

**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. ¹)	Jointly Administered
)	

**JOINT PLAN PURSUANT TO CHAPTER 11 OF BANKRUPTCY CODE
PROPOSED BY DEBTORS AND AD HOC SECURED GROUP OF
LIGHTSQUARED LP LENDERS**

Dated: New York, New York
August 7, 2014

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¹ 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.



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INTRODUCTION

LightSquared Inc., LightSquared LP, and the other Debtors in the Chapter 11 Cases, with the authority, and at the direction, of the Special Committee, together with the Ad Hoc LP Secured Group, collectively as the Plan Proponents, hereby respectfully propose the following joint chapter 11 plan for the resolution of outstanding Claims against, and Equity Interests in, the Debtors. 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 Proponents reserve the right to alter, amend, modify, revoke, or withdraw this Plan (in accordance with the terms hereof), prior to its substantial consummation, including withdrawal of the Plan as to the Inc. Debtors pursuant to Article IV.U hereof.

Among other things, the Plan provides for the potential satisfaction in full of senior secured claims against the Debtors and offers a compromised treatment for Prepetition LP Facility SPSO Claims that would avoid costly litigation with respect to subordination of such Claims. The Plan also provides for potential recoveries to junior stakeholders through an Auction of the New LightSquared Common Equity that is otherwise distributable to Holders of Allowed Prepetition LP Facility Non-SPSO Claims, Allowed Prepetition LP Facility SPSO Claims (if applicable), and Allowed Prepetition Inc. Facility Non-Subordinated Claims (if applicable), if such Claims (and Allowed DIP Facility Claims) are first satisfied in full, in Cash, from the proceeds of the Auction.

The Plan Proponents believe that the Plan is currently 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 equityholders. Moreover, it is the only restructuring proposal that avoids a value-minimizing liquidation, and is the only path currently available for the Debtors to successfully exit the Chapter 11 Cases.

ALL HOLDERS OF CLAIMS OR EQUITY INTERESTS 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 Article 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. “**Ad Hoc LP Secured 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.

3. “**Ad Hoc LP Secured Group Advisors**” means White & Case LLP, as counsel to the Ad Hoc LP Secured Group, and Blackstone Advisory Partners L.P., as financial advisor to the Ad Hoc LP Secured Group.

4. “**Ad Hoc LP Secured Group Fee Claims**” means all Claims for: (a) the reasonable documented fees and expenses of the Ad Hoc LP Secured Group Advisors and [(b) reasonable out-of-pocket expenses incurred by each member of the Ad Hoc LP Secured Group in their capacities as such, including the reasonable documented fees and expenses of LightSquared LP Lender Advisors.]

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 Break-Up Fee or Expense

Reimbursement; provided, however, that no party shall be entitled to, or receive (nor shall any reserve be required on account of), any Break-Up Fee or Expense Reimbursement; (h) the Ad Hoc LP Secured Group Fee Claims; and (i) any fees and expenses that are earned and payable pursuant to the New DIP Facilities, the New LightSquared Working Capital Facility, the Plan, and the other Plan Documents.

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, 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 (including the commencement of an adversary proceeding against a Holder of a Claim) 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 the Debtors or Reorganized Debtors, 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 Successful Purchaser**” has the meaning set forth in the Auction Procedures.

10. “**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.

11. “**Auction**” means the auction of New LightSquared Common Equity to be conducted in accordance with the Plan and the Auction Procedures.

12. “**Auction Procedures**” means the process and procedures for conducting the Auction, which procedures will be filed with the Plan Supplement, and shall be approved by the Bankruptcy Court in connection with Confirmation of the Plan.

13. “**Auction Proceeds**” means all net Cash proceeds and other consideration deliverable to the Debtors upon consummation of the Auction in accordance with the Plan, the Auction Procedures, and the Confirmation Order.

14. “**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.

15. “**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.

16. “**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.

17. “**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.

18. “**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.

19. “**Board**” means the initial board of directors or managers of New LightSquared.

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

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

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

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

24. “**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. Cause of Action also 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.

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, the chapter 11 case pending for that Debtor 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 Solicitation Agent**” means Kurtzman Carson Consultants LLC, the notice, claims, solicitation, and balloting agent retained by the Debtors in the Chapter 11 Cases.

29. “**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.

30. “**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].

31. “**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.

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, in form and substance satisfactory to the Plan Proponents.

40. “**Confirmation Recognition Order**” means an order of the Canadian Court, which shall be in form and substance acceptable to the Plan Proponents, 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 Claim**” means a DIP Inc. Facility Claim, a DIP LP Facility Claim, or a New DIP Facility Claim.

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

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

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

50. “**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. Obligors, the DIP Inc. Agent, and the DIP Inc. Lenders.

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

52. “**DIP Inc. Facility 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, and default interest, but excluding fees and expenses provided for thereunder, which shall be paid by the Debtors in accordance with the DIP Inc. Order.

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

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

55. “**DIP Inc. Obligors**” means the DIP Inc. Borrower and the DIP Inc. Guarantors.

56. “**DIP Inc. Order**” means the *Final Order, Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, and 507, (A) Authorizing Inc. Obligors 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).

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

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

59. “**DIP LP Facility 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.

60. “**DIP LP Guarantors**” means each existing and future, direct or indirect, subsidiary of LightSquared LP, as guarantors under the DIP LP Facility.

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

62. “**DIP LP Order**” means the *Final Order (A) Authorizing LP DIP Obligors To Obtain Fifth 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. 1681] (as amended, supplemented, or modified from time to time in accordance with the terms thereof).

63. “**Disbursing Agent**” means, for purposes of making distributions under the Plan, New LightSquared or such other Entity designated by the Plan Proponents or New LightSquared, as applicable.

64. “**Disclosure Statement**” means, collectively, (a) the First Amended General Disclosure Statement [Docket No. 918] and (b) the Specific Disclosure Statement for Joint Plan Pursuant to Chapter 11 of Bankruptcy Code Proposed by Debtors and Ad Hoc Secured Group of LightSquared LP Lenders [Docket No. ____] (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, subject to the prior consent of the Ad Hoc LP Secured Group, which consent shall not be unreasonably withheld).

65. “**Disclosure Statement Order**” means the order entered by the Bankruptcy Court in the Chapter 11 Cases, in form and substance reasonably acceptable to the Plan Proponents, (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.

66. “**Disclosure Statement Recognition Order**” means the order of the Canadian Court, which shall be in form and substance acceptable to the Plan Proponents, recognizing the entry of the Disclosure Statement Order.

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

68. “**Disputed Claims and Equity Interests Reserve**” means applicable Plan Consideration from the Plan Consideration Carve-Out to be held in reserve by the Reorganized Debtors 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. Plan Consideration to be reserved on account of any Disputed Claims or Equity Interests in Classes 5C, 7, 10, 11, 12, 13, and 14, and payable on account of any such Claims or Equity Interests that are later Allowed, shall be derived solely from Excess Auction Proceeds.

69. “**Distribution Record Date**” means (a) the New DIP Facilities Closing Date for all New DIP Facility Claims and (b) the Voting Record Date for all other Claims and Equity Interests.

70. “**Effective Date**” means a date selected by the Plan Proponents that shall be a Business Day that is no later than five (5) days after all of the conditions precedent set forth in Article IX.B of the Plan have been satisfied or waived (to the extent such conditions can be waived).

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

72. “**Employee Settlement Agreement**” means that certain Settlement Agreement, by and among LightSquared Inc., on behalf of itself and each of its Debtor Affiliates, Harbinger, and Mr. Sanjiv Ahuja, approved by the Bankruptcy Court pursuant to the *Order, Pursuant to Sections 105(a) and 365(a) of Bankruptcy Code and Bankruptcy Rules 6006, 9014, and 9019, (a) Approving Settlement Agreement Regarding Employment Agreement Claims, (b) Rejecting Employment Documents, and (c) Authorizing Any and All Actions Necessary To Consummate Settlement Agreement* [Docket No. 223].

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

74. “**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.

75. “**Ergen Action**” means the Ergen Adversary Proceeding, the case 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. filed July 8, 2014), and, as to each of the foregoing, any claims or actions pertaining or related to the allegations set forth therein as they may relate to Charles W. Ergen, SPSO, DISH Network Corporation, EchoStar Corporation, L-Band Acquisition LLC, Special Opportunities Holdings LLC, Sound Point Capital Management LP, Stephen Ketchum, and their respective predecessors, successors and assigns, and current and former shareholders, affiliates, subsidiaries, members, or representatives.

76. “**Ergen Adversary Proceeding**” means the adversary proceeding under the caption *LightSquared Inc. v. SP Special Opportunities LLC (In re LightSquared Inc.)*, Case No. 12-12080 (SCC), Adv. Proc. No. 13-01390 (SCC) (Bankr. S.D.N.Y. 2013).

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

78. “**Excess Auction Proceeds**” means all Auction Proceeds remaining, if any, after payment in full, in Cash, of all Allowed Prepetition LP Facility Non-SPSO Claims, Allowed Prepetition Inc. Facility Non-Subordinated Claims, Allowed Prepetition LP Facility SPSO Claims, and Allowed New DIP Facility Claims, pursuant to and in accordance with Articles III.B and IV.C hereof.

79. “**Excess Inc. Auction Proceeds**” means Excess Auction Proceeds allocated to the Inc. Debtors by Final Order of the Bankruptcy Court, plus any Excess LP Auction Proceeds remaining, if any, after payment in full of all Allowed Prepetition LP Facility SPSO Subordinated Claims (if any) and Allowed Existing LP Preferred Units Equity Interests.

80. “**Excess LP Auction Proceeds**” means Excess Auction Proceeds allocated to the LP Debtors by Final Order of the Bankruptcy Court.

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

82. “**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.

83. “**Existing Inc. Common Stock**” means the Equity Interests in LightSquared Inc. (other than the Existing Inc. Preferred Stock). For the avoidance of doubt, Existing Inc. Common Stock includes the common equity interest in LightSquared Inc. Allowed pursuant to the Employee Settlement Agreement.

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

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

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

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

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

89. “**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.

90. “**Expense Reimbursement**” has the meaning set forth in the Prior Bid Procedures Order.

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

92. “**Federal Judgment Rate**” means the federal judgment rate in effect as of the Petition Date.

93. “**File,**” “**Filed,**” or “**Filing**” means file, filed, or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases.

94. “**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 has expired and no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari 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 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 Plan Proponents reserve the right to waive any appeal period.

95. “**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 SPSO Subordinated Claim (if any); (j) Inc. Convenience Claim; or (k) Intercompany Claim.

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

97. “**GPS Industry**” means Deere & Company, Garmin International, Inc., Trimble Navigation Limited, the U.S. GPS Industry Council, the Coalition to Save Our GPS, and any of their related entities or Affiliates or any of their successors and assigns.

98. “**Harbinger**” means Harbinger Capital Partners, LLC, its affiliated and managed funds, and any affiliated Persons thereof.

99. “**Harbinger Litigation Action**” shall mean an action (including, without limitation, by motion or adversary proceeding before the Bankruptcy Court) brought by any of the Plan Proponents to stay, bar, enjoin, preclude, or otherwise limit Harbinger and/or any of its Affiliates from asserting against the GPS Industry and/or the United States of America any claim or Cause of Action that is, or directly affects, any property of one or more of the Debtors’ Estates or the Reorganized Debtors.

100. “**Harbinger Litigation Determination**” means a determination, by order or other judgment of the Bankruptcy Court or other court of competent jurisdiction, that stays, bars, enjoins, precludes, or otherwise limits Harbinger and/or any of its Affiliates from asserting against the GPS Industry and/or the United States of America any claim or Cause of Action that is or directly affects any property of one or more of the Debtors’ Estates or the Reorganized Debtors.

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

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

103. “**Inc. Convenience Claim**” means any General Unsecured Claim asserted against an Inc. Debtor that is in an amount equal to or less than \$65,000.

104. “**Inc. Debtors**” means, collectively, LightSquared Inc., One Dot Four Corp., One Dot Six Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, SkyTerra Investors LLC, and One Dot Six TVCC Corp.

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

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

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

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

109. “**Inmarsat Cooperation Agreement**” means that certain Amended and Restated Cooperation Agreement, dated as of August 6, 2010 (as amended, supplemented, amended and restated or otherwise modified from time to time), by and between LightSquared LP, SkyTerra (Canada) Inc., LightSquared Inc., and Inmarsat Global Limited.

110. “**Inmarsat Cooperation Agreement Determination**” means a determination, by order or other judgment of the Bankruptcy Court, which shall be acceptable to the Ad Hoc LP Secured Group and reasonably acceptable to the LP Debtors, that, as between the Debtors and their Affiliates, LightSquared LP and SkyTerra (Canada) Inc. are the sole beneficiaries of the Inmarsat Cooperation Agreement, and the Inc. Debtors do not hold any beneficial interest in the Inmarsat Cooperation Agreement.

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

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

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

114. “**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.

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

116. “**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.

117. “**License Modification Application**” has the meaning set forth in the Disclosure Statement.

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

119. [“**LightSquared LP Lender Advisors**” means counsel to a LightSquared LP lender that is a member of the Ad Hoc LP Secured Group (but does not include the Ad Hoc LP Secured Group Advisors).]

120. “**Litigation Determination**” means a determination, by order or other judgment of the Bankruptcy Court, which shall be acceptable to the Ad Hoc LP Secured Group and reasonably acceptable to the Debtors, (a) addressing whether (i) any of the claims and Causes of Action asserted in the proceedings captioned *LightSquared Inc. v. Deere & Company (In re LightSquared Inc.)*, Case No. 12-12080 (SCC), Adv. Proc. No. 13-01670 (SCC) (Bankr. S.D.N.Y. 2013), *LightSquared Inc. v. Deere & Company*, Case No. 13-cv-08157 (RMB) (S.D.N.Y. 2013), and *Harbinger Capital Partners, LLC, et al. v. United States of America*, Civil Action No. 14-cv-00597 (Fed. Cl. 2014), and (ii) any other identified claims and Causes of Action that may be asserted against the GPS Industry and/or the United States of America relating in any way to the Debtors’ FCC licenses and authorizations or the use of the spectrum rights conferred thereby, are property of one or more of the LP Debtors’ Estates and (b) providing that all other Persons (including, without limitation, Harbinger and its non-Debtor affiliates) shall be stayed, barred, enjoined, precluded, or otherwise limited from pursuing, asserting, interfering with, or exercising any dominion or control over any such claims or Causes of Action that are determined by the Bankruptcy Court to be, or to directly affect any, property of one or more of the LP Debtors’ Estates.

121. “**LP Cash Collateral Order**” means the *Amended Agreed Final Order (a) Authorizing Debtors To Use Cash Collateral, (b) Granting Adequate Protection to Prepetition LP Facility 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).

122. “**LP Debtors**” means, collectively, LightSquared Inc., 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., LightSquared Investors Holdings Inc., TMI Communications Delaware, Limited Partnership, and LightSquared GP Inc.

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

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

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

126. “**Management Incentive Plan**” means a post-Effective Date management equity incentive plan approved by the Board, which may provide for the issuance of New LightSquared Common Equity to officers and employees of the Reorganized Debtors.

127. “**MAST Fee Claims**” means all Claims for the reasonable and documented out-of-pocket expenses incurred by MAST Capital Management, LLC in connection with the Chapter 11 Cases.

128. “**Material Regulatory Request**” means any of the following: (a) the License Modification Application; (b) the Spectrum Allocation Petition for Rulemaking; (c) the pending petition for rulemaking in RM-11683; and (d) the pending application filed by OP LLC and One Dot Six Corp. to renew the FCC’s authorization of One Dot Six Corp.’s lease of spectrum rights in the 1670-1675 MHz band from OP LLC.

129. “**Minimum Bid**” has the meaning set forth in Article IV.B.1(b)(ii) hereof.

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

131. “**New DIP Facilities Closing Date**” means the Confirmation Date or as soon as practicable thereafter.

132. “**New DIP Facility Agents**” means the administrative agents under the New DIP Facility Credit Agreements or any successor agent appointed in accordance with the New DIP Facility Credit Agreements.

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

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

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

136. “**New DIP Facility Loans**” means the New DIP LP Facility Loans and the New DIP Inc. Facility Loans.

137. “**New DIP Facility Orders**” means Final Orders of the Bankruptcy Court, in form and substance reasonably acceptable to the Plan Proponents, approving the New DIP Facilities (as may be amended, supplemented, or modified from time to time in accordance with the terms thereof).

138. “**New DIP Inc. Facility**” means a senior secured, priming, superpriority debtor-in-possession facility in the aggregate principal amount of \$[23.5] million, plus the aggregate amount of Allowed DIP Inc. Claims, which shall have market terms and conditions and which shall be secured by senior priming liens and allowed superpriority administrative expense claims on all the assets of One Dot Four Corp., One Dot Six Corp., and One Dot Six TVCC Corp, in form and substance satisfactory to the Ad Hoc LP Secured Group and reasonably satisfactory to the Debtors.

139. “**New DIP Inc. Facility Credit Agreement**” means that certain senior secured, priming, superpriority debtor-in-possession credit agreement to be entered into among LightSquared Inc., as borrower, certain of the other Inc. Debtors, as guarantors, and the New DIP Inc. Facility Lenders.

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

141. “**New DIP Inc. Facility Loans**” means the loans to be made under the New DIP Inc. Facility.

142. “**New DIP Inc. Facility Obligor**” means certain of the Inc. Debtors.

143. “**New DIP LP Facility**” means a senior secured, priming, superpriority debtor-in-possession facility in the aggregate principal amount of \$[119.3] million, plus the aggregate amount of Allowed DIP LP Claims, which shall have market terms and conditions and which shall be secured by senior priming liens and allowed superpriority administrative expense claims on all the assets of the Debtors, in form and substance satisfactory to the Ad Hoc LP Secured Group and reasonably satisfactory to the Debtors.

144. “**New DIP LP Facility Credit Agreement**” means that certain senior secured, priming, superpriority debtor-in-possession credit agreement to be entered into among LightSquared LP, as borrower, the other LP Debtors, as guarantors, and the New DIP LP Facility Lenders.

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

146. “**New DIP LP Facility Loans**” means the New DIP LP Facility Tranche A Loans and the New DIP LP Facility Tranche B Loans.

147. “**New DIP LP Facility Obligators**” means the LP Debtors.

148. “**New DIP LP Facility Tranche A Loans**” means the tranche “A” loans to be made under the New DIP LP Facility, which shall have the same rights as the New DIP LP Facility Tranche B Loans, except as specified below in the definition of “New DIP LP Facility Tranche B Loans.”

149. “**New DIP LP Facility Tranche B Loans**” means the tranche “B” loans to be made under the New DIP LP Facility, which shall have the same rights as the New DIP LP Facility Tranche A Loans, except that the Holders of the New DIP LP Facility Tranche B Loans shall not have any voting, approval, or waiver rights (including with respect to the exercise of remedies) under the New DIP LP Facility, other than with respect to changes to the principal amount of, or the interest rate or payment date or maturity date applicable to, New DIP LP Facility Tranche B Loans, the release of all or substantially all of the applicable Collateral, the release of any New DIP LP Facility Obligor from its obligations under the New DIP LP Facility, or with respect to any modification or waiver that would have a disproportionate impact on the New DIP LP Facility Tranche B Loans compared with the New DIP LP Facility Tranche A Loans.

150. “**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.

151. “**New LightSquared Class A Common Equity**” means those certain equity interests issued by New LightSquared in connection with, and subject to, the Plan and the Confirmation Order, each share or unit of which shall provide for the same rights as to dividends and distributions upon liquidation as each share or unit of New LightSquared Class B Common Equity, but each share or unit of New LightSquared Class A Common Equity will have five (5) times the voting power of a share or unit of New LightSquared Class B Common Equity.

152. “**New LightSquared Class B Common Equity**” means those certain equity interests issued by New LightSquared in connection with, and subject to, the Plan and the Confirmation Order, each share or unit of which shall provide for the same rights as to dividends and distributions upon liquidation as each share or unit of New LightSquared Class A Common Equity, but each share or unit of New LightSquared Class B Common Equity will have one-fifth (1/5) the voting power of a share or unit of New LightSquared Class A Common Equity.

153. “**New LightSquared Common Equity**” means New LightSquared Class A Common Equity and New LightSquared Class B Common Equity.

154. “**New LightSquared Loan Facility**” means the New LightSquared Term Loan Facility and the New LightSquared Working Capital Facility.

155. “**New LightSquared Loan Facility Agreement**” means that certain credit agreement to be entered into among New LightSquared and its subsidiaries and the Holders of Prepetition LP Facility Non-SPSO Claims, the Holders of Prepetition LP Facility SPSO Claims, the Holders of Prepetition Inc. Facility Non-Subordinated Claims, and the New LightSquared Working Capital Facility Lenders.

156. “**New LightSquared Obligors**” means New LightSquared and its subsidiaries.

157. “**New LightSquared Shareholder Agreement**” means a shareholder agreement, to be filed with the Plan Supplement.

158. “**New LightSquared Stapled B Units**” means a single unit comprised of \$1 million of principal amount of New LightSquared Tranche B Term Loans (or, if less, the entire aggregate principal amount of the New LightSquared Tranche B Term Loans held by the applicable holder), together with a proportionate share (based on the proportion (when expressed as a percentage) that \$1 million (or such lesser amount, if applicable) of New LightSquared Tranche B Term Loans bears to the aggregate principal amount of New LightSquared Tranche B Term Loans held by such holder) of New LightSquared Tranche B Working Capital Loans (to the extent applicable) and New LightSquared Class B Common Equity.

159. “**New LightSquared Term Loan Facility**” means a term loan facility which shall be secured by liens on substantially all of the assets of New LightSquared and its subsidiaries and rank pari passu in right of payment and security with the New LightSquared Working Capital Facility, but subject to the “super-priority” status of the New LightSquared Working Capital Facility as described in the second succeeding sentence. The New LightSquared Term Loan Facility shall have market terms and conditions acceptable to the Ad Hoc LP Secured Group and reasonably acceptable to the Debtors, and which shall be in the aggregate principal amount of: (a) \$1.0 billion if Class 5B (Prepetition LP Facility SPSO Claims) votes to accept, or is deemed to accept, the Plan; or (b) \$1.2 billion plus the Allowed amount of Prepetition LP Facility SPSO Claims, if Class 5B (Prepetition LP Facility SPSO Claims) votes to reject the Plan. If (y) a default or an event of default has occurred and is continuing under the New LightSquared Loan Facilities or (z) an enforcement action against the Collateral has commenced, all voluntary prepayments and mandatory prepayments, and the proceeds realized in any enforcement action, shall first be applied to prepay or repay in full all then outstanding New LightSquared Tranche A Working Capital Loans and New LightSquared Tranche B Working Capital Loans (on a pro rata basis) before any portion of such prepayment or repayment is applied to the New LightSquared Tranche A Term Loans or New LightSquared Tranche B Term Loans.

160. “**New LightSquared Term Loans**” means the New LightSquared Tranche A Term Loans and the New LightSquared Tranche B Term Loans.

161. **“New LightSquared Tranche A Term Loans”** means the tranche “A” term loans to be made under the New LightSquared Term Loan Facility, which shall rank pari passu in right of payment and security with the New LightSquared Tranche B Term Loans, and which shall have the same rights as the New LightSquared Tranche B Term Loans, except as specified below in the definition of “New LightSquared Tranche B Term Loans.”

162. **“New LightSquared Tranche A Working Capital Loans”** means the tranche “A” “super-priority” working capital term loans to be made under the New LightSquared Working Capital Loan Facility, which shall rank pari passu in right of payment and security with the New LightSquared Tranche B Working Capital Loans, and which shall have the same rights as the New LightSquared Tranche B Working Capital Loans, except as specified below in the definition of “New LightSquared Tranche B Working Capital Loans.”

163. **“New LightSquared Tranche B Term Loans”** means the tranche “B” term loans to be made under the New LightSquared Term Loan Facility, which shall rank pari passu in right of payment and security with the New LightSquared Tranche A Term Loans, and which shall have the same rights as the New LightSquared Tranche A Term Loans, except that the Holders of the New LightSquared Tranche B Term Loans shall not have any voting, approval, or waiver rights (including with respect to the exercise of remedies) under the New LightSquared Term Loan Facility, other than with respect to changes to the principal amount of, or the interest rate or payment date or maturity date applicable to, New LightSquared Tranche B Term Loans, the release of all or substantially all of the Collateral or the value of the guarantees in respect of the New LightSquared Loan Facility, or with respect to any modification or waiver that would have a disproportionate impact on the New LightSquared Tranche B Term Loans compared with the New LightSquared Tranche A Term Loans.

164. **“New LightSquared Tranche B Working Capital Loans”** means the tranche “B” “super-priority” working capital term loans to be made under the New LightSquared Working Capital Loan Facility, which shall rank pari passu in right of payment and security with the New LightSquared Tranche A Working Capital Loans, and which shall have the same rights as the New LightSquared Tranche A Working Capital Loans, except that the Holders of the New LightSquared Tranche B Working Capital Loans shall not have any voting, approval, or waiver rights (including with respect to the exercise of remedies) under the New LightSquared Term Loan Facility, other than with respect to changes to the principal amount of, or the interest rate or payment date or maturity date applicable to, New LightSquared Tranche B Working Capital Loans, the release of all or substantially all of the Collateral or the value of the guarantees in respect of the New LightSquared Loan Facility, or with respect to any modification or waiver that would have a disproportionate impact on the New LightSquared Tranche B Working Capital Loans compared to the New LightSquared Tranche A Working Capital Loans.

165. **“New LightSquared Working Capital Facility”** means a “super-priority” working capital term loan facility in an aggregate principal amount of \$500 million, plus the aggregate amount of Allowed New DIP Facility Claims to be satisfied thereby, which shall be secured by liens on substantially all of the assets of New LightSquared and its subsidiaries and rank pari passu in right of payment and security with the New LightSquared Term Loan Facility; provided that the New LightSquared Working Capital Facility shall have “super-priority” status with respect to certain prepayments, repayments, and the application of proceeds in connection

with an enforcement action as described above in the definition of “New LightSquared Term Loan Facility.” The New LightSquared Working Capital Facility shall have market terms and conditions acceptable to the Ad Hoc LP Secured Group and reasonably acceptable to the Debtors.

166. “**New LightSquared Working Capital Facility Lenders**” means the lenders under the New LightSquared Working Capital Facility that are party to the New LightSquared Loan Facility Agreement from time to time.

167. “**New LightSquared Working Capital Facility Loans**” means the New LightSquared Tranche A Working Capital Loans and the New LightSquared Tranche B Working Capital Loans.

168. “**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.

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

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

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

172. “**Plan**” means this chapter 11 plan, including all exhibits, supplements, appendices, and schedules hereto, either in its present form or as it may be amended, supplemented, or otherwise modified from time to time (but solely in accordance with the terms hereof), in form and substance reasonably acceptable to the Plan Proponents, including, without limitation, the Plan Supplement, which is incorporated herein by reference.

173. “**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. Plan Consideration to be paid or distributed with respect to any Allowed Claims or Equity Interests in Classes 5C, 7, 10, 11, 12, 13, and 14 shall consist solely of Excess Auction Proceeds.

174. “**Plan Consideration Carve-Out**” means the amount of Plan Consideration necessary to fund the Professional Fee Reserve and Disputed Claims and Equity Interests Reserve.

175. “**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.

176. “**Plan Documents**” means the documents other than this Plan to be executed, delivered, assumed, or performed in conjunction with the Plan as necessary to consummate the Plan Transactions, including, without limitation, any documents included in the Plan Supplement, in each case, in form and substance satisfactory to the Plan Proponents.

177. “**Plan Proponents**” means the Debtors and the Ad Hoc LP Secured Group.

178. “**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, in form and substance satisfactory to the Plan Proponents) to be Filed no later than the Plan Supplement Date or such other date as may be approved by the Bankruptcy Court, including the Plan Documents.

179. “**Plan Supplement Date**” means (a) [____ _], 2014 or (b) such other date agreed to by the Plan Proponents and approved by the Bankruptcy Court; provided that the Plan Proponents reserve the right to File amended Plan Documents at any time prior to the conclusion of the Confirmation Hearing.

180. “**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 the Plan Proponents or Reorganized Debtors, as applicable, determine are necessary or appropriate.

181. “**Potential Harbinger Claims**” means any claim or Cause of Action that has been or may be asserted by Harbinger arising out of, relating to, or in connection with the Chapter 11 Cases, the Debtors, or the Debtors’ businesses, including against any Entities in the GPS Industry or the United States government, including, without limitation, the Causes of Action asserted in the proceedings captioned *LightSquared Inc. v. Deere & Co. (In re LightSquared Inc.)*, Case No. 12-12080 (SCC), Adv. Proc. No. 13-01670 (SCC) (Bankr. S.D.N.Y. 2013), *LightSquared Inc. v. Deere & Co.*, Case No. 13-cv-08157 (RMB) (S.D.N.Y. 2013), *Harbinger Capital Partners LLC v. Deere & Co.*, Case No. 13-cv-5543 (RMB) (S.D.N.Y. 2013), and *Harbinger Capital Partners, LLC v. United States*, Civil Action No. 14-cv-00597 (Fed. Cl. 2014).

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

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

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

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

186. **“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.

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

188. **“Prepetition Inc. Facility Action”** means an action brought by the Ad Hoc LP Secured Group prior to the Effective Date, in accordance with the terms and conditions of this Plan, pursuant to which it brings Claims or Causes of Action identified or alleged against the Prepetition Inc. Agent and/or the Prepetition Inc. Lenders, as the case may be, in the Standing Motion.

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

190. **“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, which shall remain in effect until the Effective Date.

191. **“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.

192. **“Prepetition Inc. Facility Postpetition Interest”** means all interest owed pursuant to the Prepetition Inc. Loan Documents from and after the Petition Date.

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

194. **“Prepetition Inc. Facility Repayment Premium”** means the repayment premium due and owing pursuant to § 2.10(g) of the Prepetition Inc. Credit Agreement.

195. **“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.

196. **“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.

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

198. “**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).

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

200. “**Prepetition Loan Documents**” means, collectively, the Prepetition Inc. Loan Documents and the Prepetition LP Loan Documents.

201. “**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.

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

203. “**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.

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

205. “**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.

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

207. “**Prepetition 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).

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

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

210. “**Prepetition LP Facility SPSO Claim**” means a Prepetition LP Facility Claim held by SPSO or any of its Affiliates, other than a Prepetition LP Facility SPSO Subordinated Claim.

211. “**Prepetition LP Facility SPSO Subordinated Guarantee Claim**” means a Prepetition LP Facility SPSO Subordinated Claim against any of the Inc. Debtors.

212. “**Prepetition LP Facility SPSO Subordinated Claim**” means a Prepetition LP Facility Claim held by SPSO or any of its Affiliates that has been equitably subordinated pursuant to an order of the Bankruptcy Court following the Confirmation Date.

213. “**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.

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

215. “**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).

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

217. “**Prior 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].

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

219. “**Pro Rata**” means (a) with respect to Claims, the proportion that an Allowed Claim in a particular Class (or among particular unclassified Claims) bears to the aggregate amount of the Allowed Claims in that Class (or among those particular unclassified Claims), or the proportion that Allowed Claims in a particular Class and other Classes (or particular unclassified Claims) entitled to share in the same recovery as such Allowed Claim under the Plan bears to the aggregate amount of such Allowed Claims, and (b) with respect to Equity Interests, the proportion that an Allowed Equity Interest in a particular Class bears to the aggregate amount

of the Allowed Equity Interests in that Class or the proportion that an Allowed Equity Interest in a particular Class and other Classes entitled to share in the same recovery as such Allowed Equity Interest under the Plan bears to the aggregate amount of such Allowed Equity Interests.

220. “**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).

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

222. “**Professional Fee Reserve**” means the Cash from the Plan Consideration Carve-Out in an amount equal to the Professional Fee Reserve Amount to be held in reserve by the Reorganized Debtors in the Professional Fee Escrow Account.

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

224. “**Prohibited Transferee**” means SPSO, any SPSO Affiliate, and any other Person that may be identified by the Plan Proponents in a Plan Supplement as a Prohibited Transferee.

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

226. “**Qualified Bid**” has the meaning set forth in the Auction Procedures.

227. “**Reinstated**” 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.

228. “**Reinstated Intercompany Interests**” means, except as otherwise provided in the Plan, the Intercompany Interests that are Reinstated under, and pursuant to, the Plan.

229. “**Released Party**” means each of the following: (a) the Debtors; (b) the Ad Hoc LP Secured Group and each member thereof; (c) each Prepetition LP Lender; (d) each Prepetition Inc. Lender; (e) the Prepetition LP Agent; (f) the Prepetition Inc. Agent; (g) each DIP LP Lender; (h) each DIP Inc. Lender; (i) the DIP Inc. Agent; (j) each New DIP Facility Lender; (k) the New DIP Facility Agents; (l) the present and former directors, officers, managers, equity holders, agents, successors, assigns, attorneys, accountants, consultants, investment bankers, brokers, bankruptcy and restructuring advisors, and financial advisors of the parties listed in (a) through (k), in each case in their capacity as such; (m) each of the respective affiliates of the parties listed in (a) through (l), in their capacity as such; and (n) any Person claimed to be liable derivatively through any of the foregoing; provided, however, that (i) to the extent Holders of Allowed Prepetition LP Facility SPSO Claims in Class 5B vote to reject the Plan, such Holders of Allowed Prepetition LP Facility SPSO Claims, along with each of their present and former directors, officers, managers, equity holders, agents, successors, assigns, attorneys, accountants, consultants, investment bankers, brokers, bankruptcy and restructuring advisors, and financial advisors shall not be Released Parties, and (ii) to the extent Holders of Allowed Prepetition Inc. Facility Subordinated Claims in Class 7 vote to reject the Plan and/or do not agree to waive any purported Potential Harbinger Claims and, in the event Class 5B votes to accept the Plan, the Ergen Actions, Holders of Allowed Prepetition Inc. Facility Subordinated Claims in Class 7 (including, for the avoidance of doubt, Harbinger) along with each of their present and former directors, officers, managers, equity holders, agents, successors, assigns, attorneys, accountants, consultants, investment bankers, brokers, bankruptcy and restructuring advisors, and financial advisors shall not be Released Parties.

230. “**Releasing Party**” has the meaning set forth in Article VIII.F hereof.

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

232. “**Reorganized Debtors Boards**” means, collectively, the boards of each of the Reorganized Debtors.

233. “**Reorganized Debtors Bylaws**” means, collectively, the bylaws of each of the Reorganized Debtors.

234. “**Reorganized Debtors Charters**” means, collectively, the charters of each of the Reorganized Debtors.

235. “**Reorganized Debtors Corporate Governance Documents**” means, as applicable, (a) the Reorganized Debtors Bylaws, (b) the Reorganized Debtors Charters, and (c) any other applicable organizational or operational documents with respect to the Reorganized Debtors.

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

237. “**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 Plan Proponent).

238. “**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 Plan Proponent).

239. “**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).

240. “**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.

241. “**Secured Claim**” means a Claim, either as set forth in this Plan, as agreed to by the Holder of such Claim and the Plan Proponents, or as determined by a Final Order in accordance with sections 506(a) and 1111(b) of the Bankruptcy Code: (a) that is secured by a valid, perfected, and enforceable Lien on Collateral, to the extent of the value of the Claim Holder’s interest in such Collateral as of the Confirmation Date; or (b) to the extent that the Holder thereof has a valid right of setoff pursuant to section 553 of the Bankruptcy Code.

242. “**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.

243. “**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.

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

245. “**Sharing Provision**” means the equitable and ratable distribution and sharing provisions of the Prepetition Inc. Credit Agreement (including, without limitation, Sections 2.12 and 8.02 thereof), the Prepetition LP Credit Agreement (including, without limitation, Sections 2.14 and 8.02 thereof), and any other relevant Prepetition Loan Documents.

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

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

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

249. “**SPSO Affiliate**” means any Affiliate of SPSO, including, but not limited to, (a) Charles W. Ergen and any Affiliate of Charles W. Ergen, (b) any Entity owned or controlled by Charles W. Ergen, (c) DISH Network Corporation and EchoStar Corporation, (d) any Affiliate of DISH Network Corporation or EchoStar Corporation, and (e) any Affiliates of the foregoing.

250. “**SPSO Fee Claims**” means all Claims for the reasonable and documented out-of-pocket expenses (including professionals’ fees and expenses) incurred by SPSO in connection with the Chapter 11 Cases or the Prepetition LP Loan Documents.

251. “**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].

252. “**Successful Purchaser**” has the meaning set forth in the Auction Procedures.

253. “**Transfer**” or “**Transferred**” means, whether voluntarily or involuntarily or by operation of law, directly or indirectly, the sale, assignment, donation, gift, pledging, hypothecation, disposal of, encumbering or granting a security interest in, or in any other manner, transferring any New LightSquared Stapled B Units, New LightSquared Tranche B Term Loans, New LightSquared Tranche B Working Capital Loans, or New DIP LP Facility Tranche B Loans, in whole or in part, with or without consideration, or any other right or interest therein, or entering into any transaction which results in the economic equivalent of a transfer to any Person, including any derivative transaction that has the effect of changing materially the economic benefits and risks of ownership .

254. “**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.

255. “**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.

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

257. “**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.

258. “**Voting Record Date**” means the first day of the hearing held by the Bankruptcy Court to consider approval of the Disclosure Statement filed with respect to the Plan.

B. Rules of Interpretation

The following rules for interpretation and construction shall apply to this 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” are references to Articles 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. Partially Consolidated Plan

Although for purposes of administrative convenience and efficiency the Plan has been filed as a joint plan for each of the Debtors and consolidates classes of Claims against, and Equity Interests in, the Debtors, the Plan only provides for the substantive consolidation of the Inc. Debtors and does not provide for the substantive consolidation of any of the LP Debtors.

The Plan serves as a motion seeking, and entry of the Confirmation Order shall constitute, the approval, pursuant to sections 105(a) and 1123(a)(5)(C) of the Bankruptcy Code, of the consolidation of the Inc. Debtors for voting, confirmation, and distribution purposes under the Plan. Pursuant to such consolidation, (1) all assets and all liabilities of the Inc. Debtors shall be treated as though they were merged, (2) all joint obligations of two or more Inc. Debtors and all multiple Claims against such Inc. Debtors on account of such joint obligations shall be treated and Allowed as a single Claim against the consolidated Inc. Debtors, (3) each Claim filed in the Chapter 11 Case of any Inc. Debtor shall be deemed filed against the consolidated Inc. Debtors

and deemed a single obligation of the consolidated Inc. Debtors, and (4) all transfers, disbursements, and distributions made by any Inc. Debtor hereunder will be deemed to be made by the substantively consolidated Inc. Debtors and their Estates. The substantive consolidation effected pursuant to this Article I.C. shall not otherwise affect the legal and organizational structure of the Inc. Debtors.

For the avoidance of doubt, the Plan must comply with section 1129 of the Bankruptcy Code for the Inc. Debtors as consolidated and for each LP Debtor, and votes with respect to the Plan will be tabulated on a consolidated basis by class with respect to the Inc. Debtors and on a non-consolidated basis by class and by Debtor with respect to the LP Debtors for the purpose of determining whether the Plan satisfies section 1129 of the Bankruptcy Code.

D. Computation of Time

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

E. 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.

F. 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.

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 the Plan Proponents 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 Facility Orders) of the Bankruptcy Court.

Except for Claims of Professionals, 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 the Reorganized Debtors 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 Confirmation Date. Objections to such requests must be Filed and served on the Reorganized Debtors 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 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 Plan Proponent shall not be required to File any request for payment of such Administrative Claim, (2) any Plan Proponent shall be paid in accordance with the terms of the Plan or other applicable governing documents, and (3) no party shall be entitled to, or receive, any Break-Up Fee or Expense Reimbursement.

Notwithstanding anything to the contrary herein, (1) in the case of the Ad Hoc LP Secured Group Fee Claims incurred through and including the New DIP Facilities Closing Date, such Ad Hoc LP Secured Group Fee Claims will be paid in full in Plan Consideration in the form of Cash on the New DIP Facilities Closing Date, and (2) all Ad Hoc LP Secured Group Fee Claims incurred after the New DIP Facilities Closing Date through and including the Effective Date (to the extent not previously paid by the Debtors), shall be paid monthly subject to 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. In the event that the Debtors dispute all or a portion of the Ad Hoc LP Secured Group Fee Claims, the Debtors shall pay the undisputed amount of such Ad Hoc LP Secured Group Fee Claims and segregate the remaining portion of such Ad Hoc LP Secured Group Fee Claims until such dispute is resolved by the parties or by the Bankruptcy Court.

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 Article II.B.3 hereof, on the Effective Date, the Reorganized Debtors shall establish and fund the Professional Fee Escrow Account from the Plan Consideration Carve-Out 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 Professional Compensation Claims are paid in full in Cash, amounts remaining in the Professional Fee Escrow Account, if any, shall revert to the Reorganized Debtors.

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 Plan Proponents as soon as practicable after the 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 the Plan Proponents shall comprise the Professional Fee Reserve Amount.

4. Post-Confirmation Date Fees and Expenses

Except as otherwise specifically provided in the Plan, and subject to the terms of the New DIP Facilities, on and after the Confirmation Date, the Debtors or Reorganized Debtors, as applicable, shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, 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 or Reorganized Debtors, as applicable, 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 or Reorganized Debtors, as applicable, 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 Facilities.

C. DIP Inc. Facility Claims

In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each DIP Inc. Facility Claim, except to the extent that a Holder of a DIP Inc. Facility Claim agrees to less favorable or other treatment, each Holder of a DIP Inc. Facility Claim shall receive on the Confirmation Date, New DIP Inc. Facility Loans to be issued under the New DIP Inc. Facility in an amount equal to the Allowed DIP Inc. Facility Claims; provided, however, that to the extent a Holder of an Allowed DIP Inc. Facility Claim objects to such treatment, such Holder of an Allowed DIP Inc. Facility Claim shall receive Cash from the proceeds of the New DIP Inc. Facility on the New DIP Facilities Closing Date in an amount equal to its Allowed DIP Inc. Facility Claim.

D. DIP LP Facility Claims

In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each DIP LP Facility Claim, except to the extent that a Holder of a DIP LP Facility Claim agrees to less favorable or other treatment, each Holder of a DIP LP Facility Claim shall receive on the Confirmation Date, New DIP LP Facility Loans to be issued under the New DIP LP Facility in an amount equal to the Allowed DIP LP Facility Claims; provided, however, that to the extent a

Holder of an Allowed DIP LP Facility Claim objects to such treatment, such Holder of an Allowed DIP LP Facility Claim shall receive Cash from the proceeds of the New DIP LP Facility on the New DIP Facilities Closing Date in an amount equal to its Allowed DIP LP Facility Claim. Any New DIP LP Facility Loans to be made by SPSO, either in satisfaction of Allowed DIP LP Facility Claims held by SPSO or otherwise, shall be New DIP LP Facility Tranche B Loans, and shall be subject to the restrictions set forth in Article IV.B.1(a).

E. New DIP Facility Claims

In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each New DIP Facility Claim, except to the extent that a Holder of a New DIP Facility Claim agrees to a less favorable or other treatment, each Holder of a New DIP Facility Claim shall receive, on the Effective Date, New LightSquared Working Capital Facility Loans to be issued under the New LightSquared Working Capital Facility in an amount equal to the Allowed New DIP Facility Claims; provided, however, if there is a Successful Purchaser pursuant to the Auction and such Successful Purchaser closes, Holders of Allowed New DIP Facility Claims shall receive Auction Proceeds in lieu of New LightSquared Working Capital Facility Loans as provided in Article IV.C; provided further, however, that to the extent a Holder of an Allowed New DIP Facility Claim objects to the treatment set forth above in this Article II.E, such Holder of an Allowed New DIP Facility Claim shall receive Plan Consideration in the form of Cash on the Effective Date in an amount equal to its Allowed New DIP Facility Claim. Any New LightSquared Working Capital Loans to be made by SPSO, either in satisfaction of Allowed New DIP Facility Claims held by SPSO, if any, or otherwise, shall be New LightSquared Tranche B Working Capital Loans, and shall be subject to the restrictions set forth in Article IV.B.2(c) and (d).

F. 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 the Reorganized Debtors; or (3) at the option of the Reorganized Debtors, 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 the Reorganized Debtors 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.

G. *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, the Reorganized Debtors 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 Article III.B hereof classify Claims against, and Equity Interests in, each of the Debtors for all purposes. 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 – LP Other Priority Claims

- (a) *Classification:* Class 1 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 less favorable treatment, each Holder of an Allowed LP Other Priority Claim shall receive Plan Consideration in the form of Cash in an amount equal to such Allowed LP Other Priority Claim.
- (c) *Voting:* Class 1 is Unimpaired by the Plan. Each Holder of a Class 1 – 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 1 – LP Other Priority Claim is entitled to vote to accept or reject the Plan.

2. Class 2 – Inc. Other Priority Claims

- (a) *Classification:* Class 2 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 less favorable treatment, each Holder of an Allowed Inc. Other Priority Claim shall receive Plan Consideration in the form of Cash in an amount equal to such Allowed Inc. Other Priority Claim.
- (c) *Voting:* Class 2 is Unimpaired by the Plan. Each Holder of a Class 2– 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 2 – Inc. Other Priority Claim is entitled to vote to accept or reject the Plan.

3. Class 3 – LP Other Secured Claims

- (a) *Classification:* Class 3 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 less favorable treatment, each Holder of an Allowed LP Other Secured Claim shall receive one of the following treatments, in the sole discretion of the Plan Proponents: (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 3 is Unimpaired by the Plan. Each Holder of a Class 3 – 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 3 – LP Other Secured Claim is entitled to vote to accept or reject the Plan.
- (d) *Deficiency Claims:* To the extent that the value of the Collateral securing each Allowed LP Other Secured Claim is less than the amount of such Allowed LP Other Secured Claim, the undersecured portion of such Claim shall be treated for all purposes under this Plan as an LP General Unsecured Claim and shall be classified as a Class 8 – LP General Unsecured Claim.

4. Class 4 – Inc. Other Secured Claims

- (a) *Classification:* Class 4 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 less favorable treatment, each Holder of an Allowed Inc. Other Secured Claim shall receive one of the following treatments, in the sole discretion of the Plan Proponents: (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 4 is Unimpaired by the Plan. Each Holder of a Class 4 – 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 4 – Inc. Other Secured Claim is entitled to vote to accept or reject the Plan.
- (d) *Deficiency Claims:* To the extent that the value of the Collateral securing each Allowed Inc. Other Secured Claim is less than the amount of such Allowed Inc. Other Secured Claim, the undersecured portion of such Claim shall be treated for all purposes under this Plan as an Inc. General Unsecured Claim and shall be classified as a Class 10 – Inc. General Unsecured Claim.

5. Class 5A – Prepetition LP Facility Non-SPSO Claims

- (a) *Classification:* Class 5A consists of all Prepetition LP Facility Non-SPSO Claims.
- (b) *Allowance:* The Prepetition LP Facility Non-SPSO Claims shall be Allowed Claims on the Effective Date for all purposes, and for the avoidance of doubt shall include all Prepetition LP Facility Postpetition Interest, all Prepetition LP Facility Prepetition Interest, and the Prepetition LP Facility Repayment Premium.
- (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, and except to the extent that a Holder of an Allowed Prepetition LP Facility Non-SPSO Claim agrees to less favorable treatment, each Holder of an Allowed Prepetition LP Facility Non-SPSO Claim shall receive its Pro Rata share of (i) \$1.0 billion of New

LightSquared Term Loans issued under the New LightSquared Term Loan Facility, which shall be New LightSquared Tranche A Term Loans, and (ii) 100% of the New LightSquared Common Equity issued as of the Effective Date, which shall be New LightSquared Class A Common Equity; provided, however, that if Class 5B votes to reject the Plan, the amount of the New LightSquared Term Loans issued pursuant to this Article III.B.5(c) shall be increased to \$1.2 billion. A Holder's Pro Rata share in this Article III.B.5(c) shall be the proportion that a Holder's Allowed Prepetition LP Facility Non-SPSO Claim bears to the aggregate amount of all (i) Allowed Prepetition LP Facility Non-SPSO Claims, plus (ii) Allowed Prepetition LP Facility SPSO Claims if Class 5B votes to accept the Plan, plus (iii) Allowed Prepetition Inc. Facility Non-Subordinated Claims if Class 6 votes to accept the Plan.

Notwithstanding the foregoing, if there is a Successful Purchaser pursuant to the Auction and such Successful Purchaser closes, Holders of Allowed Prepetition LP Facility Non-SPSO Claims shall receive Auction Proceeds in lieu of certain consideration set forth in this Article III.B.5(c), as provided in Article IV.C.

For the avoidance of doubt, except as set forth in Article IV.U hereof, the treatment specified in this Article III.B.5(c) shall be deemed in full and final satisfaction of Allowed Prepetition LP Facility Non-SPSO Claims and, upon the occurrence of the Effective Date and receipt of the treatment provided for herein, Holders of such Allowed Prepetition LP Facility Non-SPSO Claims shall not hold or assert deficiency claims against any of the Inc. Debtors' Estates.

- (d) *Voting:* Class 5A is Impaired by the Plan. Each Holder of a Class 5A – Prepetition LP Facility Non-SPSO Claim as of the Voting Record Date is entitled to vote to accept or reject the Plan.

6. Class 5B – Prepetition LP Facility SPSO Claims

- (a) *Classification:* Class 5B consists of all Prepetition LP Facility SPSO Claims.
- (b) *Allowance:* Prepetition LP Facility SPSO Claims shall be Allowed as follows:
 - (i) in the event that Class 5B votes to accept the Plan, the Prepetition LP Facility SPSO Claims shall be Allowed Claims on the Effective Date for all purposes, without subordination, in the aggregate amount of (A) \$900 million (which amount, for the avoidance of doubt, includes all Prepetition LP Facility Postpetition Interest, all Prepetition LP Facility Prepetition Interest, the Prepetition LP Facility Repayment Premium, SPSO Fee Claims, and all other amounts otherwise accrued

under the Prepetition LP Loan Documents with respect to such Prepetition LP Facility SPSO Claims through and including the Confirmation Date), plus (B) all Prepetition LP Facility Postpetition Interest that accrues on such Prepetition LP Facility SPSO Claims between the Confirmation Date and the Effective Date, plus (C) all SPSO Fee Claims incurred between the Confirmation Date and the Effective Date; or

(ii) in the event that Class 5B votes to reject the Plan, (A) the Allowed amount of the Prepetition LP Facility SPSO Claims, including the amount of the Prepetition LP Facility SPSO Subordinated Claims, shall be determined by the Bankruptcy Court after the Confirmation Date, (B) the Class 5B – Prepetition LP Facility SPSO Claims will be Disputed Claims, subject to disallowance, subordination, recharacterization, and all other remedies, and shall be treated in accordance with Articles VI and VII hereof, (C) each Holder of a Prepetition LP Facility SPSO Claim will not be treated as a Released Party, and (D) all claims against SPSO will be preserved.

(c) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Prepetition LP Facility SPSO Claim, on the Effective Date or as soon thereafter as reasonably practicable, and except to the extent that a Holder of an Allowed Prepetition LP Facility SPSO Claim agrees to less favorable treatment, each Holder of an Allowed Prepetition LP Facility SPSO Claim shall receive:

(i) in the event that Class 5B votes to accept the Plan, (A) Cash in the amount of the SPSO Fee Claims incurred between the Confirmation Date and the Effective Date, (B) its Pro Rata share of \$1.0 billion of New LightSquared Term Loans issued under the New LightSquared Term Loan Facility, which shall be New LightSquared Tranche B Term Loans, and (C) its Pro Rata share of 100% of the New LightSquared Common Equity issued as of the Effective Date, which shall be New LightSquared Class B Common Equity. A Holder's Pro Rata share in this Article III.B.6(c)(i) shall be the proportion that a Holder's Allowed Prepetition LP Facility SPSO Claim bears to the aggregate amount of all (X) Allowed Prepetition LP Facility SPSO Claims, plus (Y) Allowed Prepetition LP Facility Non-SPSO Claims, plus (Z) Allowed Prepetition Inc. Facility Non-Subordinated Claims if Class 6 votes to accept the Plan; or

(ii) in the event that Class 5B votes to reject the Plan, New LightSquared Tranche B Term Loans issued under the New LightSquared Term Loan Facility in an amount equal to its Allowed Prepetition LP Facility SPSO Claim.

Notwithstanding the foregoing, if there is a Successful Purchaser pursuant to the Auction and such Successful Purchaser closes, Holders of Allowed Prepetition LP Facility SPSO Claims may receive Auction Proceeds in lieu of certain consideration set forth in this Article III.B.6(c), as provided in Article IV.C.

For the avoidance of doubt, except as set forth in Article IV.U hereof, the treatment specified in this Article III.B.6(c) shall be deemed in full and final satisfaction of Allowed Prepetition LP Facility SPSO Claims and, upon the occurrence of the Effective Date and receipt of the treatment provided for herein, Holders of such Allowed Prepetition LP Facility SPSO Claims shall not hold or assert deficiency claims against any of the Inc. Debtors' Estates.

- (d) *Voting:* Class 5B is Impaired by the Plan. Each Holder of a Class 5B – Prepetition LP Facility SPSO Claim as of the Voting Record Date is entitled to vote to accept or reject the Plan; provided, that such vote may be designated under section 1126(e) of the Bankruptcy Code pursuant to an order of the Bankruptcy Court.

7. Class 5C – Prepetition LP Facility SPSO Subordinated Claims

- (a) *Classification:* Class 5C consists of all Prepetition LP Facility SPSO Subordinated Claims, if any.
- (b) *Allowance:* In the event that Class 5B votes to reject the Plan, (i) the Allowed Amount of the Prepetition LP Facility SPSO Subordinated Claims shall be determined by the Bankruptcy Court after the Confirmation Date, (ii) the Class 5C – Prepetition LP Facility SPSO Subordinated Claims will be Disputed Claims, subject to disallowance, subordination, recharacterization, and all other remedies, and shall be treated in accordance with Articles VI and VII hereof, (iii) each Holder of a Prepetition LP Facility SPSO Subordinated Claim will not be treated as a Released Party, and (iv) all claims against SPSO will be preserved.
- (c) *Treatment:* In the event that Class 5B votes to reject the Plan, then in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Prepetition LP Facility SPSO Subordinated Claim, on the Effective Date or as soon thereafter as reasonably practicable, and except to the extent that a Holder of an Allowed Prepetition LP Facility SPSO Subordinated Claim agrees to less favorable treatment, each Holder of an Allowed Prepetition LP Facility SPSO Subordinated Claim shall receive its Pro Rata share of (i) Excess LP Auction Proceeds, if any, and (ii) on account of any Allowed Prepetition LP Facility SPSO Subordinated Guarantee Claims, Excess Inc. Auction Proceeds, if any, as provided in Article IV.C; provided, in no event shall any distribution to a Holder of an Allowed Prepetition LP Facility SPSO

Subordinated Claim pursuant to the Plan be in excess of 100% of the amount of such Holder's Allowed Prepetition LP Facility SPSO Subordinated Claim (including any Allowed Prepetition LP Facility SPSO Subordinated Guarantee Claims).

- (d) *Voting:* Class 5C is Impaired by the Plan. Each Holder of a Class 5C – Prepetition LP Facility SPSO Subordinated Claim, if any, as of the Voting Record Date is entitled to vote to accept or reject the Plan; provided, that such vote may be designated under section 1126(e) of the Bankruptcy Code pursuant to an order of the Bankruptcy Court. For the avoidance of doubt, in the event that Class 5B votes to accept the Plan, Class 5C will not exist and any vote cast with respect to Class 5C will not be counted.

8. Class 6 – Prepetition Inc. Facility Non-Subordinated Claims

- (a) *Classification:* Class 6 consists of all Prepetition Inc. Facility Non-Subordinated Claims.
- (b) *Allowance:* Prepetition Inc. Facility Non-Subordinated Claims shall be Allowed Claims on the Effective Date for all purposes and, for the avoidance of doubt, shall include all Prepetition Inc. Facility Postpetition Interest, all Prepetition Inc. Facility Prepetition Interest, the Prepetition Inc. Facility Repayment Premium, and the MAST Fee Claims.
- (c) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Prepetition Inc. Facility Non-Subordinated Claim, on the Effective Date or as soon thereafter as reasonably practicable, and except to the extent that a Holder of an Allowed Prepetition Inc. Facility Non-Subordinated Claim agrees to less favorable treatment, each Holder of an Allowed Prepetition Inc. Facility Non-Subordinated Claim shall receive (i) Cash in the amount of the MAST Fee Claims, (ii) its Pro Rata share of \$1.0 billion of New LightSquared Term Loans issued under the New LightSquared Term Loan Facility, which shall be New LightSquared Tranche A Term Loans, and (iii) its Pro Rata share of 100% of the New LightSquared Common Equity issued as of the Effective Date, which shall be New LightSquared Class A Common Equity; provided, however, that if Class 5B votes to reject the Plan, the amount of the New LightSquared Term Loans issued pursuant to this Article III.B.8(c) shall be increased to \$1.2 billion. A Holder's Pro Rata share in this Article III.B.8(c) shall be the proportion that a Holder's Allowed Prepetition Inc. Facility Non-Subordinated Claim bears to the aggregate amount of all (A) Allowed Prepetition Inc. Facility Non-Subordinated Claims, plus (B) Allowed Prepetition LP Facility Non-SPSO Claims, plus (C) Allowed Prepetition LP Facility SPSO Claims if Class 5B votes to accept the Plan.

Notwithstanding the foregoing, if there is a Successful Purchaser pursuant to the Auction and such Successful Purchaser closes, Holders of Allowed Prepetition Inc. Facility Non-Subordinated Claims shall receive Auction Proceeds in lieu of certain consideration set forth in this Article III.B.8(c), as provided in Article IV.C.

- (d) *Voting:* Class 6 is Impaired by the Plan. Each Holder of a Class 6 – Prepetition Inc. Facility Non-Subordinated Claim as of the Voting Record Date is entitled to vote to accept or reject the Plan.

9. Class 7 – Prepetition Inc. Facility Subordinated Claims

- (a) *Classification:* Class 7 consists of all Prepetition Inc. Facility Subordinated Claims.

- (b) *Allowance:* Prepetition Inc. Facility Subordinated Claims shall be Allowed as follow:

- (i) in the event that Class 7 votes to accept the Plan, the Prepetition Inc. Facility Subordinated Claims shall be Allowed Claims on the Effective Date for all purposes; or

- (ii) in the event that Class 7 votes to reject the Plan, (A) the Allowed amount of the Prepetition Inc. Facility Subordinated Claims shall be determined by the Bankruptcy Court following and after giving effect to the outcome of the Prepetition Inc. Facility Actions, (B) the Class 7 – Prepetition Inc. Facility Subordinated Claims will be Disputed Claims, subject to disallowance, subordination, recharacterization, and all other remedies, and shall be treated in accordance with Articles VI and VII hereof, (C) each Holder of a Prepetition Inc. Facility Subordinated Claim will not be treated as a Released Party, and (D) all claims against Holders of Prepetition Inc. Facility Subordinated Claims will be preserved.

- (c) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Prepetition Inc. Facility Subordinated Claim, 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 less favorable treatment, each Holder of an Allowed Prepetition Inc. Facility Subordinated Claim shall receive its Pro Rata share of Excess Inc. Auction Proceeds, if any, as provided in Article IV.C; provided, in no event shall any distribution to a Holder of an Allowed Prepetition Inc. Facility Subordinated Claim pursuant to the Plan be in excess of 100% of the amount of such Holder's Allowed Prepetition Inc. Facility Subordinated Claim.

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

10. Class 8 – LP General Unsecured Claims

- (a) *Classification:* Class 8 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 less favorable treatment, each Holder of an Allowed LP General Unsecured Claim shall receive Plan Consideration in the form of Cash in an amount equal to the principal amount of such Allowed LP General Unsecured Claim.
- (c) *Voting:* Class 8 is Impaired by the Plan. Each Holder of a Class 8 – LP General Unsecured Claim as of the Voting Record Date is entitled to vote to accept or reject the Plan.

11. Class 9 – Inc. Convenience Claims

- (a) *Classification:* Class 9 consists of all Inc. Convenience Claims, which are classified together pursuant to section 1122(b) of the Bankruptcy Code.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Inc. Convenience Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Inc. Convenience Claim agrees to less favorable treatment, each Holder of an Allowed Inc. Convenience Claim shall receive Plan Consideration in the form of Cash in an amount equal to the principal amount of such Allowed Inc. Convenience Claim.
- (c) *Voting:* Class 9 is Impaired by the Plan. Each Holder of a Class 9 – Inc. Convenience Claim as of the Voting Record Date is entitled to vote to accept or reject the Plan.

12. Class 10 – Inc. General Unsecured Claims

- (a) *Classification:* Class 10 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 less favorable treatment, each Holder of an Allowed Inc. General Unsecured Claim shall receive its Pro Rata share of Excess Inc. Auction

Proceeds remaining, if any, as provided in Article IV.C; provided, in no event shall any distribution to a Holder of an Allowed Inc. General Unsecured Claim pursuant to the Plan be in excess of 100% of the amount of such Holder's Allowed Inc. General Unsecured Claim.

- (c) *Voting*: Class 10 is Impaired by the Plan. Each Holder of a Class 10 – Inc. General Unsecured Claim as of the Voting Record Date is entitled to vote to accept or reject the Plan.

13. Class 11 – Existing LP Preferred Units Equity Interests

- (a) *Classification*: Class 11 consists of all Existing LP Preferred Units Equity Interests.
- (b) *Treatment*: In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Existing LP Preferred Units Equity Interest, each Existing LP Preferred Units Equity Interest shall be cancelled and, 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 Equity Interest agrees to less favorable treatment, each Holder of an Allowed Existing LP Preferred Units Equity Interest shall receive its Pro Rata share of Excess LP Auction Proceeds, if any, as provided in Article IV.C; provided, in no event shall any distribution to a Holder of an Allowed Existing LP Preferred Units Equity Interest pursuant to the Plan be in excess of 100% of the amount of such Holder's Allowed Existing LP Preferred Units Equity Interest.
- (c) *Voting*: Class 11 is Impaired by the Plan. Each Holder of a Class 11 – Existing LP Preferred Units Equity Interest 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, each Existing Inc. Preferred Stock Equity Interest shall be cancelled and, 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 less favorable treatment, each Holder of an Allowed Existing Inc. Preferred Stock Equity Interest shall receive its Pro Rata share of Excess Inc. Auction Proceeds remaining, if any, as provided in Article IV.C; provided, in no event shall any distribution to a Holder of an Allowed Existing Inc. Preferred Stock Equity Interest pursuant to the Plan be in excess of 100% of the amount of such Holder's Allowed Existing Inc. Preferred Stock Equity Interest.

- (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:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Existing LP Common Units Equity Interest, each Existing LP Common Units Equity Interest shall be cancelled and, on the Effective Date or as soon thereafter as reasonably practicable, each Holder of an Allowed Existing LP Common Units Equity Interest shall receive its Pro Rata share of Excess LP Auction Proceeds, if any, as provided in Article IV.C.
- (c) *Voting:* Class 13 is Impaired by the Plan. Each Holder of a Class 13 – Existing LP Common Units Equity Interest as of the Voting Record Date 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:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Existing Inc. Common Stock Equity Interest, each Existing Inc. Common Stock Equity Interest shall be cancelled and, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Existing Inc. Common Stock Equity Interest agrees to less favorable treatment, each Holder of an Allowed Existing Inc. Common Stock Equity Interest shall receive its Pro Rata share of Excess Inc. Auction Proceeds remaining, if any, as provided in Article IV.C.
- (c) *Voting:* Class 14 is Impaired by the Plan. Each Holder of a Class 14 – Existing Inc. Common Stock Equity Interest as of the Voting Record Date is entitled to vote to accept or reject the Plan.

17. Class 15 – Intercompany Claims

- (a) *Classification:* Class 15 consists of all Intercompany Claims.
- (b) *Treatment:* All Allowed Intercompany Claims shall be cancelled as of the Effective Date, and Holders of Allowed Intercompany Claims shall not receive any distribution from Plan Consideration, or retain any Claims, on account of such Allowed Intercompany Claims; provided, however, that

any Allowed Intercompany Claim of SkyTerra (Canada) Inc. against LightSquared Corp. shall not be cancelled and shall be Reinstated for the benefit of the Holder thereof.]

- (c) *Voting:* Class 15 is Impaired by the Plan. Each Holder of a Class 15 – Intercompany Claim is deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. No Holder of a Class 15 – Intercompany Claim is entitled to vote to accept or reject the Plan.

18. Class 16 – Intercompany Interests

- (a) *Classification:* Class 16 consists of all Intercompany Interests other than Existing LP Common Units Equity Interests.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Intercompany Interest other than Allowed Existing LP Common Units Equity Interests, on the Effective Date or as soon thereafter as reasonably practicable, each Allowed Intercompany Interest other than an Existing LP Common Units Equity Interests shall be Reinstated for the benefit of the Holder thereof and treated in accordance with the Plan, as applicable.
- (c) *Voting:* Class 16 is Unimpaired by the Plan. Each Holder of a Class 16 – Intercompany Interest is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 16 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 5A, 5B, 5C, 6, 7, 8, 9, 10, 11, 12, 13, and 14 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; provided, however, that to the extent that any Class of Claims or Equity Interests is satisfied in full, in Cash, from Plan Consideration, the Plan Proponents reserve the right to (a) deem such Class as Unimpaired and (b) treat the Holders in such Class as conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.

2. Presumed Acceptance Under Plan

Under the Plan, Classes 1, 2, 3, 4, and 16 are Unimpaired, and the Holders of Claims or Equity Interests in such Classes are (a) conclusively presumed to have accepted the Plan, and (b) not entitled to vote to accept or reject the Plan, and the votes of such Holders shall not be solicited.

3. Deemed Rejection of the Plan

Under the Plan, Class 15 is Impaired, and the Holders of Claims in such Class (a) shall receive no distributions under the Plan on account of their Claims, (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.

4. 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.

5. 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.

E. Elimination of Vacant Classes

Any Class of Claims or Equity Interests that does not have 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

To the extent that any Impaired Class votes to reject the Plan, the Plan Proponents may request Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code; provided, that the Plan Proponents shall not be required to satisfy section 1129(b) of the Bankruptcy Code with respect to any Class whose vote(s) are designated pursuant to section 1126(e) of the Bankruptcy Code. The Plan Proponents reserve the right to alter, amend, modify, revoke, or

withdraw this 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.

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 obtained from the Plan Consideration. Plan Consideration to be paid or distributed with respect to any Allowed Claims or Equity Interests in Classes 5C, 7, 10, 11, 12, 13, and 14 shall consist solely of Excess Auction Proceeds.

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 Debtors 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 the Debtors or the Reorganized Debtors, as applicable, determine are necessary or appropriate.

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

- (a) New DIP Facilities. On or as soon as practicable after the Confirmation Date, the New DIP LP Facility Obligors, New DIP Inc. Facility Obligors, and the other relevant entities shall enter into the applicable New DIP Facility Credit Agreement. On the New DIP Facilities Closing Date, subject to the terms of the New DIP Facility Credit Agreements, the New DIP Facility Lenders shall fund the New DIP Facilities and the proceeds shall be used to (i) if and to the extent necessary, indefeasibly repay in full in Cash the Allowed DIP LP Facility Claims and Allowed DIP Inc.

Facility Claims, as applicable, (ii) pay (out of proceeds of the New DIP LP Facility) certain Ad Hoc LP Secured Group Fee Claims as set forth in Article II.A hereof, and (iii) fund the working capital requirements of the Debtors through the Effective Date.

Any New DIP LP Facility Loans to be made by SPSO, either in satisfaction of Allowed DIP LP Facility Claims held by SPSO or otherwise, shall be New DIP LP Facility Tranche B Loans. If SPSO or any SPSO Affiliate acquires any right, title, or interest to or in respect of New DIP LP Facility Tranche A Loans, such New DIP LP Facility Tranche A Loans shall automatically convert to New DIP LP Facility Tranche B Loans.

If New DIP LP Facility Tranche B Loans are Transferred to an Eligible Transferee, then such New DIP LP Facility Tranche B Loans shall convert to New DIP LP Facility Tranche A Loans. All Transfers of New DIP LP Facility Tranche B Loans shall be subject to the prior approval of the Debtors' board of directors or managers, as applicable. Any Transfer or purported Transfer of New DIP LP Facility Tranche B Loans without the prior approval of the Debtors' board of directors or managers, as applicable, shall be void ab initio (for the avoidance of doubt, if, following a Transfer of New DIP LP Facility Tranche B Loans, it is determined by the Board that the transferee thereof is not, or was not at the time of such Transfer, an Eligible Transferee, the Transfer shall be void ab initio).

(b) Auction for New LightSquared Common Equity.

- (i) The Confirmation Order shall approve the Auction Procedures, and, to the extent a Qualified Bid with respect to the New LightSquared Common Equity is received, the sale of the New LightSquared Common Equity to the Successful Purchaser pursuant to sections 105(a), 1123(a)(5), 1123(b)(4), 1141, 1142(b), 1145, and 1146(a) of the Bankruptcy Code free and clear of any Claims, Liens, interests, or encumbrances.
- (ii) Pursuant to the Auction Procedures, a Qualified Bid for the New LightSquared Common Equity shall, at a minimum (a "Minimum Bid"), be for Cash and (A) in the event that Class 5B and Class 6 vote to accept the Plan, shall be in a minimum amount sufficient to pay (1) all Allowed Prepetition LP Facility Non-SPSO Claims, (2) all Allowed Prepetition Inc. Facility Non-Subordinated Claims, and (3) all Allowed Prepetition LP Facility SPSO Claims, minus the maximum aggregate amount of New LightSquared Term Loans to be issued under the New LightSquared Term Loan Facility on account of such Claims, (B) in the event that Class 5B votes to reject the Plan and Class 6 votes to accept the Plan, shall be in a minimum amount sufficient to pay (1) all Allowed Prepetition LP

Facility Non-SPSO Claims and (2) all Allowed Prepetition Inc. Facility Non-Subordinated Claims, minus the maximum aggregate amount of New LightSquared Term Loans to be issued under the New LightSquared Term Loan Facility on account of such Claims, (C) in the event that Class 5B votes to accept the Plan and Class 6 votes to reject the Plan, shall be in a minimum amount sufficient to pay (1) all Allowed Prepetition LP Facility Non-SPSO Claims and (2) all Allowed Prepetition LP Facility SPSO Claims, minus the maximum aggregate amount of New LightSquared Term Loans to be issued under the New LightSquared Term Loan Facility on account of such Claims, or (D) in the event that Class 5B and Class 6 vote to reject the Plan, shall be in a minimum amount sufficient to pay all Allowed Prepetition LP Facility Non-SPSO Claims, minus the maximum aggregate amount of New LightSquared Term Loans to be issued under the New LightSquared Term Loan Facility on account of such Claims. Auction Proceeds shall be applied as set forth in Article IV.C. Any Holder of a Claim or Equity Interest under the Plan, on its own, together with any number of additional Holders of Claims and/or Equity Interests and/or in partnership with a third party, shall be permitted to submit a Qualified Bid in accordance with the Auction Procedures.

- (iii) Subject to the approval of a Successful Purchaser by the Ad Hoc LP Secured Group in consultation with the Debtors, on the Effective Date, New LightSquared shall be authorized to, among other things, issue, sell, assign, and/or transfer the New LightSquared Common Equity, subject to applicable law and the terms and conditions of the Auction Procedures and the Confirmation Order, and take any and all actions necessary to consummate such transaction. Nothing in the Plan or Confirmation Order shall authorize the transfer or assignment of the New LightSquared Common Equity to the Successful Purchaser (or, if applicable, the Alternative Successful Purchaser) without such Successful Purchaser's (or, if applicable, the Alternative Successful Purchaser's) compliance with applicable non-bankruptcy laws regarding the transfer, assignment, or ownership of the New LightSquared Common Equity.

2. Effective Date Plan Transactions. Certain Plan Transactions occurring on or as soon as practicable after the Effective Date shall include, without limitation, the following:

- (a) Combination of Inc. Debtors' Assets with and into LightSquared LP. Except as may be otherwise set forth in a Plan Supplement, and in consideration of the treatment provided under the Plan with respect to Allowed Claims in Classes 2, 4, 6, 7, and 10, each Inc. Debtor shall sell, assign, and/or transfer to LightSquared LP all of such Inc. Debtor's assets and equity interests, including all legal, equitable, and beneficial right,

title, and interest thereto and therein, including, without limitation, all of such Inc. Debtor's equity interests, if any, in any Reorganized Debtor, intellectual property, contractual rights, Retained Causes of Action, and the right to prosecute such Retained Causes of Action and receive the benefits therefrom.

- (b) New LightSquared. Except as may be otherwise set forth in a Plan Supplement, LightSquared LP shall be converted to a Delaware limited liability company or corporation with the appropriate governmental authorities pursuant to applicable law.
- (c) New LightSquared Loan Facility. New LightSquared and the other relevant entities shall enter into the New LightSquared Loan Facility, comprised of the New LightSquared Term Loan Facility and the New LightSquared Working Capital Facility. Confirmation of the Plan shall constitute (i) approval of the New LightSquared Loan 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 Loan Facility Obligors in connection therewith, including the payment of all fees, indemnities, and expenses provided for therein, and (ii) authorization for the New LightSquared Loan Facility Obligors to enter into and execute the New LightSquared Loan Facility Agreement and such other documents as may be required or appropriate. On the Effective Date, the New LightSquared Loan Facility, together with any new promissory notes evidencing the obligation of the New LightSquared Loan Facility 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 Loan Facility Obligors pursuant to the New LightSquared Loan Facility and related documents shall be secured and paid or otherwise satisfied pursuant to, and as set forth in, the New LightSquared Loan Facility Agreement and related documents.
 - (i) New LightSquared Term Loan Facility. New LightSquared and the other relevant entities shall enter into the New LightSquared Term Loan Facility, which shall be secured by senior liens on all assets of New LightSquared and its subsidiaries that shall rank pari passu with the liens securing the loans made pursuant to the New LightSquared Working Capital Facility, but which shall be subject to the "super-priority" status of the New LightSquared Working Capital Facility with respect to application of proceeds from collateral and (in certain circumstances) voluntary and mandatory prepayments, and which shall have market terms and conditions acceptable to the Ad Hoc LP Secured Group and reasonably acceptable to the Debtors. The New LightSquared Term Loans made pursuant to the New LightSquared Term Loan Facility shall be made by the Holders of Allowed Prepetition LP Facility Non-SPSO Claims,

Allowed Prepetition LP Facility SPSO Claims, and Allowed Prepetition Inc. Facility Non-Subordinated Claims pursuant to, and in accordance with, Article III.B. If there is a Successful Purchaser pursuant to the Auction described in Article IV.B.1(b), and such Successful Purchaser closes, the Auction Proceeds shall be applied in accordance with Article IV.C. Pursuant to Article IV.C, the aggregate amount of New LightSquared Term Loans to be made under the New LightSquared Term Loan Facility shall be reduced on a dollar for dollar basis by the amount of Auction Proceeds paid to Holders of Allowed Prepetition LP Facility Non-SPSO Claims, Allowed Prepetition Inc. Facility Non-Subordinated Claims, and Allowed Prepetition LP Facility SPSO Claims in lieu of making New LightSquared Term Loans.

In the event Class 5B votes to accept the Plan, the New LightSquared Tranche B Term Loans shall be stapled to the New LightSquared Class B Common Equity, and, if applicable, the New LightSquared Tranche B Working Capital Loans, and may only be Transferred together as a single strip (with such strips to be divided into New LightSquared Stapled B Units). Restrictions on the Transfer of New LightSquared Stapled B Units are discussed below in Article IV.B.2(c) and (d).

If any New LightSquared Stapled B Units are Transferred to an Eligible Transferee, then such New LightSquared Class B Stapled Units shall convert into New LightSquared Class A Common Equity, New LightSquared Tranche A Term Loans, and, if applicable, New LightSquared Tranche A Working Capital Loans, and shall no longer be stapled or subject to the voting restrictions (or diluted voting requirements, as applicable) applicable to New LightSquared Class B Common Equity, New LightSquared Tranche B Term Loans, and, if applicable, New LightSquared Tranche B Working Capital Loans. In the event Class 5B votes to reject the Plan and Holders of Allowed Prepetition LP Facility SPSO Claims do not receive New LightSquared Common Equity, then if any New LightSquared Tranche B Term Loans are Transferred to an Eligible Transferee, such New LightSquared Tranche B Term Loans shall convert into New LightSquared Tranche A Term Loans, and shall no longer be subject to the voting restrictions applicable to New LightSquared Tranche B Term Loans. All Transfers of New LightSquared Stapled B Units or New LightSquared Tranche B Term Loans, as applicable, shall be subject to the prior approval of the Board. Any Transfer or purported Transfer of New LightSquared Stapled B Units or New LightSquared Tranche B Term Loans without the prior approval of the Board shall be void ab initio (for the avoidance of doubt, if, following a Transfer of New LightSquared Stapled B Units or New LightSquared Tranche B Term Loans, it is determined by the Board that the transferee thereof is not, or was not at the time of such Transfer, an Eligible Transferee, the Transfer shall be void ab initio).

On and after the Effective Date, SPSO and all SPSO Affiliates shall be prohibited from acquiring any additional debt or securities of the Reorganized Debtors, except with the prior approval of the Board. If SPSO or any SPSO Affiliate acquires any right, title, or interest to or in respect of any New LightSquared Tranche A Term Loan, such New LightSquared Tranche A Term Loan shall automatically convert into a New LightSquared Tranche B Term Loan.

(ii) New LightSquared Working Capital Facility. On the Effective Date, New LightSquared and the other relevant entities shall enter into the New LightSquared Working Capital Facility, which shall provide for new money loans in the aggregate principal amount of \$500 million, plus additional loans in an aggregate principal amount equal to the New DIP Facility Claims to be satisfied thereby, which loans shall be secured by senior liens on all assets of New LightSquared and its subsidiaries that shall rank pari passu with the liens securing the loans made pursuant to the New LightSquared Term Loan Facility, but shall have “super-priority” status over the New LightSquared Term Loan Facility with respect to application of proceeds from collateral and (in certain circumstances) voluntary and mandatory prepayments, and which shall have market terms and conditions acceptable to the Ad Hoc LP Secured Group and reasonably acceptable to the Debtors. The members of the Ad Hoc LP Secured Group shall backstop, arrange or fund the New LightSquared Working Capital Facility pursuant to arrangements satisfactory to them. In the event Class 5B votes to accept the Plan, SPSO shall have the right to fund its pro rata share of the New LightSquared Working Capital Facility; provided that any New LightSquared Working Capital Loans to be made by SPSO, either in satisfaction of Allowed New DIP Facility Claims held by SPSO, if any, or otherwise, shall be New LightSquared Tranche B Working Capital Loans.

In the event Class 5B votes to accept the Plan, the New LightSquared Tranche B Working Capital Loans shall be stapled to the New LightSquared Class B Common Equity and the New LightSquared Tranche B Term Loans, and may only be Transferred together as a single strip (with such strips to be divided into New LightSquared Stapled B Units). Restrictions on the Transfer of New LightSquared Stapled B Units are discussed below in Article IV.B.2(d).

If any New LightSquared Stapled B Units are Transferred to an Eligible Transferee, then such New LightSquared Stapled B Units shall convert into New LightSquared Class A Common Equity, New LightSquared Tranche A Term Loans, and, if applicable, New LightSquared Tranche A Working Capital Loans, and shall no longer be stapled or subject to the voting restrictions (or diluted voting requirements, as applicable) applicable to New LightSquared Class B Common Equity, New LightSquared Tranche B Term Loans, and, if applicable, New

LightSquared Tranche B Working Capital Loans. In the event Class 5B votes to reject the Plan and Holders of Allowed Prepetition LP Facility SPSO Claims do not receive New LightSquared Common Equity, then if any New LightSquared Tranche B Working Capital Loans are Transferred to an Eligible Transferee, such New LightSquared Tranche B Working Capital Loans shall convert into New LightSquared Tranche A Working Capital Loans, and shall no longer be subject to the voting restrictions applicable to New LightSquared Tranche B Working Capital Loans. All Transfers of New LightSquared Stapled B Units or New LightSquared Tranche B Working Capital Loans, as applicable, shall be subject to the prior approval of the Board. Any Transfer or purported Transfer of New LightSquared Stapled B Units or New LightSquared Tranche B Working Capital Loans without the prior approval of the Board shall be void ab initio (for the avoidance of doubt, if, following a Transfer of New LightSquared Stapled B Units or New LightSquared Tranche B Working Capital Loans, it is determined by the Board that the transferee thereof is not, or was not at the time of such Transfer, an Eligible Transferee, the Transfer shall be void ab initio).

On and after the Effective Date, SPSO and all SPSO Affiliates shall be prohibited from acquiring any additional debt or securities of the Reorganized Debtors, except with the prior approval of the Board. If SPSO or any SPSO Affiliate acquires any right, title, or interest to or in respect of any New LightSquared Tranche A Working Capital Loan, such New LightSquared Tranche A Working Capital Loan shall automatically convert into a New LightSquared Tranche B Working Capital Loan.

New LightSquared shall use the proceeds from the New LightSquared Working Capital Facility for the purposes specified in the Plan, including to repay the New DIP Facilities (to the extent Holders of Allowed New DIP Facility Claims object to receiving New LightSquared Working Capital Facility Loans in satisfaction of such claims, as provided in Article II.E), for general corporate purposes and working capital needs, and to make Plan Distributions (other than Plan Distributions with respect to any Allowed Claims or Equity Interests in Classes 5C, 7, 10, 11, 12, 13, and 14, which shall be made solely from Excess Auction Proceeds).

- (d) New LightSquared Common Equity. New LightSquared shall issue the New LightSquared Common Equity, comprised of New LightSquared Class A Common Equity and New LightSquared Class B Common Equity, 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 without the necessity of any further act or action under applicable law, regulation, order, or rule, or order of the Bankruptcy Court, but subject to the receipt of all regulatory approvals required in connection with such issuance.

- (i) Economic Rights. Each share or unit of New LightSquared Class A Common Equity and New LightSquared Class B Common Equity will provide for the same rights as to dividends and distributions upon liquidation, which terms may not be altered without the consent of each of the holders of such shares or units.
- (ii) Voting. Other than with respect to the economic rights discussed above, each share or unit of New LightSquared Class A Common Equity shall entitle the holder thereof to five (5) votes on any matter requiring the affirmative vote of the equityholders and each share or unit of New LightSquared Class B Common Equity shall entitle the holder thereof to one (1) vote on any matter requiring the affirmative vote of the equityholders.
- (iii) Restrictions on Transfer.

The New LightSquared Class B Common Equity shall be stapled to the New LightSquared Tranche B Term Loans, and, if applicable, to the New LightSquared Tranche B Working Capital Loans, and may only be Transferred together as a single strip (with such strips to be divided into New LightSquared Stapled B Units). If any New LightSquared Stapled B Units are Transferred to an Eligible Transferee, then such New LightSquared Class B Stapled Units shall convert into New LightSquared Class A Common Equity, New LightSquared Tranche A Term Loans, and, if applicable, New LightSquared Tranche A Working Capital Loans, and shall no longer be stapled or subject to the voting restrictions (or diluted voting requirements, as applicable) applicable to New LightSquared Class B Common Equity, New LightSquared Tranche B Term Loans, and, if applicable, New LightSquared Tranche B Working Capital Loans. All Transfers of New LightSquared Stapled B Units shall be subject to the prior approval of the Board. Any Transfer or purported Transfer of New LightSquared Stapled B Units without the prior approval of the Board shall be void ab initio (for the avoidance of doubt, if, following a Transfer of New LightSquared Stapled B Units, it is determined by the Board that the transferee thereof is not, or was not at the time of such Transfer, an Eligible Transferee, the Transfer shall be void ab initio).

On and after the Effective Date, all Prohibited Transferees shall be prohibited from acquiring any additional debt or securities of the Reorganized Debtors, except with the prior approval of the Board and then, only upon such terms and conditions as may be approved by the Board in its sole and absolute discretion. If SPSO or any SPSO Affiliate acquires any right, title, or interest to, or in respect of, New LightSquared Class A Common Equity, such New

LightSquared Class A Common Equity shall automatically convert into New LightSquared Class B Common Equity.

- (iv) New LightSquared Shareholder Agreement. Except to the extent there is a Successful Purchaser pursuant to the Auction, the foregoing terms regarding the rights and obligations of the New LightSquared Common Equity shall be implemented through an appropriate New LightSquared Shareholder Agreement or other appropriate terms contained in the Reorganized Debtors Corporate Governance Documents.

C. Allocation of Auction Proceeds

Auction Proceeds shall be applied (1) first, in an aggregate amount equal to the Minimum Bid to pay Pro Rata Allowed Prepetition LP Facility Non-SPSO Claims, Allowed Prepetition Inc. Facility Non-Subordinated Claims, and Allowed Prepetition LP Facility SPSO Claims, as applicable, in lieu of the New LightSquared Common Equity to be otherwise provided with respect to such Allowed Claims pursuant to, and in accordance with, Article III.B, (2) second, with respect to any amount over and above the Minimum Bid, to pay Pro Rata such Allowed Claims in lieu of New LightSquared Term Loans to be issued to Holders of such Allowed Claims pursuant to, and in accordance with, Article III.B hereof, (3) third, to pay Allowed New DIP Facility Claims, and (4) fourth, to pay Allowed Prepetition LP Facility SPSO Subordinated Claims, if any, Allowed Existing LP Preferred Units Equity Interests, Allowed Existing LP Common Units Equity Interests, Allowed Prepetition Inc. Facility Subordinated Claims, Allowed Inc. General Unsecured Claims, Allowed Existing Inc. Preferred Stock Equity Interests, and Allowed Existing Inc. Common Stock Equity Interests in accordance with the immediately succeeding paragraph (which payments under this clause (4), for the avoidance of doubt, shall be made solely from Excess Auction Proceeds as described below). The amount of New LightSquared Term Loans to be issued to Holders of Allowed Prepetition LP Facility Non-SPSO Claims, Allowed Prepetition Inc. Facility Non-Subordinated Claims, and Allowed Prepetition LP Facility SPSO Claims shall be reduced on a dollar for dollar basis by the amount of Auction Proceeds received by such Holders with respect to such New LightSquared Term Loans. The amount of New LightSquared Working Capital Facility Loans to be issued to Holders of Allowed New DIP Facility Claims shall be reduced on a dollar for dollar basis by the amount of Auction Proceeds received by such Holders in lieu of such New LightSquared Working Capital Facility Loans.

Excess Auction Proceeds, that is, Auction Proceeds remaining, if any, after payment in full in Cash of all Allowed Prepetition LP Facility Non-SPSO Claims, Allowed Prepetition Inc. Facility Non-Subordinated Claims, Allowed Prepetition LP Facility SPSO Claims and Allowed New DIP Facility Claims, shall be held in trust by the Debtors or Reorganized Debtors, as the case may be, for the benefit of the Holders of Allowed Prepetition LP Facility SPSO Subordinated Claims, if any, Allowed Existing LP Preferred Units Equity Interests, Allowed Existing LP Common Units Equity Interests, Allowed Prepetition Inc. Facility Subordinated Claims, Allowed Inc. General Unsecured Claims, Allowed Existing Inc. Preferred Stock Equity Interests, and Allowed Existing Inc. Common Stock Equity Interests. The Excess Auction Proceeds shall then be allocated by the Bankruptcy Court as between the LP Debtors, on the one

hand (Excess LP Auction Proceeds), and the Inc. Debtors, on the other (Excess Inc. Auction Proceeds), and then paid to the Holders of Allowed Claims and Equity Interests against such Debtors in order of priority as follows: (1) with respect to Excess LP Auction Proceeds, (a) first, Allowed Prepetition LP Facility SPSO Subordinated Claims, if any, (b) second, Allowed Existing LP Preferred Units Equity Interests, and (c) third, Allowed Existing LP Common Units Equity Interests; and (2) with respect to Excess Inc. Proceeds (which includes Excess LP Auction Proceeds remaining, if any, after payment in full of Allowed Existing LP Preferred Units Equity Interests), (a) first, Allowed Prepetition Inc. Facility Subordinated Claims, (b) second, Allowed Inc. General Unsecured Claims, (c) third, Allowed Prepetition LP Facility SPSO Subordinated Guarantee Claims, if any, (d) fourth, Allowed Existing Inc. Preferred Stock Equity Interests, and (e) fifth, Allowed Existing Inc. Common Stock Equity Interests; provided, however, that the priority of distribution set forth herein with respect to Excess Inc. Auction Proceeds is subject to the outcome of the Prepetition Inc. Facility Actions, as applicable.

D. Section 1145 and Other Exemptions

The offering, issuance, and distribution of the securities contemplated by the Plan and any and all agreements incorporated therein, including New LightSquared Common Equity, 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. In addition, any securities contemplated by the Plan and any and all agreements incorporated therein, including the New LightSquared Common Equity, 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 Corporate Governance Documents, and (4) applicable regulatory approval, if any.

E. Listing of New LightSquared Common Equity; Reporting Obligations

Except as the Board may otherwise direct, the Reorganized Debtors shall not be (1) obligated to list the New LightSquared Common Equity 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 Corporate Governance Documents may impose certain trading restrictions, and the New LightSquared Common Equity may be subject to certain transfer and other restrictions pursuant to the Reorganized Debtors Corporate Governance Documents.

F. Initial Boards of Directors and Managers

The Board shall be comprised of the persons identified in the Plan Supplement. The Board shall be selected in a manner to be determined by the Plan Proponents. In accordance with section 1129(a)(5) of the Bankruptcy Code, the Plan Proponents will disclose in the Plan Supplement the identity and affiliations of any person proposed to serve on the Board and, to the extent such person is an insider other than by virtue of being a director, the nature of any compensation for such person. Each director or manager appointed to the Board and to the boards of the other Reorganized Debtors, as applicable, shall serve from and after the Effective Date pursuant to the terms of the applicable Reorganized Debtors Corporate Governance Documents and applicable law.

The term of any current members of the boards of directors or managers of any of the Debtors shall expire upon the Effective Date. From and after the Effective Date, the members of the Board and the boards of any of the other Reorganized Debtors shall be selected and determined in accordance with the Reorganized Debtors Corporate Governance Documents of the applicable Reorganized Debtor and applicable law, including sections 1123(a)(7) and 1129(a)(5) of the Bankruptcy Code.

G. Reorganized Debtors Corporate Governance Documents and Indemnification Provisions Therein

On the Effective Date, the applicable Reorganized Debtors shall enter into and deliver the relevant Reorganized Debtors Corporate Governance Documents.

Confirmation of the Plan shall constitute authorization and approval: (1) of the Reorganized Debtors Corporate Governance Documents and all transactions contemplated thereby, including any and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors; and (2) for the Reorganized Debtors to enter into and execute, on or after the Effective Date, the Reorganized Debtors Corporate Governance Documents and such other documents as may be required or appropriate, including, without limitation, (a) taking steps, in the discretion of the Plan Proponents and Reorganized Debtors, as applicable, to insulate certain equityholders of New LightSquared in accordance with Section 1.993 of the rules of the FCC and (b) taking such other measures as deemed necessary and appropriate by the Plan Proponents to institute the measures set forth therein to have New LightSquared deemed, on the Effective Date, to be less than 25% foreign owned for purposes of compliance with Section 310(b) of the Communications Act of 1934, as amended, and the rules of the FCC. On the Effective Date, the Reorganized Debtors Corporate Governance Documents, 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 the Reorganized Debtors pursuant to the Reorganized Debtors Corporate Governance Documents and related documents shall be satisfied pursuant to, and as set forth in, the Reorganized Debtors Corporate Governance Documents and related documents.

As of the Effective Date, the Reorganized Debtors Corporate 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 shall amend or restate the Reorganized Debtors Corporate 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 Effective Date, the Board may adopt a Management Incentive Plan. **All New LightSquared Common Equity to be issued pursuant to the Plan to Holders of Allowed Claims shall be subject to dilution by any New LightSquared Common Equity issued pursuant to a Management Incentive Plan.**

I. Management and Officers of Reorganized Debtors

Subject to any applicable employment contracts and applicable law, from and after the Effective Date, the officers of the Reorganized Debtors will be selected and appointed by the board of directors of New LightSquared in accordance with, and pursuant to, the provisions of the Reorganized Debtors Corporate Governance Documents of New LightSquared, and applicable law.

J. Corporate Governance

As shall be set forth in the Reorganized Debtors Charters and Reorganized Debtors Bylaws, the Reorganized Debtors Boards shall consist of a number of members, and be appointed in a manner, to be agreed upon by each Plan Proponent or otherwise provided in the Reorganized Debtors Corporate Governance Documents. In accordance with section 1129(a)(5) of the Bankruptcy Code, to the extent not already disclosed, the Plan Proponents 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.

K. 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 any Liens granted to secure the New LightSquared Working Capital Facility and New LightSquared Term

Loans) 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. FOR THE AVOIDANCE OF DOUBT, THE FOREGOING SHALL NOT AND SHALL NOT BE DEEMED TO PROVIDE A RELEASE OR WAIVER IN FAVOR OF HARBINGER.

L. Cancellation of Securities and Agreements

On the Effective Date (or the New DIP Facilities Closing Date with respect to the DIP LP Facility and DIP Inc. Facility), except as otherwise specifically provided for in the Plan: (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 certain Intercompany Interests that are to 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 certain Intercompany Interests that are to be Reinstated pursuant to the Plan) shall be released and discharged; provided, however, 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, 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.

M. Corporate Existence

Except as otherwise provided in the Plan or as contemplated by the Plan Transactions, including Article IV.B.2(a), 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.

N. 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) all transfers of assets (including Equity Interests) that are to occur pursuant to the transactions contemplated under the Plan; (2) the incurrence of all obligations contemplated by the Plan and the making of Plan Distributions; (3) the execution and delivery of all applicable Plan Documents; (4) the implementation of all settlements and compromises as set forth in, incorporated by reference, or otherwise contemplated by the Plan; (5) the execution and delivery or consummation of any and all transactions, contracts, or arrangements permitted by applicable law, order, rule, or regulation; (6) the adoption of by-laws and certificates of incorporation; and (7) the selection of the Board. All matters 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) all transfers of assets (including Equity Interests) that are to occur pursuant to the transactions contemplated under the Plan; (2) the incurrence of all obligations contemplated by the Plan and the making of Plan Distributions; (3) the execution and delivery of all applicable Plan Documents; (4) the implementation of all settlements and compromises as set forth in, incorporated by reference, or otherwise contemplated by the Plan; (5) the execution and delivery or consummation of any and all transactions, contracts, or arrangements permitted by applicable law, order, rule, or

regulation; (6) the adoption of the Reorganized Debtors Corporate Governance Documents; and (7) the selection of the Board. The authorizations and approvals contemplated by this Article IV.N shall be effective notwithstanding any requirements under non-bankruptcy law.

O. 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.

P. 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, 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.

Q. 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 the Reorganized Debtors, as applicable.

R. 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. 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, 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, 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 (except as otherwise set forth herein) all directors and officers of the Debtors who served in such capacity at any time on and after the Confirmation 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.

S. Employee and Retiree Benefits

Except as otherwise provided in the Plan, on and after the Effective Date, the applicable Reorganized Debtors intend to 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 other 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 cancelled and terminated and (2) Holders of such Equity Interests shall be treated in accordance with Class 14 in Article III.B.16 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.

T. Prepetition Inc. Facility Actions

With respect to any Holders of a Prepetition Inc. Facility Non-Subordinated Claim in Class 6 or Prepetition Inc. Facility Subordinated Claim in Class 7 who vote to reject the Plan and do not waive the Potential Harbinger Claims, as applicable, the Confirmation Order shall be deemed to be an order granting the Ad Hoc LP Secured Group standing to bring, on or before the Effective Date, Prepetition Inc. Facility Actions against such Holders.

U. Withdrawal of Plan With Respect To Inc. Debtors

The Plan is a joint chapter 11 plan for the resolution of outstanding Claims against, and Equity Interests in, the consolidated Inc. Debtors and the LP Debtors. If, however, Class 6 (Prepetition Inc. Facility Non-Subordinated Claims) votes to reject the Plan, then the Plan shall be withdrawn with respect to all of the Inc. Debtors, shall be a plan only for the LP Debtors and may be confirmed with respect to the LP Debtors. If the Plan is withdrawn with respect to the Inc. Debtors, then without any further notice or action, order, or approval of the Bankruptcy Court, and notwithstanding anything to the contrary contained in the Plan, the Plan shall be deemed amended and modified to, among other things, eliminate (1) the Inc. Debtors from the Plan, (2) treatment of all Claims against and Equity Interests in any of the Inc. Debtors, (3) the combination of Inc. Debtors' Assets with and into LightSquared LP pursuant to Article IV.B.2, (4) the substantive consolidation of the Inc. Debtors pursuant to Article I.C, (5) the inclusion of any Claims against or Equity Interests in the Inc. Debtors in the calculation of the Pro Rata share of treatment provided to a Holder of an Allowed Claim against the LP Debtors, (6) any New DIP Inc. Facility Loans to be issued on account of Allowed DIP Inc. Facility Claims, (7) any New LightSquared Working Capital Facility Loans related to repayment of New DIP Inc. Facility Loans, and the amount of the New LightSquared Working Capital Facility will be adjusted accordingly, (8) any Inc. Debtor and any Holder of a Claim against or Equity

Interest in any Inc. Debtor, in their capacity as such a Holder, from the definition of “Released Party,” and (9) any settlement or compromise for the benefit of any Inc. Debtor or any Holder of a Claim against or Equity Interest in any Inc. Debtor, in their capacity as such a Holder.

For the avoidance of doubt, notwithstanding anything to the contrary contained in the Plan, if the Plan is withdrawn with respect to the Inc. Debtors, then all claims and Causes of Action held by any LP Debtor or any Holder of a Claim against or Equity Interest in an LP Debtor against any Inc. Debtor or any Holder of a Claim against or Equity Interest in an Inc. Debtor shall be and are preserved and shall not be and are not released, waived or compromised under or pursuant to the Plan, including, without limitation, any and all claims arising under and pursuant to the Prepetition LP Loan Documents.

**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

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 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 Article V.B hereof.

Any Executory Contract and Unexpired Lease not previously assumed, assumed and assigned, or rejected by an order of the Bankruptcy Court, and not listed on the Schedule of Assumed Agreements in the Plan Supplement, shall be rejected on the Effective Date.

2. Assumption of Executory Contracts and Unexpired Leases

In connection with the Confirmation and Consummation of the Plan, the Plan Proponents shall designate the Executory Contracts and Unexpired Leases to be assumed, or assumed and assigned, pursuant to, and in accordance with, the Plan. 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, which shall include the Inmarsat Cooperation Agreement (unless otherwise agreed in writing by the Ad Hoc LP Secured Group).

With respect to each such Executory Contract and Unexpired Lease listed on the Schedule of Assumed Agreements in the Plan Supplement, the Plan Proponents 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 10 in Article III.B.12 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 8 in Article III.B.10 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 at the option of the Plan Proponents or Reorganized Debtors, as applicable, (1) by payment of the Cure Costs in 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 or any other Entity.

In accordance with the Prior 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 have been Filed, served, and actually received by the appropriate notice parties no later than December 30, 2013, at 4:00 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.

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 Plan Proponents or Reorganized Debtors, 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 or any other Entity; provided, further, that notwithstanding anything to the contrary herein, prior to the Effective Date, the Debtors reserve the right to reject, subject to the consent of the Ad Hoc LP Secured Group, 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,

the Plan Proponents 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 contracting Debtors, 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.

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, 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. Accordingly, such contracts and leases (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 Plan Proponents on any exhibit to the Plan Supplement, nor anything contained in the Plan, shall constitute an admission by the Plan Proponents 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 Plan Proponents 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 Plan Proponents or the Reorganized Debtors, as applicable, 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 applicable agent under the DIP Facilities, the applicable agent under the Prepetition Facilities, 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, 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, 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, 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 Common Equity 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 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 Plan Proponents or New LightSquared, as applicable, as Disbursing Agent. 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 the Plan Proponents 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 Plan Proponents 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

The Disbursing Agent shall be empowered to: (1) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (2) make all Plan Distributions contemplated hereby; (3) employ professionals to represent it with respect to its responsibilities; and (4) 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 or any other Entity.

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, (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 and the Disputed Claims or Disputed Equity Interests have been Allowed.

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 Plan Proponents or the Reorganized Debtors, as applicable; 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 Prepetition LP Facility Claims or Allowed Prepetition Inc. Facility Claims

The Plan Distributions provided for Allowed Prepetition LP Facility Claims or Allowed Prepetition Inc. Facility Claims in Articles III.B.5, III.B.6, III.B.7, and III.B.8 hereof shall be made to applicable Holders of Allowed Prepetition LP Facility Claims or Allowed Prepetition Inc. Facility Claims by the Disbursing Agent.

Notwithstanding anything to the contrary herein, no Holder of an Allowed Prepetition LP Facility Claim or an Allowed Prepetition Inc. Facility Claim shall be entitled to invoke any rights or remedies under any applicable Sharing Provision. Holders of Prepetition LP Facility Claims and Prepetition Inc. Facility Claims are entitled only to the treatment specified with respect to such Claims in the Plan.

3. 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 Common Equity and such fractions shall be deemed to be zero.

4. 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 the Reorganized Debtors (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 and/or recoup

against any Allowed Claim (other than an Allowed Prepetition LP Facility Non-SPSO Claim, an Allowed Prepetition Inc. Facility Non-Subordinated Claim, Allowed DIP Facility Claim or, in the event Class 5B votes to accept the Plan, Allowed Prepetition LP Facility SPSO Claim) or any Allowed Equity Interest, 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 Non-Subordinated Claim, Allowed DIP Facility Claim or, in the event Class 5B votes to accept the Plan, Allowed Prepetition LP Facility SPSO Claim) hereunder will 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 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. 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 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 Article IV.Q 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 Article I.A.8 hereof or the Bankruptcy Code.

B. *Claims and Equity Interests Administration Responsibilities*

Except as otherwise provided in the Plan, after the Effective Date, the Reorganized Debtors 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 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 or any other Entity.

The Reorganized Debtors shall maintain the Disputed Claims and Equity Interests Reserve on account of the Disputed Claims and Disputed Equity Interests. 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 may be used to fund the other reserves and Plan Distributions.

C. Estimation of Claims or Equity Interests

Before the Effective Date, the Plan Proponents, and after the Effective Date, the Reorganized Debtors, 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 the Reorganized Debtors, 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 may be expunged on the Claims Register or stock transfer ledger or similar register of the applicable Debtor, as applicable, by the Reorganized Debtors, and any Claim or Equity Interest that has been amended may be adjusted thereon 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 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 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 Plan Proponents or the Reorganized Debtors, as applicable, (3) provided for in a postpetition agreement in writing between the Plan Proponents 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, 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.

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 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 the Reorganized Debtors, 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 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, 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, as applicable, 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, (1) the Prepetition Inc. Facility Lender Subordination Agreement shall be enforceable as a subordination agreement under section 510(a) of the Bankruptcy Code and (2) in the event that Class 5B votes to reject the Plan, the Prepetition LP Facility SPSO Subordinated Claims shall be (a) Disputed Claims and shall be treated in accordance with Articles VI and VII hereof, (b) subordinated to all other Claims against each of the LP Debtors and Inc. Debtors, as applicable, and (b) treated under the Plan as an unsecured Claim.

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 or any other Entity, after the Effective Date, the Reorganized Debtors may compromise and settle Claims against, or Equity Interests in, the Debtors, and Causes of Action against other Entities. In addition, to the extent that Class 6 and Class 7 vote to accept, or are deemed to accept, the Plan (and with respect to Holders of Allowed Prepetition Inc. Facility Subordinated Claims in Class 7, agree to waive any purported Potential Harbinger Claims), entry of the Confirmation Order shall also operate to settle all Claims and Causes of Action alleged against the Prepetition Inc. Agent and the Prepetition Inc. Lenders in the Standing Motion, and the Standing Motion shall be deemed withdrawn with prejudice upon the occurrence of the Effective Date; provided, however, (1) if Holders of Allowed Prepetition Inc. Facility Non-Subordinated Claims in Class 6 vote to reject the Plan, then all Prepetition Inc. Facility Actions against such Holders shall not be settled, waived, or withdrawn and the Ad Hoc LP Secured Group shall be authorized and permitted to pursue all such Prepetition Inc. Facility Actions against such Holders, and (2) if Holders of Allowed Prepetition Inc. Facility Subordinated Claims in Class 7 vote to reject the Plan and/or do not agree to waive any purported Potential Harbinger Claims, then all Prepetition Inc. Facility Actions against such Holders shall not be settled, waived, or withdrawn and the Ad Hoc LP Secured Group shall be authorized and permitted to pursue all such Prepetition Inc. Facility Actions against such Holders.

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, to the fullest extent permissible under applicable law, 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, the Ergen Actions in the event that Class 5B votes to accept the Plan), and 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 prepetition or postpetition purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors, the New LightSquared Term Loan Facility, the New DIP Facilities, the New LightSquared Working Capital Facility, or the New LightSquared Common Equity, 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, the negotiation, formulation, or preparation of the Plan and the Disclosure Statement, or related agreements, instruments, or other documents, 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 New LightSquared Loan Facility Agreement, and Reorganized Debtors Corporate Governance Documents) executed to implement the Plan.

E. Exculpation

Except as otherwise specifically provided in the Plan, to the fullest extent permissible under applicable law, 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 this Plan, the Disclosure Statement, the Plan Documents, or any contract, instrument, release, or other agreement, or document created or entered into in connection with this Plan, 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 this Plan, except for (1) willful misconduct (including fraud) or gross negligence and/or (2) the rights of any Entity to enforce this Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered under, or in connection with, this Plan, or assumed pursuant to this 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, but not limited to, the Ergen Actions in the event that Class 5B votes to accept the Plan), and 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 prepetition or postpetition purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors, the New LightSquared Term Loan Facility, the New DIP Facilities, the New LightSquared Working Capital Facility, or the New LightSquared Common Equity, 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, the negotiation, formulation, or preparation of the Plan and the Disclosure Statement, or related agreements, instruments, or other documents, 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 the third-party release in this Article VIII.F shall not apply to each present and former Holder of a Claim or Equity Interest that (a) votes to reject the Plan or has abstained from voting to accept or reject the Plan and (b) rejects the third-party release provided in this Article 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 New LightSquared Loan Facility Agreement, and Reorganized Debtors Corporate Governance Documents) executed to implement the Plan.

G. Injunction

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 Article VIII.D hereof or Article VIII.F hereof, discharged pursuant to Article VIII.A hereof, or are subject to exculpation pursuant to Article VIII.E hereof, are permanently enjoined to the fullest extent permissible under applicable law, from and after the Effective Date, from (1) pursuing any claims or actions released pursuant to Article VIII.F hereof (including, but not limited to, the Ergen Actions in the event that Class 5B votes to accept the Plan), and (2) taking any of the following actions against the Debtors or the Reorganized Debtors: (a) 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; (b) 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; (c) 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; (d) 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 (e) 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 (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.

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 or waived pursuant to the provisions of Article IX.C hereof:

1. Except as otherwise agreed by the Ad Hoc LP Secured Group, in consultation with the Debtors, 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 obtaining an approval of any Material Regulatory Request; provided, that this condition to the Confirmation Date shall not apply in the event that Class 6 (Prepetition Inc. Facility Non-Subordinated Claims) votes to reject the Plan and the Plan is withdrawn with respect to the Inc. Debtors as provided in Article IV.U.
2. The Bankruptcy Court shall have entered the Disclosure Statement Order and the Canadian Court shall have entered the Disclosure Statement Recognition Order.
3. The Debtors shall have received binding commitments with respect to the New DIP Facilities and New LightSquared Working Capital Facility.
4. The Debtors shall have listed on the Schedule of Assumed Agreements in the Plan Supplement the Inmarsat Cooperation Agreement (unless otherwise agreed in writing by the Ad Hoc LP Secured Group).
5. The Bankruptcy Court shall have entered the Confirmation Order, which shall (a) be in form and substance satisfactory to the Plan Proponents, (b) entered no later than October 31, 2014, and (c) approve the New LightSquared Loan Facility.
6. The Bankruptcy Court shall have entered the New DIP Facility Orders, which shall have become Final Orders.

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 pursuant to the provisions of Article IX.C hereof:

1. Each of the Confirmation Order and the Confirmation Recognition Order, in form and substance satisfactory to the Plan Proponents, shall have become a Final Order.
2. All conditions precedent to the closing of the New LightSquared Term Loan Facility and the New LightSquared Working Capital Facility shall have been satisfied or waived in accordance therewith.
3. The Bankruptcy Court shall have made a Litigation Determination.
4. The Bankruptcy Court shall have made an Inmarsat Cooperation Agreement Determination.
5. The Plan Documents shall have been executed and delivered, and any conditions (other than the occurrence of the Effective Date or certification by a Debtor that the Effective Date has occurred) contained therein shall have been satisfied or waived in accordance therewith:
 - (a) the New LightSquared Loan Facility Agreement and any related documents, in forms and substance acceptable to the Plan Proponents, shall have been executed and delivered by all of the Entities that are parties thereto, and the incurrence of obligations pursuant to the New LightSquared Loan Facility shall have occurred;
 - (b) the Reorganized Debtors Corporate Governance Documents, in forms and substance acceptable to the Ad Hoc LP Secured Group, 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
 - (c) the Debtors shall have sufficient Cash on hand to fund the Professional Fee Reserve and the Disputed Claims and Equity Interests Reserve.
6. The Debtors shall have paid in full in Cash all Ad Hoc LP Secured Group Fee Claims.
7. All necessary actions, documents, certificates, and agreements necessary to implement this 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.
8. 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 this Plan (including, without limitation and to the extent applicable, consents to the assignment of the Debtors' licenses, the transfer of control of the Debtors and/or the issuance of New LightSquared Common Equity, as well as customary approvals and authorizations related thereto) and any statutory waiting periods shall have expired (including, if applicable, under the *Hart-Scott-Rodino Antitrust Improvements Act of 1976* and the *Competition Act (Canada)*).

9. Except as otherwise agreed by the Ad Hoc LP Secured Group, in consultation with the Debtors, 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 obtaining an approval of any Material Regulatory Request; provided, that this condition to the Effective Date shall not apply in the event that Class 6 (Prepetition Inc. Facility Non-Subordinated Claims) votes to reject the Plan and the Plan is withdrawn with respect to the Inc. Debtors as provided in Article IV.U.

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 each Plan Proponent (in accordance with the terms hereof), without notice to, or action, order, or approval of, the Bankruptcy Court or any other Entity. For the avoidance of doubt, the Ad Hoc LP Secured Group's consent to waive such conditions shall be determined by the vote of a majority in principal amount of outstanding loans held by the members of the Ad Hoc LP Secured Group. For the avoidance of doubt, the conditions set forth in Article IX.A.1 and IX.B.9, to the extent applicable, may only be waived by the Ad Hoc LP Secured Group.

D. Harbinger Litigation Action

To the extent that they have not already done so, the Plan Proponents shall promptly commence and prosecute a Harbinger Litigation Action and shall use their best efforts to obtain a Harbinger Litigation Determination prior to the occurrence of the Effective Date.

**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 terms hereof), reserve the right to modify the Plan as to material terms and seek Confirmation consistent with the Bankruptcy Code. 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, each of the Plan Proponents (in accordance with the terms hereof), expressly reserves its respective right to revoke or withdraw, or, 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 Article 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 reserve the right to revoke or withdraw the Plan prior to the Confirmation Date and to file subsequent chapter 11 plans. If the Plan Proponents 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; 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. Further, 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 that such withdrawal is without prejudice to the right of the Ad Hoc LP Secured Group to continue to seek confirmation and consummation of the Plan. Moreover, to the extent Class 6 (Prepetition Inc. Facility Non-Subordinated Claims) votes to reject the Plan or otherwise pursues confirmation of a chapter 11 plan as it relates to the collateral securing the Prepetition Inc. Facility Non-Subordinated Claims, the Debtors shall be permitted to support such plan (or any other Inc. Debtor-related plan) notwithstanding the filing of this Plan.

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 Plan, or otherwise, 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 or Potential Harbinger Claims;
7. Adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;
8. 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;

9. 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;
10. 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;
11. 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;
12. 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;
13. 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 Article VI.J hereof;
14. Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;
15. 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, or other agreement or document created in connection with the Plan or the Disclosure Statement;
16. Enter an order or final decree concluding or closing the Chapter 11 Cases;
17. Adjudicate any and all disputes arising from or relating to Plan Distributions under the Plan or any transactions contemplated therein;
18. 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;
19. Hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;
20. Enforce all orders previously entered by the Bankruptcy Court;

21. Enforce the Litigation Determination, including by issuing injunctions, entering and implementing other orders, and taking such other actions as may be necessary to stay, bar, preclude, or otherwise limit Persons (other than the Debtors) to assert any claims or causes of action against the GPS Industry and/or the FCC;
22. Hear and determine any Harbinger Litigation Action;
23. 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; and
24. Hear any other matter not inconsistent with the Bankruptcy Code.

**ARTICLE XII.
MISCELLANEOUS PROVISIONS**

A. Immediate Binding Effect

Subject to Article 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, and the Confirmation 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.

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 Plan Proponents 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 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

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

the Ad Hoc LP Secured Group or any members thereof, shall be served on:

White & Case LLP
Thomas E Lauria
Glenn M. Kurtz
1155 Avenue of the Americas
New York, NY 10036

Wilmington Savings Fund Society, FSB, as administrative agent under the Prepetition LP Credit Agreement, shall be served on:

McDermott Will & Emery LLP
Leonard Klingbaum
Darren Azman
340 Madison Avenue
New York, NY 10173

the DIP Inc. Agent, the Prepetition Inc. Agent, or the Prepetition Inc. Lenders, shall be

served on:

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 have authority to send a notice to Entities that to continue to receive documents pursuant to Bankruptcy Rule 2002, they must file a renewed request to receive documents pursuant to Bankruptcy Rule 2002. 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 such renewed requests.

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, 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, 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 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 Debtors' or Reorganized Debtors', as applicable, consent, 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.

