Professional shall be Filed no later than forty-five (45) days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior Court orders, the Allowed amounts of such Accrued Professional Compensation Claims shall be determined by the Court and satisfied in accordance with an order of the Court.

b. Except as otherwise specifically provided herein or in the Plan or this Order, on and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to, or action, order, or approval of, the Court, and upon five (5) Business Days' advance notice to all of the New Investors, pay in Cash the reasonable legal, Professional, or other fees and expenses related to the Consummation and implementation of the Plan incurred by the Debtors on or after the Confirmation Date through the Effective Date. Upon the Confirmation Date, any requirement that Professionals comply

with sections 327 through 331 of the Bankruptcy Code or the Interim Compensation Order in seeking retention or compensation for services rendered from the Confirmation Date through the Effective Date shall terminate, and the Debtors may employ and pay any Professional in the ordinary course of business without any further notice to, or action, order, or approval of, the Court, subject to the terms of the New DIP Orders. The payments contemplated by this section shall be included in all final requests for payment of Claims of a Professional as contemplated by Section II.B.1 of the Plan.

**61.** ~~60.~~ Payment of Statutory Fees. On the Effective Date or as soon thereafter as reasonably practicable, the Reorganized Debtors shall pay all U.S. Trustee Fees that are due and owing on the Effective Date. Following the Effective Date, New LightSquared shall pay the U.S. Trustee Fees for each quarter (including any fraction thereof) until the first to occur of the Chapter 11 Cases being converted, dismissed, or closed.

**62.** ~~61.~~ Term of Injunctions or Stays. Unless otherwise provided in this Order, in the Plan, or in the Confirmation Recognition Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Court or the Canadian Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan, this Order, or the Confirmation Recognition Order), shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan, this Order, or the Confirmation Recognition Order shall remain in full force and effect in accordance with their terms.

**63.** ~~62.~~ Plan Supplement. All materials included in the Plan Supplement (as may be amended in accordance with the terms of the Plan or this Order) are integral to, part of, and incorporated by reference into the Plan. The Plan Supplement (as may be amended in

accordance with the terms of the Plan or this Order) and all related documents are hereby approved, including, but not limited to: (a) executed commitment letters, engagement letters, highly confident letters, or form and/or definitive agreements, and related documents with respect to (i) the Working Capital Facility Credit Agreement, (ii) the Second Lien Exit Facility, (iii) the Reorganized LightSquared Inc. Credit Agreement, and (iv) the Effective Date Investments; (b) the Reorganized Debtors Governance Documents; (c) the Schedule of Assumed Agreements; (d) the Schedule of Retained Causes of Action; (e) the JPM Inc. Facilities Claims Purchase Agreement; and (f) the New Investor Commitment Documents.

**64.** ~~63.~~ Entire Agreement. Except as otherwise indicated, the Plan and the Plan Supplement (which, for the avoidance of doubt, shall not include the New Inc. DIP Order, the Alternative Transaction Fee Order, or the KEIP Order) supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

**65.** ~~64.~~ Headings. The headings contained within this Order are used for the convenience of the parties and shall not alter or affect the meaning of the text of this Order.

**66.** ~~65.~~ References to Plan Provisions. The failure specifically to include or to refer to any particular article, section, or provision of the Plan, the Plan Supplement, or any related document in this Order shall not diminish or impair the effectiveness of such article, section, or provision, it being the intent of the Court that the Plan be confirmed and any related documents be approved in their entirety.

**67.** ~~66.~~ Existing Board of Directors. The existing boards of directors and other governing bodies of LightSquared shall be deemed to have resigned on and as of the Effective

Date, in each case, without further (a) notice to, or order of, the Court, (b) act or action under applicable law, regulation, order, or rule, or (c) vote, consent, authorization, or approval of any Person or Entity.

**68.** ~~67.~~ Non-Severability. This Order constitutes a judicial determination that each term and provision of the Plan, as it may have been altered or interpreted in accordance with Section XII.I of the Plan, is (a) valid and enforceable pursuant to its terms, (b) integral to the Plan and may not be deleted or modified without the consent of LightSquared, the New Investors, and, to the extent otherwise set forth herein or in the Plan Support Agreement, MAST, and (c) non-severable and mutually dependent. The provisions of the Plan shall not be severable unless such severance is agreed to by LightSquared (or, if after the Effective Date, by the Reorganized Debtors), the New Investors, and, to the extent otherwise set forth herein, in the Plan, or in the Plan Support Agreement, MAST, and such severance would constitute a permissible modification of the Plan pursuant to section 1127 of the Bankruptcy Code.

**69.** ~~68.~~ Final Order. This Order is a Final Order and the period in which an appeal must be filed shall commence upon the entry hereof.

**70.** ~~69.~~ Closing of Chapter 11 Cases. The Reorganized Debtors shall promptly, upon the full administration of the Chapter 11 Cases, file with the Court all documents required by the Bankruptcy Rules and any applicable orders of the Court to close the Chapter 11 Cases.

**71.** ~~70.~~ Binding Effect; Waiver of Bankruptcy Rules 3020(e), 6004(h), and 7062 and Federal Rule of Civil Procedure 62(a). The fourteen (14) day stay provided by Bankruptcy Rules 3020(e), 6004(h), and 7062 and Federal Rule of Civil Procedure 62(a) shall

not apply to this Order. Immediately upon the entry of this Order: (a) the provisions of the Plan shall be binding upon (i) LightSquared, (ii) all Holders of Claims against, or Equity Interests in, LightSquared, whether or not Impaired under the Plan and whether or not, if Impaired, such Holders accepted the Plan, (iii) each Person acquiring property under the Plan, (iv) any other party in interest, (v) any Person making an appearance in the Chapter 11 Cases, and (vi) each of the foregoing's respective heirs, successors, assigns, trustees, executors, administrators, affiliates, officers, directors, agents, representatives, attorneys, beneficiaries, or guardians; and (b) LightSquared is authorized to consummate the Plan immediately upon entry of this Order.

~~[INTENTIONALLY LEFT BLANK]~~



72. ~~71.~~ Conflicts with This Order. The provisions of the Plan and this Order shall be construed in a manner consistent with each other so as to effect the purpose of each; provided, however, that if there is determined to be any inconsistency between any Plan provision and any provision of this Order that cannot be so reconciled, then solely to the extent of such inconsistency, the provisions of this Order shall govern, and any provision of this Order shall be deemed a modification of the Plan and shall control and take precedence.

~~The~~ Subject to paragraph 47(a) of this Order, the provisions of this Order are integrated with each other and are non-severable and mutually dependent. To the extent of any inconsistency between this Order and either the New Inc. DIP Order, the Alternative Transaction Fee Order, or the KEIP Order that cannot be reconciled, then solely to the extent of such inconsistency, the provisions of this Order shall govern.

73. Pending Motions. Unless otherwise addressed herein, all motions pending, as of the entry of this Order, before the Court in the Chapter 11 Cases shall be denied. Notwithstanding the foregoing, and for the avoidance of all doubt, the following shall not be denied as a result of the prior sentence: (a) the New Inc. DIP Motion; (b) the Alternative Transaction Fee Motion; (c) the Amended KEIP Motion; (d) the Commitment Letters Motion and the corresponding Motion for Order Authorizing LightSquared To File Under Seal Portions of Exhibits Attached to LightSquared's Motion for Entry of Order, Pursuant to 11 U.S.C. §§ 105(a) and 363, Authorizing LightSquared to (A) Enter Into and Perform Under Letters Related to \$1,515,000,000 Second Lien Exit Financing Arrangements, (B) Pay Fees and Expenses in Connection Therewith, and (C) Provide Related Indemnities [Docket No. 2240]; (e) the Providence Motion; (f) the

Centaurus Motion; (g) the Harbinger Litigation Stay Motion; (h) any request for  
payment of Claims by a Professional.

Dated: \_\_\_\_\_, 2015

New York, New York

---

HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE