

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

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

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**JOINT CHAPTER 11 PLAN FOR LIGHTSQUARED LP,  
ATC TECHNOLOGIES, LLC, LIGHTSQUARED CORP., LIGHTSQUARED INC. OF  
VIRGINIA, LIGHTSQUARED SUBSIDIARY LLC, LIGHTSQUARED FINANCE CO.,  
LIGHTSQUARED NETWORK LLC, LIGHTSQUARED BERMUDA LTD., SKYTERRA  
HOLDINGS (CANADA) INC., AND SKYTERRA (CANADA) INC., PROPOSED  
BY THE AD HOC SECURED GROUP OF LIGHTSQUARED LP LENDERS**

**Nothing contained herein shall constitute an offer, acceptance or a legally binding obligation of the Debtors or any other party in interest and this Plan is subject to approval of the Bankruptcy Court and other customary conditions. This Plan is not an offer with respect to any securities. This is not a solicitation of acceptances or rejections of the Plan. Acceptances or rejections with respect to this Plan may not be solicited until a disclosure statement has been approved by the United States Bankruptcy Court for the Southern District of New York. Such a solicitation will only be made in compliance with applicable provisions of securities and/or bankruptcy laws.**

Dated: New York, New York  
July 23, 2013

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



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## **EXHIBITS**

Exhibit A - Glossary of Defined Terms

## **SCHEDULES**

Schedule 1 – Plan Sponsors

## **INTRODUCTION**

The Plan Sponsors, certain holders of LP Facility Secured Claims who are members of the Ad Hoc LP Secured Group, hereby propose the following joint chapter 11 plan for the resolution of the Claims against and Equity Interests in LightSquared LP, ATC Technologies, LLC, LightSquared Corp., LightSquared Inc. of Virginia, LightSquared Subsidiary LLC, LightSquared Finance Co., LightSquared Network LLC, LightSquared Bermuda Ltd., SkyTerra Holdings (Canada) Inc., and SkyTerra (Canada) Inc., certain of the debtors and debtors in possession in the above-captioned cases.

Reference is made to the Disclosure Statement, including the exhibits, schedules and supplements thereto, for a discussion of the Debtors' history, business, properties and operations, risk factors, a summary and analysis of this Plan, and certain related matters including, among other things, certain tax matters and the consideration to be issued and/or distributed under this Plan. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code, Bankruptcy Rule 3019, and Sections 13.20 and 13.21 of this Plan, the Plan Sponsors reserve the right to alter, amend, modify, revoke or withdraw this Plan prior to its substantial consummation.

The only Persons that are entitled to vote on this Plan are the holders of LP Facility Secured Claims, General LP Unsecured Claims, LP Preferred Unit Interests and LP Common Equity Interests. Such Persons are encouraged to read in their entirety the Plan, the Disclosure Statement, their respective exhibits and schedules, and all other materials approved by the Bankruptcy Court in connection with solicitation of this Plan before voting to accept or reject the Plan.

## **ARTICLE I.** **DEFINITIONS AND INTERPRETATION**

### **1.1. Definitions**

The capitalized terms used herein shall have the respective meanings set forth in the Glossary of Defined Terms attached hereto as Exhibit "A" (such meanings to be equally applicable to both the singular and plural).

### **1.2. Interpretation; Application of Definitions and Rules of Construction**

Unless otherwise specified, all section or exhibit references in this Plan are to the respective section in, or exhibit to, this Plan. The words "herein," "hereof," "hereto," "hereunder," and other words of similar import refer to this Plan as a whole and not to any particular section, subsection, or clause contained therein. Whenever from the context it is appropriate, each term, whether stated in the singular or the plural, will include both the singular and the plural. Any term that is not otherwise defined herein, but that is used in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning given to that term in the Bankruptcy Code or the Bankruptcy Rules, as applicable. Except for the rules of construction contained in section 102(5) of the Bankruptcy Code, which shall not apply, the rules of construction contained in section 102 of the Bankruptcy Code shall apply to the construction of the Plan. Any reference in this Plan to a contract, instrument, release, indenture, or other agreement or documents being in a

particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions, and any reference in this Plan to an existing document or exhibit filed or to be filed means such document or exhibit as it may have been or may be amended, modified, or supplemented. Subject to the provisions of any contract, certificates or articles of incorporation, by-laws, instruments, releases, or other agreements or documents entered into in connection with this Plan, the rights and obligations arising under this Plan shall be governed by, and construed and enforced in accordance with, federal law, including the Bankruptcy Code and Bankruptcy Rules. The captions and headings in this Plan are for convenience of reference only and shall not limit or otherwise affect the provisions hereof. Any reference to an entity as a holder of a Claim or Equity Interest includes that entity's successors and assigns. In the event of any ambiguity or conflict between the Plan and the Disclosure Statement, the provisions of the Plan shall govern.

### **1.3. Appendices and Plan Documents**

All exhibits, supplements, appendices, and schedules to the Plan are incorporated into the Plan by this reference and are a part of the Plan as if set forth in full herein. All Plan Documents shall be filed with the Bankruptcy Court as part of the Plan Supplement not less than five (5) calendar days prior to the Voting Deadline; provided, however, that any Plan Document that is or may be subject to confidentiality provisions or otherwise contain confidential or proprietary information may be filed in redacted form or under seal.

Holders of Claims and Equity Interests may obtain a copy of the Plan, once filed, at <https://www.kccllc.net/LightSquared> or by written request sent to the following address:

LightSquared LP Ballot Processing Center  
c/o Kurtzman Carson Consultants LLC  
2335 Alaska Avenue  
El Segundo, CA 90245

## **ARTICLE II.** **RESOLUTION OF CERTAIN INTER-DEBTOR ISSUES**

### **2.1. Substantive Consolidation of the LP Debtors for Purposes of Voting, Confirmation and Distribution**

This Plan provides for substantive consolidation of the LP Debtors' Estates, but solely for purposes of voting, confirmation, and making distributions to the holders of Allowed Claims and Allowed Equity Interests under the Plan. Notwithstanding anything herein to the contrary, the LP Debtors shall not be merged or consolidated and shall maintain their pre-Effective Date corporate structure. On the Effective Date: (i) all guarantees by any LP Debtor of the payment, performance or collection by another LP Debtor with respect to Claims against such second LP Debtor, and all Claims based on such guarantees, shall be deemed eliminated, cancelled, released and of no further force and effect; (ii) any obligation of any LP Debtor and all guarantees by another LP Debtor with respect to Claims of the first LP Debtor shall be treated as a single obligation; (iii) each Claim against any LP Debtor shall be deemed to be against the consolidated LP Debtors and shall be deemed a single Claim against, and a single obligation of, the consolidated LP Debtors; and (iv) all Intercompany Claims shall be deemed eliminated as a

result of the substantive consolidation of the LP Debtors, and therefore holders thereof shall not be entitled to vote on the Plan, or receive any Plan Distributions or other allocations of value under the Plan. Except as set forth in this Section 2.1, such substantive consolidation shall not (other than for purposes related to the Plan) (x) affect the legal and corporate structure of the LP Debtors or (y) affect any obligations under any leases or contracts assumed in the Plan or otherwise after the Petition Date.

## **2.2. Inc. Entity General Unsecured Claims**

On or before the Inc. Entity General Unsecured Claims Bar Date, any Inc. Entity that asserts an Inc. Entity General Unsecured Claim against any of the LP Debtors shall file a proof of such Claim with the Claims Agent by hand delivery, overnight courier, or first class mail to LightSquared Claims Processing Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, CA 90254, and serve a copy of such proof of Claim on the Plan Sponsors. Any timely filed Allowed Inc. Entity General Unsecured Claim shall receive the treatment set forth in Class 4 – General LP Unsecured Claims, unless otherwise ordered by the Bankruptcy Court.

## **ARTICLE III. PROVISIONS FOR TREATMENT OF UNCLASSIFIED CLAIMS**

### **3.1. Unclassified Claims**

As provided by section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Fee Claims, U.S. Trustee Fees and Priority Tax Claims against the LP Debtors shall not be classified under the Plan, and shall instead be treated separately as unclassified Claims on the terms set forth in this Article III. Holders of such Claims are not entitled to vote on this Plan.

### **3.2. Treatment of Administrative Claims**

#### **(a) Time for Filing Administrative Claims**

Each holder of an Administrative Claim, other than (i) a Fee Claim, (ii) a liability incurred and payable in the ordinary course of business by any LP Debtor (and not past due), (iii) an Administrative Claim that has become an Allowed Claim on or before the Effective Date, or (iv) any claim by the Stalking Horse Bidder for payment of the Break-Up Fee or Expense Reimbursement under the Stalking Horse Agreement must file with the Bankruptcy Court and serve on (a) the LP Debtors, (b) the Office of the U.S. Trustee, and (c) the Plan Sponsors notice of such Administrative Claim within thirty (30) days after service of the Notice of Effective Date. Such notice of Administrative Claim must include, at a minimum, (i) the name of the holder of the Administrative Claim, (ii) the amount of the Administrative Claim, and (iii) a detailed description of the basis for the Administrative Claim. **Failure to file and serve such notice timely and properly shall result in the Administrative Claim being forever barred and discharged.**



(b) Allowance of Administrative Claims

An Administrative Claim with respect to which notice has been properly filed and served pursuant to Section 3.2(a) of this Plan shall become an Allowed Administrative Claim if no objection is filed within thirty (30) days after the later of (i) the Effective Date, (ii) the date of service of the applicable notice of Administrative Claim, or (iii) such later date as may be (a) agreed to by the holder of such Administrative Claim or (b) approved by the Bankruptcy Court on motion of a party in interest, without notice or a hearing. If an objection is filed within such thirty (30) day period (or any extension thereof) and is not otherwise resolved, the Administrative Claim shall become an Allowed Administrative Claim only to the extent allowed by Final Order. For the avoidance of doubt, any claim by the Stalking Horse Bidder for the Break-Up Fee or Expense Reimbursement shall be deemed an Allowed Administrative Expense Claim in accordance with the Bid Procedures Order, and the Stalking Horse Bidder shall not be required to file any notice of Administrative Claim in accordance with Section 3.2(a) of this Plan or any other proof of claim or administrative expense in respect of any claim for the Break-Up Fee or Expense Reimbursement.

(c) Payment of Allowed Administrative Claims

On the Plan Distribution Date, each holder of an Allowed Administrative Claim shall receive, (i) the amount of such holder's Allowed Administrative Claim in one payment of Plan Consideration in the form of Cash (to the extent not previously paid by the LP Debtors) or (ii) such other treatment as may be agreed upon in writing by (a) the LP Debtors (or, if after the Effective Date, the Disbursing Agent), and (b) such holder; provided, that such treatment shall not provide a recovery to such holder having a present value as of the Effective Date in excess of such holder's Allowed Administrative Claim; provided, further, that an Administrative Claim representing a liability incurred in the ordinary course of business of any of the LP Debtors may be paid by the respective LP Debtor (or, if after the Effective Date, the Disbursing Agent), as applicable, in the ordinary course of business; provided, further, that the Break-Up Fee and Expense Reimbursement shall be paid in accordance with the terms of the Stalking Horse Agreement and Bid Procedures Order; and provided, further, that any Allowed Administrative Claim accrued or incurred prior to the Effective Date, but not paid on or prior to the Effective Date, shall be paid from the reserve established pursuant to Section 9.5(b) of this Plan (and, to the extent that amounts deposited in the reserve established pursuant to Section 9.5(b) of this Plan are insufficient to pay such Allowed Administrative Claim, the LP Debtors may withdraw Cash from the Wind Down Reserve to pay such Allowed Administrative Claim).

(d) Ad Hoc LP Secured Group Fee Claims and Plan Sponsor Fee Claims

In the case of the Ad Hoc LP Secured Group Fee Claims and Plan Sponsor Fee Claims, such Ad Hoc LP Secured Group Fee Claims and Plan Sponsor Fee Claims will be paid in full in Plan Consideration in the form of Cash on the Effective Date for all reasonable fees and expenses incurred up to the Effective Date (to the extent not previously paid), subject to the LP 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 LP Debtors dispute all or a portion of the Ad Hoc LP Secured Group Fee Claims or Plan Sponsor Fee Claims, the LP Debtors shall pay the undisputed amount of such Ad Hoc LP Secured Group Fee Claims or Plan Sponsor Fee Claims (as applicable), and segregate the



remaining portion of such Ad Hoc LP Secured Group Fee Claims or Plan Sponsor Fee Claims (as applicable) until such dispute is resolved by the parties or by the Bankruptcy Court.

### **3.3. Treatment of Fee Claims**

#### **(a) Time for Filing Fee Claims**

Each Professional Person who holds or asserts a Fee Claim against the LP Debtors shall be required to file with the Bankruptcy Court, and serve on all parties required to receive notice, a final Fee Application within forty (40) days after the Effective Date or such other date as may be fixed by the Bankruptcy Code. **The failure to timely file and serve such final Fee Application shall result in the Fee Claim being forever barred and discharged.**

#### **(b) Allowance of Fee Claims**

A Fee Claim in respect of which a Fee Application has been properly filed and served pursuant to Section 3.3(a) of this Plan shall become an Allowed Fee Claim only to the extent allowed by Final Order.

#### **(c) Treatment of Fee Claims**

Each holder of an Allowed Fee Claim shall receive, in full satisfaction of such Allowed Fee Claim, (i) on the date such Fee Claim becomes an Allowed Fee Claim, or as soon thereafter as is practicable, Plan Consideration in the form of Cash in an amount equal to such Allowed Fee Claim (less any amounts previously paid on account of such Fee Claim by the LP Debtors) or (ii) such other treatment as may be agreed to by such holder of an Allowed Fee Claim; provided, that such treatment shall not provide a recovery to such holder having a present value as of the Effective Date in excess of such holder's Allowed Fee Claim; provided, further, that any Allowed Fee Claim accrued or incurred prior to the Effective Date, but not paid on or prior to the Effective Date, shall be paid from the reserve established pursuant to Section 9.5(b) of this Plan (and, to the extent that amounts deposited in the reserve established pursuant to Section 9.5(b) of this Plan are insufficient to pay such Allowed Fee Claim, the LP Debtors may withdraw Cash from the Wind Down Reserve to pay such Allowed Fee Claim).

### **3.4. Treatment of U.S. Trustee Fees**

The Disbursing Agent, on behalf of each of the LP Debtors, shall pay all outstanding U.S. Trustee Fees of such LP Debtor on an ongoing basis on the later of: (i) the Effective Date; and (ii) the date such U.S. Trustee Fees become due, until such time as a final decree is entered closing the applicable Chapter 11 Case or the applicable Chapter 11 Case is converted or dismissed, or the Bankruptcy Court orders otherwise. Any deadline for filing Administrative Claims shall not apply to U.S. Trustee Fees.

### **3.5. Treatment of Priority Tax Claims**

Each holder of an Allowed Priority Tax Claim shall receive, in full satisfaction of such Allowed Priority Tax Claim: (a) Plan Consideration in the form of Cash in the amount of such Allowed Priority Tax Claim (to the extent not previously paid by the LP Debtors) on the later of

(i) the applicable Plan Distribution Date and (ii) as soon as practicable after such Priority Tax Claim becomes an Allowed Priority Tax Claim or (b) such other treatment as may be agreed to by such holder of an Allowed Priority Tax Claim; provided, that such treatment shall not provide a recovery to such holder having a present value as of the Effective Date in excess of such holder's Allowed Priority Tax Claim.

**ARTICLE IV.**  
**CLASSIFICATION OF CLAIMS AND EQUITY INTERESTS**

**4.1. Classification/Impairment of Claims and Equity Interests**

The following table designates the Classes of Claims and Equity Interests, and specifies which Classes are: (i) impaired or unimpaired by this Plan; (ii) entitled to vote to accept or reject this Plan in accordance with section 1126 of the Bankruptcy Code; and (iii) deemed to accept this Plan pursuant to section 1126(f) of the Bankruptcy Code.

<b><u>Class</u></b>	<b><u>Designation</u></b>	<b><u>Impairment</u></b>	<b><u>Entitled to Vote</u></b>
Class 1	Priority Non-Tax Claims	No	No (deemed to accept)
Class 2	Other LP Secured Claims	No	No (deemed to accept)
Class 3	LP Facility Secured Claims	Yes	Yes
Class 4	General LP Unsecured Claims	Yes	Yes
Class 5	LP Preferred Unit Interests	Yes	Yes
Class 6	LP Common Equity Interests	Yes	Yes

**4.2. Separate Classification of Other LP Secured Claims**

Other LP Secured Claims have been classified together for each LP Debtor solely for purposes of describing treatment under the Plan. Each Other LP Secured Claim, to the extent secured by a Lien on Collateral different than that securing any other Other LP Secured Claim, shall be treated as being in a separate sub-Class for the purpose of receiving Plan Distributions.

**ARTICLE V.**  
**TREATMENT OF CLASSIFIED CLAIMS AND EQUITY INTERESTS**

**5.1. Class 1 – Priority Non-Tax Claims**

(a) Treatment: The legal, equitable and contractual rights of the holders of Priority Non-Tax Claims are unaltered by this Plan. Except to the extent that a holder of an Allowed Priority Non-Tax Claim agrees to different treatment, on the applicable Plan Distribution Date, each holder of an Allowed Priority Non-Tax Claim shall receive Plan Consideration in the form of Cash in an amount equal to such Allowed Claim.

(b) Voting: The Priority Non-Tax Claims are not impaired Claims. In accordance with section 1126(f) of the Bankruptcy Code, the holders of Priority Non-Tax Claims are conclusively presumed to accept this Plan and are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Allowed Priority Non-Tax Claims.

### **5.2. Class 2 – Other LP Secured Claims**

(a) Treatment: The legal, equitable and contractual rights of the holders of Other LP Secured Claims are unaltered by this Plan. Except to the extent that a holder of an Allowed Other LP Secured Claim agrees to different treatment, on the applicable Plan Distribution Date, each holder of an Allowed Other LP Secured Claim shall receive, at the election of the Plan Sponsors or Disbursing Agent, as applicable: (i) Plan Consideration in the form of Cash in an amount equal to such Allowed Other LP Secured Claim; or (ii) such other treatment that will render the Other LP Secured Claim unimpaired pursuant to section 1124 of the Bankruptcy Code. Each holder of an Allowed Other LP Secured Claim shall retain the Liens securing its Allowed Other LP Secured Claim as of the Effective Date until (A) full and final payment of such Allowed Other LP Secured Claim is made as provided herein or (B) the Collateral securing such Liens is sold and such Liens shall attach to the respective proceeds of such sale to the extent attributable to such Collateral and with the same validity, priority, force and effect. Upon the full payment or other satisfaction of such Claims in accordance with the Plan, the Liens securing such Allowed Other LP Secured Claim shall be deemed released, terminated and extinguished, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order or rule or the vote, consent, authorization or approval of any Person.

(b) Voting: The Other LP Secured Claims are not impaired Claims. In accordance with section 1126(f) of the Bankruptcy Code, the holders of Other LP Secured Claims are conclusively presumed to accept this Plan and are not entitled to vote to accept or reject the Plan, and the votes of such holders will not be solicited with respect to such Allowed Other LP Secured Claims.

(c) Deficiency Claims: To the extent that the value of the Collateral securing each Other LP Secured Claim is less than the allowed amount of such Other LP Secured Claim, the undersecured portion of such Allowed Claim shall be treated for all purposes under this Plan as an Allowed General LP Unsecured Claim and shall be classified as a General LP Unsecured Claim.

### **5.3. Class 3 – LP Facility Secured Claims**

(a) Allowance: On the Effective Date, the LP Facility Secured Claims shall be Allowed Claims.

(b) Treatment: In full satisfaction, settlement, release and discharge of, and in exchange for, LP Facility Secured Claims, and except to the extent that a holder of an Allowed LP Facility Secured Claim agrees to less favorable treatment, each holder of an LP Facility Secured Claim shall receive, on the Effective Date, its Pro Rata Share of Plan Consideration remaining after (A) payment in full of Unclassified Claims pursuant to Article III, (B) payment

in full of Priority Non-Tax Claims and Other LP Secured Claims pursuant to Sections 5.1 and 5.2 of this Plan, respectively, and (C) payment of the General LP Unsecured Claims Distribution; provided, that, in the event that the Stalking Horse Bid is selected as the Successful Bid and the Effective Date occurs, the Plan Consideration distributed to the holders of Allowed LP Facility Secured Claims, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claims, shall equal \$2,102,000,000 in the aggregate; and provided, further, in no event, shall any distribution to a holder of an Allowed LP Facility Secured Claim pursuant to this Section 5.3(b) be in excess of 100% of the amount of such holder's Allowed LP Facility Secured Claim.

(c) Voting: The LP Facility Secured Claims are impaired Claims. Holders of such Claims are entitled to vote to accept or reject the Plan, and the votes of such holders will be solicited with respect to such LP Facility Secured Claims.

#### **5.4. Class 4 – General LP Unsecured Claims**

(a) Treatment: In complete and final satisfaction, settlement, release, and discharge of, and in exchange for, General LP Unsecured Claims, and except to the extent that a holder of an Allowed General LP Unsecured Claim agrees to less favorable treatment, on the applicable Plan Distribution Date, each holder of an Allowed General LP Unsecured Claim shall receive such holder's Pro Rata Share of (A) the General LP Unsecured Claims Distribution, and (B) to the extent Allowed General LP Unsecured Claims exceed the General LP Unsecured Claims Distribution, Plan Consideration remaining, if any, after payment in full of all Allowed LP Facility Secured Claims and Allowed Other LP Secured Claims; provided, in no event shall such distribution(s) be in excess of 100% of the amount of its Allowed General LP Unsecured Claim.

(b) Voting: The General LP Unsecured Claims are impaired Claims. Holders of such Claims are entitled to vote to accept or reject the Plan, and the votes of such holders will be solicited with respect to such General LP Unsecured Claims.

#### **5.5. Class 5 – LP Preferred Unit Interests**

(a) Treatment: In complete and final satisfaction, settlement, release, and discharge of, and in exchange for, LP Preferred Unit Interests, on the Effective Date, the LP Preferred Unit Interests shall be cancelled and, except to the extent that a holder of an Allowed LP Preferred Unit Interest agrees to less favorable treatment, on the applicable Plan Distribution Date, each holder of a LP Preferred Unit Interest shall receive its Pro Rata Share of Plan Consideration remaining, if any, after payment in full of the Allowed General LP Unsecured Claims, including the amount (if any) of the General LP Unsecured Claims Distribution in excess of all Allowed General LP Unsecured Claims; provided, in no event shall such distribution(s) be in excess of 100% of the amount of its Allowed LP Preferred Unit Interest.

(b) Voting: The LP Preferred Unit Interests are impaired Equity Interests. Holders of such Equity Interests are entitled to vote to accept or reject the Plan, and the votes of such holders will be solicited with respect to such LP Preferred Unit Interests.

**5.6. Class 6 – LP Common Equity Interests**

(a) Treatment: In complete and final satisfaction, settlement, release, and discharge of, and in exchange for, LP Common Equity Interests, on the Effective Date, LP Common Equity Interests shall be cancelled (except as set forth in Section 7.14 of this Plan) and, on the applicable Plan Distribution Date, each holder of an LP Common Equity Interest shall receive its Pro Rata Share of the Plan Consideration remaining, if any, after payment in full of the LP Preferred Unit Interests.

(b) Voting: The LP Common Equity Interests are impaired Equity Interests. Holders of such Equity Interests are entitled to vote to accept or reject the Plan, and the votes of such holders will be solicited with respect to such LP Common Equity Interests.

**ARTICLE VI.  
ACCEPTANCE OR REJECTION OF THE PLAN**

**6.1. Classes of Claims Deemed to Accept the Plan**

Class 1 – Priority Non-Tax Claims and Class 2 – Other LP Secured Claims are unimpaired under the Plan and are therefore deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.

**6.2. Class Acceptance Requirement**

A Class of Claims shall have accepted the Plan if it is accepted by the holders of at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the Allowed Claims in such Class that have voted on the Plan. A Class of Equity Interests shall have accepted the Plan if it is accepted by holders of at least two-thirds (2/3) in amount of the Equity Interests in such Class that actually vote on the Plan.

**6.3. Confirmation Pursuant to Section 1129(b) of the Bankruptcy Code or “Cramdown”**

If all applicable requirements for confirmation of the Plan are met as set forth in section 1129(a) of the Bankruptcy Code, except subsection (8) thereof, the Plan shall be treated as a request that the Bankruptcy Court confirm the Plan in accordance with section 1129(b) of the Bankruptcy Code, notwithstanding the failure to satisfy the requirements of section 1129(a)(8), on the basis that the Plan is fair and equitable and does not discriminate unfairly with respect to each Class of Claims or Equity Interests that is impaired under, and has not accepted, the Plan.

**6.4. Elimination of Vacant Classes**

Any Class of Claims that does not have a holder of an Allowed Claim or a Claim temporarily allowed by the Bankruptcy Court as of the date of the Confirmation Hearing 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.

**6.5. Voting Classes; Deemed 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 deemed accepted by the holders of such Claims or Equity Interests in such Class.

**ARTICLE VII.  
MEANS FOR IMPLEMENTATION OF THE PLAN**

**7.1. Plan Funding**

Plan Distributions shall be made from Plan Consideration (which excludes, for the avoidance of doubt, Cash in the Wind Down Reserve) as of the Effective Date. Such Plan Consideration shall be used (i) first, to satisfy Allowed Administrative Claims, Allowed Fee Claims, U.S. Trustee Fees, Allowed Priority Tax Claims, Allowed Priority Non-Tax Claims and Allowed Other LP Secured Claims in Cash (or, with respect to Other LP Secured Claims, as otherwise permitted under Section 5.2 of this Plan); (ii) second, to fund the General LP Unsecured Claims Distribution in Cash; and (iii) third, to satisfy the LP Debtors' other obligations with regards to payment of Allowed Claims and Allowed Equity Interests under this Plan, in accordance with the terms hereof. The issuance or delivery of any Plan Distributions that are securities shall be exempt from registration under applicable securities laws pursuant to section 1145(a) of the Bankruptcy Code.

On the Effective Date, Cash from the LP Sale Proceeds in an amount equal to \$[\_\_\_\_\_] <sup>2</sup> million, or such other amount as may be (a) mutually agreed by the Plan Sponsors and the LP Debtors or (b) ordered by the Bankruptcy Court, shall be deposited in a segregated account to be held by the LP Debtors (the "***Wind Down Reserve***"), which proceeds shall be used to provide funding for reasonable expenses incurred or accrued by the LP Debtors on or after the Effective Date that are directly related to the Wind Down, including, without limitation, professional fees and expenses incurred by the LP Debtors in connection therewith. To the extent that amounts deposited in the Wind Down Reserve are insufficient to pay such expenses, the LP Debtors may withdraw Cash from the Disputed Claims Reserves established under Section 9.5 of this Plan, in an amount not to exceed \$1,000,000. For the avoidance of doubt, Purchaser shall not be responsible for the payment of any expenses associated with the Wind Down in the event that the Wind Down Reserve is insufficient to pay such expenses.

**7.2. The LP Sale**

The Confirmation Order shall approve a sale of the Acquired Assets under sections 105(a), 1123(a)(5), 1123(b)(4), 1129(b)(2)(A), 1141, 1142(b), 1145 and 1146(a) of the Bankruptcy Code pursuant to a sale process under the terms and conditions of the Asset Purchase Agreement and the Bid Procedures Order free and clear of any Claims, Liens, interests, or encumbrances. The LP Sale Proceeds shall include a Cash component in an amount sufficient for the Disbursing Agent to make all Plan Distributions required to be in the form of Cash, and for the LP Debtors to fund the Wind Down Reserve and Disputed Claims Reserves, and to pay all amounts due to be paid to the Stalking Horse Bidder pursuant to the terms of the Bid

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<sup>2</sup> To be inserted prior to solicitation.



Procedures Order in the event the Stalking Horse Bidder is not the Purchaser, including the Break-Up Fee and Expense Reimbursement. Upon entry of the Confirmation Order, the LP Debtors shall be (a) authorized to, among other things, sell, assume, assign and/or transfer the Acquired Assets, subject to applicable law and the terms and conditions of the Asset Purchase Agreement (including, without limitation, receipt of the Specified Regulatory Approvals to the extent applicable), and take any and all actions necessary to consummate the LP Sale; and (b) authorized and directed to execute the Asset Purchase Agreement (to the extent not executed as of the Confirmation Date). Actions necessary to consummate the LP Sale may include, among others, (a) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any Asset, property, rights, liability, duty or obligation on terms consistent with the terms of the Asset Purchase Agreement and the Plan and having such other terms to which the LP Debtors and the Purchaser may agree and (b) all other actions that are necessary and appropriate in connection with such transactions, including making such filings or recordings that may be required by or appropriate under applicable state law. Nothing in the Plan or Confirmation Order authorizes the transfer or assignment of the Acquired Assets to the Purchaser without the Purchaser's compliance with applicable non-bankruptcy laws regarding the transfer, assignment, or ownership of such Assets.

**7.3. Distribution Account**

The Distribution Account shall be established to receive on the Effective Date the Plan Consideration, which shall vest in the Distribution Account on the Effective Date free and clear of any and all claims, encumbrances, or interests in accordance with section 1141 of the Bankruptcy Code, but subject to the rights of holders of Claims and Equity Interests to obtain the distributions provided for in this Plan. Upon the distribution of all Plan Consideration in the Distribution Account, the Distribution Account shall be extinguished. Upon the transfer of the Plan Consideration into the Distribution Account, the LP Debtors and the Purchaser will have no interest in, or with respect to, the Plan Consideration in the Distribution Account, except as otherwise provided herein.

**7.4. Cancellation of Credit Agreements, Existing Securities and Agreements**

Except for the purpose of evidencing a right to distribution under this Plan, and except as otherwise set forth herein, on the Effective Date all agreements, instruments, and other documents evidencing any Claim or Equity Interest and any rights of any holder in respect thereof, shall be deemed cancelled, discharged and of no force or effect. Notwithstanding the foregoing, the applicable provisions of the LP Facility Credit Documents shall continue in effect solely for the purposes of permitting the LP Facility Agent and/or the Disbursing Agent to make distributions pursuant to this Plan on account of Allowed LP Facility Secured Claims and to effectuate any charging Liens permitted under the LP Facility Credit Agreement, and to assert any rights the holders of LP Facility Secured Claims may have with respect to any guaranty of such LP Facility Secured Claims by a Person other than an LP Debtor. Except as otherwise set forth herein, the holders of or parties to such cancelled instruments, securities and other documentation will have no rights arising from or relating to such instruments, securities and other documentation or the cancellation thereof, except the rights provided for pursuant to the Plan. Except as provided pursuant to this Plan, the LP Facility Agent and its agents, successors

and assigns shall be discharged of all of their obligations associated with the LP Facility Credit Documents upon payment in full of the LP Facility Secured Claims.

**7.5. Comprehensive Settlement of Claims and Controversies**

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under this Plan, the provisions of this Plan will constitute a good faith compromise and settlement of all claims or controversies relating to the rights (including any subordination rights) that a holder of a Claim or Equity Interest may have with respect to any Allowed Claim or Allowed Equity Interest or any distribution to be made pursuant to this Plan on account of any Allowed Claim or Allowed Equity Interest. The entry of the Confirmation Order will constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of all such claims or controversies and the Bankruptcy Court's finding that all such compromises or settlements are: (a) in the best interests of the LP Debtors and their respective Estates and property, and of holders of Claims or Equity Interests; and (b) fair, equitable and reasonable.

**7.6. Continued Corporate Existence and Vesting of Assets**

(a) Except as otherwise provided in this Plan, the LP Debtors will continue to exist after the Effective Date as separate corporate entities, in accordance with the applicable laws of the respective jurisdictions in which they are incorporated or organized, for the purposes of satisfying their obligations under the Asset Purchase Agreement and the Plan, including making or assisting the Disbursing Agent in making distributions as required under the Plan, maintaining the Acquired Assets and the LP Debtors' business in accordance with the requirements of the Asset Purchase Agreement, and effectuating the Wind Down. On or after the Effective Date, each LP Debtor, in its sole and exclusive discretion, but subject to and in accordance with the terms and conditions of the Asset Purchase Agreement, and subject to receipt of any required governmental or regulatory approvals (if any), may take such action as permitted by applicable law as such LP Debtor may determine is reasonable and appropriate, including, but not limited to, causing: (i) an LP Debtor to be merged into another LP Debtor, or its subsidiary or Affiliate; (ii) an LP Debtor to be dissolved without the necessity for any other or further actions to be taken by or on behalf of such dissolving LP Debtor or any payments to be made in connection therewith subject to the filing of a certificate of dissolution with the appropriate governmental authorities; (iii) the legal name of an LP Debtor to be changed; or (iv) the closing of an LP Debtor's Chapter 11 Case on the Effective Date or any time thereafter.

(b) On and after the Effective Date, pursuant to sections 1141(b) and (c) of the Bankruptcy Code, and except as otherwise provided in this Plan or in the Confirmation Order, all property of the LP Debtors' Estates (other than the Plan Consideration), including all claims, rights and Causes of Action shall vest in each respective LP Debtor free and clear of all Claims, Liens, charges, other encumbrances and interests (other than (a) the rights of the Purchaser with respect to the Acquired Assets, and (b) with respect to the Retained Assets, any Liens, charges or other encumbrances created under the Asset Purchase Agreement). On and after the Effective Date, the LP Debtors shall maintain the Acquired Assets and comply with all of their obligations under the Asset Purchase Agreement. In addition, subject to the terms and conditions of the Asset Purchase Agreement and this Plan (including, without limitation, Article IX hereof), the LP Debtors shall effectuate the Wind Down of the LP Debtors' Estates, and may use, acquire and

dispose of property and prosecute, compromise or settle any Claims (including any Administrative Claims) and Causes of Action (in each case that are not Acquired Assets or Assumed Liabilities), as well as disputes relating to allowance of any Equity Interest, without supervision of or approval by the Bankruptcy Court and free and clear of any restrictions of the Bankruptcy Code or the Bankruptcy Rules other than restrictions expressly imposed by this Plan or the Confirmation Order. Without limiting the foregoing, the LP Debtors may pay, from the proceeds of the Wind Down Reserve, the charges that they incur on or after the Effective Date for Professional Persons' fees, disbursements, expenses or related support services without application to the Bankruptcy Court.

#### **7.7. Existing Officers; Existing Boards**

(a) Existing Officers. The Existing Officers shall continue in their positions with the LP Debtors on and after the Effective Date, in accordance with their respective existing employment agreements with the LP Debtors (to the extent assumed by the LP Debtors in accordance with Section 10.1 of this Plan) or any new employment agreement entered into by the LP Debtors and the applicable Existing Officer on or prior to the Effective Date. To the extent the employment of any of the Existing Officers with the LP Debtors is terminated on or after the Effective Date, the LP Debtors shall replace such terminated Existing Officer in accordance with the terms and conditions of the Asset Purchase Agreement. The Existing Officers shall be entitled to indemnification for claims, losses, expenses and liabilities arising on or after the Effective Date pursuant to the terms and conditions of the articles of incorporation, by-laws, or similar organizational documents of the applicable LP Debtor in place as of the Effective Date.

(b) Existing Boards. The members of the Existing Boards shall continue in their positions with the LP Debtors on and after the Effective Date. In the event that a vacancy arises on any Existing Board on or after the Effective Date (as a result of a Person's termination, resignation, removal or otherwise), such vacancy shall be filled in accordance with the terms and conditions of the Asset Purchase Agreement. The members of the Existing Boards shall be entitled to indemnification for claims, losses, expenses and liabilities arising on or after the Effective Date pursuant to the terms and conditions of the articles of incorporation, by-laws, or similar organizational documents of the applicable LP Debtor in place as of the Effective Date.

#### **7.8. Corporate Governance**

From and after the Effective Date, each of the LP Debtors shall be managed and administered by the Existing Boards, who shall have full authority to administer the provisions of the Plan and the Asset Purchase Agreement, subject to the terms of the Asset Purchase Agreement. Each Existing Board may, subject to the terms of the Asset Purchase Agreement, authorize its applicable Existing Officers to take any actions contemplated by this Plan or the Asset Purchase Agreement on behalf of the applicable LP Debtor to the extent permitted by the articles of incorporation, by-laws, or similar organizational documents of such LP Debtor in place as of the Effective Date.

#### **7.9. Wind Down of the LP Debtors and Their Estates**

(a) The Existing Boards shall oversee the Wind Down, subject to the terms and conditions of the Asset Purchase Agreement and this Plan, and shall make distributions to, and

otherwise hold all property of the LP Debtors' Estates for the benefit of, holders of Allowed Claims and Allowed Equity Interests consistent and in accordance with the Plan and the Confirmation Order. The LP Debtors shall not be required to post a bond in favor of the United States.

(b) Following the Effective Date, the LP Debtors shall not engage in any business activities or take any actions, except those necessary to effectuate the Plan, the Wind Down and compliance with their obligations under the Asset Purchase Agreement. On and after the Effective Date, the LP Debtors may take such action and settle and compromise Claims or Equity Interests without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules, other than any restrictions expressly imposed by the Plan, the Confirmation Order and/or the Asset Purchase Agreement (including, without, limitation, Article IX of this Plan).

#### **7.10. Power and Authority of the Existing Boards**

The Existing Boards shall have the power and authority to perform the following acts on behalf of the LP Debtors, in addition to any powers granted by law or conferred by any other provision of the Plan and orders of the Bankruptcy Court, but in each case subject to the terms and conditions of the Asset Purchase Agreement and this Plan (including, without limitation, Article IX hereof): (i) take all steps and execute all instruments and documents necessary to make or assist the Disbursing Agent in making distributions to holders of Allowed Claims and Allowed Equity Interests; (ii) object to Claims and Equity Interests as provided in this Plan and prosecute such objections; (iii) resolve, compromise and/or settle any objections to the amount, validity, priority, treatment, allowance or priority of Claims, Administrative Claims, or Equity Interests; (iv) comply with this Plan and the obligations hereunder; (v) if necessary, employ, retain, or replace professionals to assist the LP Debtors in compliance with their obligations under the Asset Purchase Agreement and/or the Wind Down; (vi) establish, replenish or release reserves as provided in this Plan, as applicable; (vii) take all actions necessary or appropriate to enforce the LP Debtors' rights under the Asset Purchase Agreement and any related document and to fulfill, comply with or otherwise satisfy the LP Debtors' covenants, agreements and obligations under the Asset Purchase Agreement and any related document; (viii) make all determinations on behalf of the LP Debtors under the Asset Purchase Agreement; (ix) prepare and file applicable tax returns for any of the LP Debtors; (x) liquidate any of the Retained Assets; (xi) deposit the LP Debtors' Estate funds, draw checks and make disbursements consistent with the terms of this Plan; (xii) purchase or continue insurance protecting the LP Debtors and property of the LP Debtors' Estates; (xiii) seek entry of a final decree in any of the Chapter 11 Cases at the appropriate time; (xiv) prosecute, resolve, compromise and/or settle any litigation; (xv) abandon in any commercially reasonable manner, including abandonment or donation to a charitable organization (as such term is described in Internal Revenue Code section 501(c)(3) (whose contributions are deductible under Internal Revenue Code section 170)) of the LP Debtors' choice, any LP Debtors' Estate Assets that are of no material benefit; and (xvi) take such other action as the LP Debtors may determine to be necessary or desirable to carry out the purpose of this Plan and/or consummation of the LP Sale in accordance with the Asset Purchase Agreement.

#### **7.11. Assumed Liabilities**

In accordance with the terms of the Asset Purchase Agreement, upon and after the Closing of the LP Sale pursuant to the Asset Purchase Agreement, the Purchaser (or, if applicable, the Alternative Purchaser) shall be responsible for payment and satisfaction of all Assumed Liabilities. Upon and after the Closing of the LP Sale pursuant to the Asset Purchase Agreement, all Persons holding Claims and Equity Interests arising out of or concerning an Assumed Liability, shall be forever barred, estopped and permanently enjoined from asserting against the LP Debtors and any of their property, such Claims or Equity Interests, as applicable. The Purchaser (or, if applicable, the Alternative Purchaser) is not assuming, and shall not become liable for the payment or performance of, any liabilities or other obligations of any of the LP Debtors of any nature whatsoever, whether accrued or unaccrued, other than the Assumed Liabilities.

#### **7.12. Cancellation of Certain Existing Security Interests**

Upon the full payment or other satisfaction of an Allowed Other LP Secured Claim, or promptly thereafter, the holder of such Allowed Other LP Secured Claim shall deliver to the LP Debtors any Collateral or other property of the LP Debtors held by such holder, and any termination statements, instruments of satisfactions, or releases of all security interests with respect to its Allowed Other LP Secured Claim that may be reasonably required in order to terminate any related financing statements, mortgages, mechanic's liens, or lis pendens; provided, however, any such Collateral that is an Acquired Asset received by the LP Debtors from the holder of such Allowed Claim shall be delivered promptly to the Purchaser (or, if applicable, the Alternative Purchaser) following the Closing.

#### **7.13. Corporate Action**

(a) The LP Debtors shall serve on the U.S. Trustee quarterly reports of the disbursements made until such time as a final decree is entered closing the applicable Chapter 11 Case or the applicable Chapter 11 Case is converted or dismissed, or the Bankruptcy Court orders otherwise. The deadline for filing Administrative Claims set forth in Section 3.2(a) of this Plan shall not apply to fees payable pursuant to section 1930 of title 28 of the United States Code.

(b) Entry of the Confirmation Order shall establish conclusive corporate and other authority (and evidence of such corporate and other authority) required for each of the LP Debtors to undertake any and all acts and actions required to implement or contemplated by the Plan (including, without limitation, the execution and delivery of the Asset Purchase Agreement), and such acts and actions shall be deemed to have occurred and shall be in effect pursuant to applicable non-bankruptcy law and the Bankruptcy Code, without the need for board or shareholder vote and without any requirement of further action by the stockholders, directors or managers of the LP Debtors (if any).

(c) On the Effective Date, the Existing Boards are authorized and directed to execute and/or deliver, as the case may be, the agreements, documents and instruments contemplated by the Plan, the Plan Supplement and the Asset Purchase Agreement and any schedules, exhibits or



other documents attached thereto or contemplated thereby in the name and on behalf of the LP Debtors.

(d) Upon entry of a final decree in each Chapter 11 Case, if not previously dissolved, the applicable LP Debtor shall be deemed dissolved and wound up without any further action required by such LP Debtor.

#### **7.14. Intercompany Equity Interests**

No Equity Interest held by an LP Debtor in another LP Debtor shall be cancelled by the terms of this Plan, and all such Equity Interests shall continue in place following the Effective Date solely for the purpose of maintaining the existing corporate structure of the LP Debtors. For the avoidance of doubt, Equity Interests held by any Inc. Entity in any LP Debtor shall be cancelled in accordance with Section 5.6 of this Plan.

### **ARTICLE VIII.** **PLAN DISTRIBUTION PROVISIONS**

#### **8.1. The Disbursing Agent**

All Plan Distributions under this Plan shall be made by the Disbursing Agent on and after the Effective Date as provided herein. The Disbursing Agent shall be empowered to: (a) take all steps and execute all instruments and documents necessary to make Plan Distributions to holders of Allowed Claims and Equity Interests; (b) comply with the Plan and the obligations thereunder; (c) make periodic reports regarding the status of distributions under the Plan to the holders of Allowed Claims that are outstanding at such time, with such reports to be made available upon request to the holder of any Disputed Claim; and (d) exercise such other powers as may be vested in the Disbursing Agent pursuant to the Plan, the Plan Documents, the Confirmation Order, or any other order of the Bankruptcy Court. Except as otherwise ordered by the Bankruptcy Court, and subject to the written agreement of the LP Debtors if the Disbursing Agent is a Person other than the LP Debtors, the amount of any reasonable documented fees and expenses incurred by the Disbursing Agent on or after the Effective Date (including, without limitation, taxes) and any reasonable compensation and expense reimbursement Claims (including, without limitation, reasonable attorney and other professional fees and expenses) made by the Disbursing Agent shall be paid in Cash by the LP Debtors from the Wind Down Reserve.

#### **8.2. Postpetition Interest**

Postpetition interest shall be paid on Allowed LP Facility Secured Claims as set forth in this Plan. In addition, postpetition interest and/or dividends shall be paid on Allowed LP Preferred Unit Interests to the extent that (a) there is sufficient LP Cash to make a Plan Distribution to holders of LP Common Equity Interests after giving effect to all other Plan Distributions contemplated by this Plan and (b) payment of such amounts is permitted under applicable bankruptcy or non-bankruptcy law. With respect to all Claims and Equity Interests other than Allowed LP Facility Secured Claims and Allowed LP Preferred Unit Interests, postpetition interest shall not accrue or be paid, and no holder of a Claim or Equity Interest shall be entitled to interest accruing on such Claim or Equity Interest after the Petition Date, except as



otherwise specifically provided for in the Confirmation Order or other order of the Bankruptcy Court, or required by applicable bankruptcy or non-bankruptcy law.

### **8.3. Timing of Plan Distributions**

Unless otherwise provided herein, any distributions and deliveries to be made hereunder shall be made on the applicable Plan Distribution Date or as soon thereafter as is practicable, provided that the LP Debtors or the Disbursing Agent, as applicable, may utilize periodic distribution dates to the extent appropriate and not otherwise inconsistent with the Plan. In the event that any payment or act under this Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

### **8.4. Distribution Record Date**

(a) As of the close of business on the Distribution Record Date, the various lists of holders of Claims and Equity Interests in each of the Classes, as maintained by the LP Debtors, or their agents, shall be deemed closed and there shall be no further changes in the record holders of any of the Claims and Equity Interests. Neither the LP Debtors nor the Disbursing Agent shall have any obligation to recognize any transfer of Claims or Equity Interests occurring after the close of business on the Distribution Record Date. Additionally, with respect to payment of any Cure Costs or any Cure Disputes in connection with the assumption and/or assignment of the LP Debtors' executory contracts and leases, the LP Debtors shall have no obligation to recognize or deal with any party other than the non-LP Debtor party to the underlying executory contract or lease, even if such non-LP Debtor party has sold, assigned or otherwise transferred its Claim for a Cure Cost.

(b) Plan Distributions to be made on account of Allowed LP Facility Secured Claims shall be made by the Disbursing Agent to the LP Facility Agent, who shall distribute such Plan Distributions to holders of Allowed LP Facility Secured Claims in accordance with the terms of the LP Facility Credit Agreement. The LP Facility Agent shall cooperate and assist the Disbursing Agent in connection with such distributions to the holders of Allowed LP Facility Secured Claims. The LP Debtors, through the Disbursing Agent, shall pay the LP Facility Agent's reasonable documented fees and expenses incurred in providing any such cooperation or assistance from the Wind Down Reserve.

(c) Plan Distributions to be made on account of Allowed Claims and Equity Interests other than LP Facility Secured Claims shall be made directly by the Disbursing Agent to the holders of such Claims and Equity Interests.

### **8.5. Address for Delivery of Plan Distributions/Unclaimed Plan Distributions**

Subject to Bankruptcy Rule 9010, any Plan Distribution or delivery to a holder of an Allowed Claim or Equity Interest shall be made at the address of such holder as set forth in the latest-dated of the following actually held or received by the Disbursing Agent prior to the Effective Date: (a) the Schedules; (b) the Proof of Claim filed by such holder; (c) any notice of

assignment filed with the Bankruptcy Court with respect to such Claim or Equity Interest pursuant to Bankruptcy Rule 3001(e); (d) any notice served by such holder giving details of a change of address; or (e) the transfer ledger in respect of the LP Preferred Unit Interests and LP Common Equity Interests. If any Plan Distribution sent to the holder of a Claim or Equity Interest is returned to the Disbursing Agent as undeliverable, no Plan Distributions shall be made to such holder unless the Disbursing Agent is notified of such holder's then current address within one hundred and twenty (120) days after such Plan Distribution was returned. After such date, if such notice was not provided, such holder shall have forfeited its right to such Plan Distribution, and the undeliverable Plan Distribution shall revert to the Distribution Account. Upon such reversion, the Claim or Equity Interest of any holder or its successors with respect to such property shall be cancelled, discharged and forever barred notwithstanding any applicable federal or state escheat, abandoned or unclaimed property laws to the contrary.

#### **8.6. Time Bar to Cash Payments**

Checks issued in respect of Allowed Claims shall be null and void if not negotiated within ninety (90) days after the date of issuance thereof. Requests for reissuance of any voided check shall be made directly to the Disbursing Agent by the holder of the Allowed Claim to whom such check was originally issued. Any claim in respect of such a voided check shall be made within one hundred and twenty (120) days after the date of issuance of such check. If no request is made as provided in the preceding sentence, any claims in respect of such voided check shall be discharged and forever barred and such unclaimed Plan Distribution shall revert to the Distribution Account.

#### **8.7. No Distribution in Excess of Amount of Allowed Claim**

Notwithstanding anything to the contrary herein, no holder of an Allowed Claim shall, on account of such Allowed Claim, receive a Plan Distribution (of a value set forth herein) in excess of the allowed amount of such Claim plus postpetition interest on such Claim, to the extent interest is permitted under Section 8.2 of this Plan.

#### **8.8. Setoffs and Recoupments**

Each LP Debtor, or such entity's designee as instructed by such LP 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 LP Facility Secured 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 an LP 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 LP Facility Secured Claim) hereunder will constitute a waiver or release by an LP Debtor or its successor of any and all claims, rights and Causes of Action that an LP Debtor or its successor may possess against such holder; and provided, further, that any proposed setoff or recoupment of the LP Debtors' rights or Causes of Action against an Allowed Inc. Entity General Unsecured Claim shall be subject to Bankruptcy Court approval as a settlement of such Allowed Inc. Entity General Unsecured Claim pursuant to Section 9.3 of this Plan.

#### **8.9. Fractional Cents and De Minimis Distributions**

Notwithstanding any other provision of the Plan to the contrary, (i) no payment of fractions of cents will be made; and (ii) the Disbursing Agent shall not have any obligation to make a Plan Distribution that is less than or \$40.00 in Cash. Whenever any payment of a fraction of a cent would otherwise be called for, the actual payment shall reflect a rounding down of such fraction to the nearest whole cent.

#### **8.10. Manner of Payment Under the Plan**

Unless the Person receiving a Plan Distribution agrees otherwise, any Plan Distribution to be made in Cash under the Plan shall be made, at the election of the Disbursing Agent, by check drawn on a domestic bank or by wire transfer from a domestic bank. Cash payments to foreign creditors may be, in addition to the foregoing, made at the option of the Disbursing Agent in such funds and by such means as are necessary or customary in a particular foreign jurisdiction. The issuance or delivery of any Plan Distribution that is a security shall be exempt from registration under applicable securities laws pursuant to section 1145(a) of the Bankruptcy Code.

#### **8.11. Requirement to Give a Bond or Surety**

The 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 and, in the event that the Disbursing Agent is so otherwise ordered, all costs and expenses of procuring any such bond or surety shall be borne by the applicable LP Debtor. Furthermore, any such Person required to give a bond shall notify the Bankruptcy Court and the U.S. Trustee in writing before terminating any such bond that is obtained.

#### **8.12. Withholding and Reporting Requirements**

In connection with this Plan and all distributions hereunder, the LP Debtors shall comply with all withholding and reporting requirements imposed by any federal, state, local or foreign taxing authority, and all Plan Distributions hereunder shall be subject to any such withholding and reporting requirements. The LP Debtors shall be authorized to take any and all actions that may be necessary or appropriate to comply with such withholding and reporting requirements, including, without limitation, liquidating a portion of any Plan Distribution to generate sufficient funds to pay applicable withholding taxes or establishing any other mechanisms the LP Debtors or the Disbursing Agent believe are reasonable and appropriate, including requiring a holder of a Claim or Equity Interest to submit appropriate tax and withholding certifications. Notwithstanding any other provision of this Plan: (a) each holder of an Allowed Claim and/or an Allowed Equity Interest that is to receive a distribution under this Plan shall have sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding and other tax obligations on account of such distribution; and (b) no Plan Distributions shall be required to be made to or on behalf of such holder pursuant to this Plan if, after 120 days from the date of transmission of a written request to the holder of an Allowed Claim or Allowed Equity Interest, the LP Debtors do not receive a valid, completed IRS form from such holder of an Allowed Claim or Allowed Equity Interest, which is otherwise required for reporting purposes, and such holder shall be treated as if their Claims or Equity Interests had been disallowed.

### **8.13. Cooperation with Disbursing Agent**

The LP Debtors and their Professional Persons shall use all commercially reasonable efforts to provide the Disbursing Agent with the amount of Claims and Equity Interests and the identity and addresses of holders of Claims and Equity Interests, in each case, as set forth in the LP Debtors' books and records. The LP Debtors and their Professional Persons shall cooperate in good faith with the Disbursing Agent to comply with any of its reporting and withholding requirements.

## **ARTICLE IX.** **PROCEDURES FOR RESOLVING DISPUTED CLAIMS**

### **9.1. Objections to Claims**

Other than with respect to Fee Claims (to which any party in interest may object) and Inc. Entity General Unsecured Claims (to which the Ad Hoc LP Secured Group or any member thereof may object), only the LP Debtors shall be entitled to object to Claims after the Effective Date. Any objections to Claims (other than Administrative Claims), shall be served and filed on or before the later of: (a) one-hundred twenty (120) days after the Effective Date; and (b) such other date as may be fixed by the Bankruptcy Court, whether fixed before or after the date specified in clause (a) hereof. Any Claims filed after the applicable bar date (including Inc. Entity General Unsecured Claims filed after the Inc. Entity General Unsecured Claims Bar Date), shall be deemed disallowed and expunged in their entirety without further order of the Bankruptcy Court or any action being required on the part of the LP Debtors unless the Person wishing to file such untimely Claim has received Bankruptcy Court authority to do so. Notwithstanding any authority to the contrary, an objection to a Claim shall be deemed properly served on the claimant if the objecting party effects service in any of the following manners: (i) in accordance with Federal Rule of Civil Procedure 4, as modified and made applicable by Bankruptcy Rule 7004; (ii) by first class mail, postage prepaid, on the signatory on the Proof of Claim as well as all other representatives identified in the Proof of Claim or any attachment thereto; or (iii) if counsel has agreed to or is otherwise deemed to accept service, by first class mail, postage prepaid, on any counsel that has appeared on the claimant's behalf in the Chapter 11 Cases (so long as such appearance has not been subsequently withdrawn).

### **9.2. Amendment to Claims**

Except with respect to Administrative Expense Claims and Fee Claims, from and after the Effective Date, no Claim may be filed to increase or assert additional Claims not reflected in an already filed Claim (or Claim scheduled, unless superseded by a filed Claim, on the applicable LP Debtor's Schedules) asserted by such claimant and any such Claim shall be deemed disallowed and expunged in its entirety without further order of the Bankruptcy Court or any action being required on the part of the LP Debtors unless the claimant has obtained the Bankruptcy Court's prior approval to file such amended or increased Claim.

### **9.3. Settlement of Claims and Causes of Action**

Notwithstanding any requirements that may be imposed pursuant to Bankruptcy Rule 9019, from and after the Effective Date, the LP Debtors shall have authority to settle or

compromise all Claims (to the extent not previously compromised, settled and released under the Plan) without further review or approval of the Bankruptcy Court; provided, that notwithstanding the foregoing, the LP Debtors may not settle or compromise any Inc. Entity General Unsecured Claim without approval of the Bankruptcy Court, which the LP Debtors may seek on fourteen (14) calendar days' notice to the Ad Hoc LP Secured Group and Plan Sponsors.

#### **9.4. Estimation of Claims**

The LP Debtors (or any of them, as applicable), may at any time request that the Bankruptcy Court estimate any Disputed Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether the LP Debtors (or any of them, as applicable) has previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any Disputed Claim, that estimated amount shall constitute the allowed amount of such Claim for all purposes under the Plan except with respect to Plan Distributions, and with respect to Plan Distributions, the estimated amount shall constitute the maximum allowed amount of such Claim. All of the objection, estimation, settlement, and resolution procedures set forth in the Plan are cumulative and not necessarily exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court.

#### **9.5. Disputed Claims Reserves**

(a) No Plan Distributions Pending Allowance. Except as provided in this Section 9.5, Disputed Claims shall not be entitled to any Plan Distributions unless and until such Claims become Allowed Claims.

(b) Disputed Unclassified Claims Reserve. On the Effective Date or as soon thereafter as is reasonably practicable, the LP Debtors shall set aside and reserve, for the benefit of each holder of a Disputed Claim that is an Administrative Claim or Priority Tax Claim, Plan Consideration in the form of Cash in an amount equal to (i) the amount of such Claim as estimated by the Bankruptcy Court pursuant to an Estimation Order, (ii) if no Estimation Order has been entered with respect to such Claim, the amount in which such Disputed Claim is proposed to be allowed in any pending objection filed with respect to such Claim, or (iii) if no Estimation Order has been entered with respect to such Claim, and no objection to such Claim is pending on the Effective Date, (A) the amount listed in the Schedules or (B) if the amount listed in the Schedules is less than the amount set forth in a timely filed Proof of Claim or application for payment filed with the Bankruptcy Court or Claims Agent, the amount set forth in such timely filed Proof of Claim or application for payment, as applicable. In addition, on the Effective Date or as soon thereafter as is reasonably practicable, the LP Debtors shall set aside and reserve, for the benefit of each holder of an Administrative Claim (including a Fee Claim) incurred or accrued by the LP Debtors prior to the Effective Date that are not paid on or prior to the Effective Date, Plan Consideration in the form of Cash in amount equal to such Administrative Claim (based on the Plan Sponsors' best estimate of the allowable amount of such Claim); provided that, to the extent that amounts deposited in the reserve established pursuant to this Section 9.5(b) are insufficient to pay any such Allowed Administrative Claim,



the LP Debtors may withdraw Cash from the Wind Down Reserve to pay such Allowed Administrative Claim.

(c) Disputed Priority-Non Tax Claims and Disputed Other LP Secured Claims Reserve. On the Effective Date or as soon thereafter as is reasonably practicable, the LP Debtors shall set aside and reserve, for the benefit of each holder of a Disputed Claim that is a Priority Non-Tax Claim or Other LP Secured Claim, Plan Consideration in the form of Cash in an amount equal to (i) the amount of such Claim as estimated by the Bankruptcy Court pursuant to an Estimation Order, (ii) if no Estimation Order has been entered with respect to such Claim, the amount in which such Disputed Claim is proposed to be allowed in any pending objection filed with respect to such Claim, or (iii) if no Estimation Order has been entered with respect to such Claim, and no objection to such Claim is pending on the Effective Date, (A) the amount listed in the Schedules or (B) if the amount listed in the Schedules is less than the amount set forth in a timely filed Proof of Claim or application for payment filed with the Bankruptcy Court or Claims Agent, the amount set forth in such timely filed Proof of Claim or application for payment, as applicable.

(d) Disputed General LP Unsecured Claims Reserve. On the Effective Date or as soon thereafter as is reasonably practicable, the LP Debtors shall set aside and reserve, for the benefit of each holder of a Disputed Claim that is a General LP Unsecured Claim, Plan Consideration in an amount equal to (i) the General LP Unsecured Claims Distribution minus the amount of Allowed General LP Unsecured Claims as of the Effective Date, or (ii) such other amount as may be ordered by the Bankruptcy Court on or prior to the Confirmation Date. Further, so long as the Allowed LP Facility Secured Claims have been paid in full on the Effective Date as set forth in Section 5.3 of this Plan, and only to the extent the aggregate amount of Disputed General LP Unsecured Claims (as calculated hereunder) exceeds the Cash set aside and reserved pursuant to the first sentence of this Section 9.5(d), the LP Debtors shall, on the Effective Date or as soon thereafter as is reasonably practicable, set aside and reserve, for the benefit of each holder of a Disputed General LP Unsecured Claim, Cash in an amount equal to (i) the amount of such Claim as estimated by the Bankruptcy Court pursuant to an Estimation Order, (ii) if no Estimation Order has been entered with respect to such Claim, the amount in which such Disputed Claim is proposed to be allowed in any pending objection filed by the LP Debtors, or (iii) if no Estimation Order has been entered with respect to such Claim, and no objection to such Claim is pending on the Effective Date, (A) the amount listed in the Schedules or (B) if the amount listed in the Schedules is less than the amount set forth in a timely filed Proof of Claim or application for payment filed with the Bankruptcy Court or Claims Agent, the amount set forth in such timely filed Proof of Claim or application for payment, as applicable.

(e) Plan Distributions to Holders of Subsequently Allowed Claims. On each Plan Distribution Date (or such earlier date as determined by the LP Debtors or the Disbursing Agent in their sole discretion but subject to this Section 9.5), the Disbursing Agent will make Plan Distributions from the applicable Disputed Claims Reserve on account of any Disputed Claim that has become an Allowed Claim since the occurrence of the previous Plan Distribution Date. The Disbursing Agent shall distribute from the applicable Disputed Claims Reserve in respect of such newly Allowed Claims the Plan Distributions to which holders of such Claims would have been entitled under this Plan if such newly Allowed Claims were fully or partially Allowed, as



the case may be, on the Effective Date, less direct and actual expenses, fees, or other direct costs of maintaining Cash on account of such Disputed Claims.

(f) Distribution from Disputed Claims Reserves Upon Disallowance. Except as otherwise provided in this Plan, to the extent any Disputed Claim has become a Disallowed Claim in full or in part (in accordance with the procedures set forth in the Plan), any Cash held in any Disputed Claim Reserve by the LP Debtors on account of, or to pay, such Disputed Claim, shall revert to the Distribution Account and be distributed to holders of Allowed Claims or Allowed Equity Interests in accordance with Article V.

#### **9.6. No Recourse**

Notwithstanding that the allowed amount of any particular Disputed Claim is (a) reconsidered under the applicable provisions of the Bankruptcy Code and Bankruptcy Rules or (b) allowed in an amount for which after application of the payment priorities established by this Plan there is insufficient value to provide a recovery equal to that received by other holders of Allowed Claims or Allowed Equity Interests in the respective Class, no Claim or Equity Interest holder shall have recourse against the Disbursing Agent, the LP Debtors, the Purchaser (and, if applicable, the Alternative Purchaser) or any of their respective professionals, consultants, officers, directors, employees or members or their successors or assigns, or any of their respective property. However, nothing in the Plan shall modify any right of a holder of a Claim under section 502(j) of the Bankruptcy Code, nor shall it modify or limit the ability of claimants (if any) to seek disgorgement to remedy any unequal distribution from parties other than those released under this section. For the avoidance of doubt, and notwithstanding anything to the contrary herein, except as expressly provided in the Asset Purchase Agreement, the Purchaser (and, if applicable, the Alternative Purchaser) shall not be liable for the payment of any Administrative Claims (including Fee Claims) accrued or incurred prior to the Effective Date under any circumstances, including in the event that the reserve for such claims established under Section 9.5(b) of this Plan is insufficient to pay such Administrative Claims in full as provided in Section 3.2 of this Plan. **The estimation of Claims and the establishment of reserves under the Plan may limit the distribution to be made on individual Disputed Claims and other Claims contemplated to be paid from the reserves established under Section 9.5 of this Plan, regardless of the amount finally allowed on account of such Claims.**

### **ARTICLE X.**

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

##### **10.1. General Treatment**

(a) As of and subject to the occurrence of the Effective Date and payment (or provision of the adequate assurance of payment) of the applicable Cure Costs, to the fullest extent permitted under applicable law, all executory contracts and unexpired leases of the LP Debtors (including the Designated Contracts) shall be deemed to be assumed by the applicable LP Debtor as of the Effective Date, except for any executory contract or unexpired lease that: (i) previously has been assumed, assumed and assigned, or rejected pursuant to a Final Order of the Bankruptcy Court; (ii) is designated specifically or by category as a contract or lease to be rejected on the Schedule of Rejected Executory Contracts and Unexpired Leases; or (iii) is the subject of a separate motion to assume and assign to a Person other than the Purchaser (or, if

applicable, the Alternative Purchaser) or to reject under section 365 of the Bankruptcy Code pending on the Effective Date. Listing a contract or lease in the Schedule of Rejected Executory Contracts and Unexpired Leases shall not constitute an admission by the applicable LP Debtor that the applicable LP Debtor has any liability thereunder.

(b) To the extent that an executory contract or unexpired lease is a Designated Contract, any such Designated Contract will be assumed by the LP Debtors, as applicable, on the Effective Date and assigned by the LP Debtors to the Purchaser (or, if applicable, the Alternative Purchaser, subject to Section 10.3(e) of this Plan) at the Closing. Each executory contract or unexpired lease assumed pursuant to the Plan or by Bankruptcy Court order but not assigned to a third party before the Effective Date shall revert in and be fully enforceable by the applicable contracting LP Debtor in accordance with its terms, except as such terms may have been modified by such order.

(c) Notwithstanding anything to the contrary in the Plan, but subject to the terms and conditions of the Asset Purchase Agreement, the LP Debtors reserve the right to alter, amend, modify or supplement the Schedule of Rejected Executory Contracts and Unexpired Leases at any time before the Confirmation Date; provided, that to the extent that, as of the Confirmation Date, there is any pending dispute between one or more of the LP Debtors and a counterparty to an executory contract or unexpired lease regarding the Cure Costs payable under such contract or lease, the LP Debtors shall reserve the right to add the applicable contract or lease to the Schedule of Rejected Executory Contracts and Unexpired Leases following the resolution of such dispute, in which event such contract or lease shall be deemed rejected.

(d) Entry of the Confirmation Order shall, subject to the occurrence of the Effective Date, constitute the approval, pursuant to sections 365(a) and 1123(b) of the Bankruptcy Code, of: (i) subject to Section 10.3(e) of this Plan, the assumptions and rejections of executory contracts and unexpired leases pursuant to Section 10.1(a) of this Plan; and (ii) the assumption and assignment of the Designated Contracts pursuant to Section 10.1(b) of this Plan.

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

(a) All Claims arising from the rejection of executory contracts or unexpired leases, if any, will be treated as General LP Unsecured Claims. Upon receipt of their applicable Plan Distribution pursuant to Section 5.4 of this Plan, all such Claims shall be discharged on the Effective Date, and shall not be enforceable against the LP Debtors, the Purchaser (and, if applicable, the Alternative Purchaser, subject to Section 10.3(e) of this Plan) or their respective properties or interests in property (and shall not, for the avoidance of doubt, constitute Assumed Liabilities).

(b) **Each Person who is a party to a contract or lease rejected under the Plan must file with the Bankruptcy Court and serve on the LP Debtors, not later than thirty (30) days after the Effective Date, a Proof of Claim for damages alleged to arise from the rejection of the applicable contract or lease or be forever barred from filing a Claim, or sharing in distributions under the Plan, related to such alleged rejection damages.**

**10.3. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases**

(a) No later than the applicable deadline set forth in the Bid Procedures Order, the LP Debtors shall serve a notice (the “**Assumption Notice**”) on counterparties to the executory contracts and unexpired leases that are then anticipated to be Designated Contracts (or otherwise assumed pursuant to the Plan) and the amount, if any, that the LP Debtors contend is the amount needed to cure any defaults and pecuniary losses with respect to such contracts or leases (the “**Cure Costs**”). To the extent a counterparty to an executory contract or unexpired lease does not receive an Assumption Notice, the Cure Cost for such executory contract or unexpired lease shall be \$0.00. If the LP Debtors identify additional executory contracts and unexpired leases that might be assumed by the LP Debtors, the LP Debtors will promptly send a supplemental Assumption Notice to the applicable counterparties to such contract or lease.

(b) Except to the extent that less favorable treatment has been agreed to by the non-LP Debtor party or parties to each such executory contract or lease, monetary defaults arising under each executory contract and lease to be assumed, or assumed and assigned, pursuant to the Plan shall be cured, in accordance with section 365(b)(1) of the Bankruptcy Code, by payment of the Cure Cost on the later of: (i) the Effective Date or as soon thereafter as is reasonably practicable; and (ii) the date on which the Cure Cost has been resolved (either consensually or through judicial decision, subject, in any such case, to the terms and conditions of the Asset Purchase Agreement) or as soon thereafter as is reasonably practicable.

(c) Any party that fails to object to the applicable Cure Cost listed on the Assumption Notice, or the assumption of the applicable executory contract or unexpired lease, by 5:00 p.m. (prevailing Eastern time) on the date that is seven (7) calendar days prior to the Confirmation Hearing (or, with respect to any objection to a supplemental Assumption Notice, on the date that is seven (7) calendar days after service of such supplemental Assumption Notice on such party): (i) shall be forever barred, estopped and enjoined from (x) disputing the Cure Cost relating to any executory contract or unexpired lease set forth on the Assumption Notice or, if no Assumption Notice is received and such executory contract or unexpired lease is not listed on the Schedule of Rejected Executory Contracts and Unexpired Leases, a Cure Cost of \$0.00, and (y) asserting any Claim against the applicable LP Debtor arising under section 365(b)(1) of the Bankruptcy Code other than as set forth on the Assumption Notice or, if no Assumption Notice is received and such executory contract or unexpired lease is not listed on the Schedule of Rejected Executory Contracts and Unexpired Leases, a Claim in the amount of \$0.00; and (ii) subject to Section 10.3(e) of this Plan, shall be deemed to have consented to the assumption and assignment of such executory contract and unexpired lease and shall be forever barred and estopped from asserting or claiming against the LP Debtors, the Purchaser or any other assignee of the relevant executory contract or unexpired lease (including, if applicable, the Alternative Purchaser) that any additional amounts are due or defaults exist, or conditions to assumption and assignment of such executory contract or unexpired lease must be satisfied (pursuant to section 365(b)(1) of the Bankruptcy Code or otherwise). Any objection relating to the Cure Cost shall specify the Cure Cost proposed by the counterparty to the applicable contract or lease.

(d) In the event of a dispute (each, a “**Cure Dispute**”) regarding: (i) any Cure Cost; (ii) the ability of the LP Debtors or the Purchaser to demonstrate “adequate assurance of future performance” (within the meaning of section 365 of the Bankruptcy Code) under any contract or

lease to be assumed; or (iii) any other matter pertaining to the proposed assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made at the times set forth in Section 10.3(b) of this Plan following the entry of a Final Order resolving such Cure Dispute and approving the assumption. To the extent a Cure Dispute relates solely to a Cure Cost, the applicable LP Debtor may assume and assign the applicable contract or lease prior to the resolution of the Cure Dispute provided that a reserve is established containing Cash in an amount sufficient to pay the full amount asserted as cure payment by the non-LP Debtor party to such contract or lease (or such smaller amount as may be fixed or estimated by the Bankruptcy Court). To the extent the Cure Dispute is resolved or determined unfavorably to the LP Debtors, the LP Debtors may, subject to the terms and conditions of the Asset Purchase Agreement, reject the applicable executory contract or unexpired lease after such determination. Any Cure Disputes not consensually resolved prior to the Confirmation Hearing shall be heard at the Confirmation Hearing (or such other hearing as requested by the LP Debtors and determined appropriate by the Bankruptcy Court), including any disputed Cure Costs or objections to assumption and assignment, and/or objections to the adequacy of assurance of future performance being provided.

(e) Notwithstanding anything to the contrary herein, in the event that there is an Alternative Sale under the Asset Purchase Agreement: (i) the assumption and assignment of any executory contract or unexpired lease to the Alternative Purchaser shall be subject to further approval by the Bankruptcy Court, which approval the LP Debtors may seek on no less than fourteen (14) calendar days' notice; and (ii) counterparties to any executory contract or unexpired lease proposed to be assumed and assigned to such Alternative Purchaser shall be entitled to object to such proposed assumption on assignment on the grounds that the LP Debtors or such Alternative Purchaser are unable to demonstrate "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code), but not on any other grounds.

#### **10.4. Compensation and Benefit Programs**

All employment and severance policies, and all compensation and benefit plans, policies, and programs of the LP Debtors applicable to their respective employees, retirees and non-employee directors including, without limitation, all savings plans, retirement plans, healthcare plans, disability plans, severance benefit plans, incentive plans, and life, accidental death and dismemberment insurance plans are treated as executory contracts under the Plan and on the Effective Date will be listed on the Schedule of Rejected Executory Contracts and Unexpired Leases and will be rejected unless any of the foregoing is an Acquired Asset and the counterparty thereto receives an Assumption Notice, in which case the same shall be assumed and assigned to the Purchaser (or, if applicable, the Alternative Purchaser) pursuant to the Asset Purchase Agreement and in accordance with sections 365 and 1123 of the Bankruptcy Code.

#### **10.5. Post-Petition Contracts and Leases**

Except to the extent set forth on the Schedule of Rejected Executory Contracts and Unexpired Leases, all contracts, agreements and leases that were entered into or assumed by the LP Debtors after the Petition Date (other than the Asset Purchase Agreement) shall be deemed assumed by the LP Debtors on the Effective Date, and, with respect to any such contracts, agreements or leases that are Designated Contracts, assigned to the Purchaser (or, if applicable,

the Alternative Purchaser) at Closing, without a need for any consent or approval of, or notice to, the counterparty to any such contract, agreement or lease (subject to, with respect to any assignment to an Alternative Purchaser, Section 10.3(e) of this Plan).

**ARTICLE XI.**  
**CONDITIONS PRECEDENT TO CONFIRMATION OF THE PLAN AND THE**  
**OCCURRENCE OF THE EFFECTIVE DATE**

**11.1. Conditions Precedent to Confirmation**

The following are conditions precedent to confirmation of the Plan:

- (a) the Bankruptcy Court shall have entered the Disclosure Statement Order and the Bid Procedures Order, and the Canadian Court shall have entered the Disclosure Statement Recognition Order and the Bid Procedures Recognition Order;
- (b) the Auction shall have been completed; and
- (c) the Bankruptcy Court shall have entered the Confirmation Order, which shall, among other things, approve the LP Sale if not approved by a separate order of the Bankruptcy Court.

**11.2. Conditions Precedent to the Occurrence of the Effective Date**

The following are conditions precedent to the occurrence of the Effective Date:

- (a) each of the Confirmation Order and the Confirmation Recognition Order shall have become a Final Order;
- (b) the Plan Documents being executed and delivered, and any conditions (other than the occurrence of the Effective Date or certification by an LP Debtor that the Effective Date has occurred) contained therein having been satisfied or waived in accordance therewith;
- (c) the LP Debtors having paid in full in Cash all undisputed Ad Hoc LP Secured Group Fee Claims; and
- (d) the Funding having occurred in accordance with the terms and conditions of the Asset Purchase Agreement.

**11.3. Waiver of Conditions**

The Plan Sponsors may waive, without further order of the Bankruptcy Court, any one or more of the conditions set forth in this Article XI. Further, the stay of the Confirmation Order, pursuant to Bankruptcy Rule 3020(e), shall be deemed waived by the Confirmation Order.



#### **11.4. Effect of Non-Occurrence of the Effective Date**

If all of the conditions precedent to the occurrence of the Effective Date have not been satisfied or duly waived (as provided in Section 11.3 of this Plan) on or before the first Business Day that is more than sixty (60) days after the Confirmation Date, or by such later date as set forth by the Plan Sponsors in a notice filed with the Bankruptcy Court prior to the expiration of such period, then the Plan Sponsors may file a motion to vacate the Confirmation Order before all of the conditions have been satisfied or duly waived. It is further provided that notwithstanding the filing of such a motion, the Confirmation Order shall not be vacated if all of the conditions precedent to the Effective Date set forth in Section 11.2 of this Plan are either satisfied or duly waived before the Bankruptcy Court enters an order granting the relief requested in such motion. If the Confirmation Order is vacated pursuant to this Section 11.4, this Plan shall be null and void in all respects, the Confirmation Order shall be of no further force or effect, no distributions under this Plan shall be made, the LP Debtors and all holders of Claims and Equity Interests in the LP Debtors shall be restored to the status quo ante as of the day immediately preceding the Confirmation Date as though the Confirmation Date had never occurred, and upon such occurrence, nothing contained in this Plan shall: (a) constitute a waiver or release of any Claims against or Equity Interests in the LP Debtors; (b) prejudice in any manner the rights of the holder of any Claim against or Equity Interest in the LP Debtors; or (c) constitute an admission, acknowledgment, offer or undertaking by any LP Debtor or any other Person with respect to any matter set forth in the Plan.

### **ARTICLE XII.** **RETENTION OF JURISDICTION**

Pursuant to sections 105(a) and 1142 of the Bankruptcy Code, the Bankruptcy Court shall retain and shall have exclusive jurisdiction, pursuant to 28 U.S.C. §§ 1334 and 157, over any matter, other than Avoidance Actions (excluding any Avoidance Actions that are Acquired Assets under the Asset Purchase Agreement), over which the Bankruptcy Court shall have concurrent jurisdiction, (a) arising under the Bankruptcy Code, (b) arising in or related to the Chapter 11 Cases of the LP Debtors, or the Plan, or (c) that relates to the following:

- (i) To determine any and all adversary proceedings, applications, motions, and contested or litigated matters that may be pending on the Effective Date or that, pursuant to the Plan, may be instituted by the LP Debtors after the Effective Date;
- (ii) To hear and determine any objections to the allowance of Claims, whether filed, asserted, or made before or after the Effective Date, including, without express or implied limitation, to hear and determine any objections to the classification of any Claim and to allow, disallow or estimate any Disputed Claim in whole or in part;
- (iii) To ensure that distributions to holders of Allowed Claims or Allowed Equity Interests are accomplished as provided herein;
- (iv) To consider Claims or the allowance, classification, priority, compromise, estimation, or payment of any Claim, including any Administrative Claim;
- (v) To consider Equity Interests or the allowance, compromise or distributions



on account of any Equity Interest;

(vi) To enter, implement, or enforce such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked, modified, or vacated;

(vii) To issue such orders in aid of execution of the Plan to the extent authorized or contemplated by section 1142 of the Bankruptcy Code;

(viii) To consider any modifications of the Plan, remedy any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;

(ix) To hear and determine all Fee Applications;

(x) To resolve disputes concerning any reserves with respect to Disputed Claims or the administration thereof;

(xi) To hear and determine all controversies, suits and disputes that may relate to, impact upon, or arise in connection with the LP Sale or its interpretation, implementation, enforcement or consummation (subject to the terms thereof);

(xii) To recover all Assets of the LP Debtors and property of the Estates, wherever located (other than any Acquired Assets, after the occurrence of the Closing of the LP Sale);

(xiii) To hear and determine all controversies, suits and disputes that may relate to, impact upon or arise in connection with the Plan, the Plan Documents or their interpretation, implementation, enforcement or consummation;

(xiv) To hear and determine all controversies, suits and disputes that may relate to, impact upon, or arise in connection with the Confirmation Order (and all exhibits to the Plan) or its interpretation, implementation, enforcement or consummation;

(xv) To the extent that Bankruptcy Court approval is required and to the extent not released pursuant to the Plan, to consider and act on the compromise and settlement of any Claim by, on behalf of, or against the LP Debtors or their Estates;

(xvi) To hear and determine such other matters that may be set forth in the Plan, or the Confirmation Order, or that may arise in connection with the Plan, or the Confirmation Order;

(xvii) To hear and determine matters concerning state, local and federal taxes, fines, penalties or additions to taxes for which the LP Debtors may be liable, directly or indirectly;

(xviii) To hear and determine all controversies, suits and disputes that may relate to, impact upon, or arise in connection with any setoff and/or recoupment rights of the LP Debtors or any Person under the Plan;

(xix) To hear and determine all controversies, suits, and disputes that may relate to, impact upon, or arise in connection with Causes of Action of the LP Debtors (including Avoidance Actions) commenced by the LP Debtors, or any third parties, as applicable, before or after the Effective Date, except to the extent such Causes of Action are compromised, settled and released under the Plan or constitute Acquired Assets under the Asset Purchase Agreement;

(xx) To hear and determine all controversies, suits, or disputes that may arise in relation to the rights and obligations of the Disbursing Agent;

(xxi) To enter an order or final decree closing the Chapter 11 Case of any LP Debtor;

(xxii) In the event of an Alternative Sale, to determine whether the assignment of any Designated Contract to the Alternative Purchaser satisfies and provide such other authorizations and approvals as may be reasonably necessary to consummate an Alternative Sale;

(xxiii) To issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Person with consummation, implementation or enforcement of the Plan or the Confirmation Order; and

(xxiv) To hear and determine any other matters related hereto and not inconsistent with chapter 11 of the Bankruptcy Code.

### **ARTICLE XIII.** **MISCELLANEOUS PROVISIONS**

#### **13.1. Releases**

(a) **Releases by the LP Debtors.** For good and valuable consideration, the adequacy of which is hereby confirmed, and except as otherwise provided in this Plan or the Confirmation Order, as of the Effective Date, the LP Debtors, in their individual capacities and as debtors in possession shall be deemed to forever release, waive and discharge all claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action and liabilities (other than the rights of the LP Debtors to enforce this Plan, the contracts, instruments, releases, indentures and other agreements or documents delivered thereunder and the Asset Purchase Agreement) against the Released Parties, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that are based in whole or in part on any act, omission, transaction, event or other occurrence taking place on or prior to the Effective Date in any way relating to the LP Debtors, the parties released pursuant to this Section 13.1, the Chapter 11 Cases, this

Plan or the Disclosure Statement, and that could have been asserted by or on behalf of the LP Debtors or their Estates, whether directly, indirectly, derivatively or in any representative or any other capacity.

(b) **Releases by Holders of Claims and Equity Interests.** Except as otherwise provided in this Plan or the Confirmation Order, on the Effective Date: (i) each of the Released Parties; (ii) each holder of a Claim or Equity Interest entitled to vote on the Plan that did not “opt-out” of the releases provided in this Section 13.1 in a timely submitted Ballot; and (iii) to the fullest extent permissible under applicable law, as such law may be extended or interpreted subsequent to the Effective Date, all holders of Claims and Equity Interests, in consideration for the obligations of the LP Debtors under this Plan and the other contracts, instruments, releases, agreements or documents executed and delivered in connection with this Plan, and each Person (other than the LP Debtors) that has held, holds or may hold a Claim or Equity Interest, as applicable, will be deemed to have consented to this Plan for all purposes and the restructuring embodied herein and deemed to forever release, waive and discharge all claims, demands, debts, rights, Causes of Action or liabilities (other than the right to enforce the obligations of any party under this Plan and the contracts, instruments, releases, agreements and documents delivered under or in connection with this Plan, including, without limitation, the Asset Purchase Agreement) against the Released Parties, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that are based in whole or in part on any act or omission, transaction, event or other occurrence taking place on or prior to the Effective Date in any way relating to the LP Debtors, the LP Debtors’ Chapter 11 Cases, the LP Sale, the transactions contemplated by the Asset Purchase Agreement, this Plan or the Disclosure Statement.

(c) Notwithstanding anything to the contrary contained herein: (i) except to the extent permissible under applicable law, as such law may be extended or interpreted subsequent to the Effective Date, the releases provided for in this Section 13.1 shall not release any LP Debtor from any liability arising under (x) the Internal Revenue Code or any state, city or municipal tax code, or (y) any criminal laws of the United States or any state, city or municipality; and (ii) the releases set forth in this Section 13.1 shall not release any (x) LP Debtor’s claims, right, or Causes of Action for money borrowed from or owed to an LP Debtor or its subsidiary by any of its directors, officers or former employees, as set forth in such LP Debtor’s or subsidiary’s books and records, (y) any claims against any Person to the extent such Person asserts a crossclaim, counterclaim and/or claim for setoff which seeks affirmative relief against an LP Debtor or any of its officers, directors, or representatives and (z) claims against any Person arising from or relating to such Person’s fraud, gross negligence or willful misconduct, each as determined by a Final Order of the Bankruptcy Court.

(d) Notwithstanding anything to the contrary contained herein, nothing herein: (i) discharges, releases, or precludes any (x) environmental liability that is not a Claim; (y) environmental claim of the United States that first arises on or after the Confirmation Date, or (z) other environmental claim or environmental liability that is not otherwise dischargeable under the Bankruptcy Code; (ii) releases the LP Debtors from any

environmental liability that an LP Debtor may have as an owner or operator of real property owned or operated by an LP Debtor on or after the Confirmation Date; (iii) releases or precludes any environmental liability to the United States on the part of any Persons other than the LP Debtors; or (iv) enjoins the United States from asserting or enforcing any liability described in this paragraph.

### **13.2. Exculpation and Limitation of Liability**

None of the Released Parties shall have or incur any liability to any holder of any Claim or Equity Interest or any other party in interest, or any of their respective agents, employees, representatives, financial advisors, attorneys, or agents acting in such capacity, or affiliates, or any of their successors or assigns, for any act or omission in connection with, or arising out of the LP Debtors' Chapter 11 Cases, the Asset Purchase Agreement, the Disclosure Statement, the solicitation of votes for and the pursuit of confirmation of this Plan, the consummation of the Plan, or the implementation or administration of the Plan, the transactions contemplated by the Plan or the property to be distributed under the Plan, including, without limitation, all documents ancillary thereto, all decisions, actions, inactions and alleged negligence or misconduct relating thereto and all prepetition activities leading to the promulgation and confirmation of this Plan, except for fraud, willful misconduct or gross negligence as finally determined by a Final Order of the Bankruptcy Court, and, in all respects shall be entitled to rely upon the advice of counsel and all information provided by other exculpated Persons herein without any duty to investigate the veracity or accuracy of such information with respect to their duties and responsibilities under the Plan.

### **13.3. Injunctions**

(a) Except as otherwise provided in this Plan or the Confirmation Order, as of the Confirmation Date, but subject to the occurrence of the Effective Date, all Persons who have held, hold or may hold Claims against or Equity Interests in the LP Debtors or their Estates are, with respect to any such Claims or Equity Interests, permanently enjoined after the Confirmation Date from: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against or affecting the LP Debtors, their Estates or any of their property, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Persons or any property of any such transferee or successor; (ii) enforcing, levying, attaching (including, without limitation, any pre-judgment attachment), collecting or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree or order against the LP Debtors, or their Estates or any of their property, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Persons, or any property of any such transferee or successor; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the LP Debtors, or their Estates or any of their property, or any direct or indirect transferee of any property of, or successor in interest to, any of the foregoing Persons (iv) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of this Plan to the full extent permitted by applicable law; and (v) commencing or continuing,

in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of this Plan; provided, however, that nothing contained herein shall preclude such Persons from exercising their rights, or obtaining benefits, pursuant to and consistent with the terms of this Plan; and provided, further, that nothing contained herein shall preclude the Purchaser from exercising any rights and remedies under the Asset Purchase Agreement.

(b) By accepting distributions pursuant to this Plan, each holder of an Allowed Claim or Equity Interest will be deemed to have specifically consented to the injunctions set forth in this Section 13.3.

(c) The Confirmation Order shall permanently enjoin the commencement or prosecution by any Person, whether directly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action or liabilities released pursuant to this Plan, including but not limited to the claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action or liabilities released in Sections 13.1 and 13.2 of this Plan. Such injunction shall extend to successors of the LP Debtors and their respective properties and interests in property.

#### **13.4. Substantial Consummation**

On the Effective Date, the Plan shall be deemed to be substantially consummated under sections 1101 and 1127(b) of the Bankruptcy Code.

#### **13.5. Satisfaction of Claims**

The rights afforded in the Plan and the treatment of all Claims and Equity Interests herein shall be in exchange for and in complete satisfaction, discharge and release of all Claims and Equity Interests of any nature whatsoever against the LP Debtors and their Estates, Assets, properties and interests in property. Except as otherwise provided herein, on the Effective Date, all Claims and Equity Interests shall be satisfied, discharged and released in full. Neither the Disbursing Agent nor the Purchaser shall be responsible for any pre-Effective Date obligations of the LP Debtors, except those expressly assumed by the Purchaser (if any), or as otherwise provided in the Plan. Except as otherwise provided herein, all Persons shall be precluded and forever barred from asserting against the Disbursing Agent or Purchaser, or their successors or assigns, Assets, properties, or interests in property any event, occurrence, condition, thing, or other or further Claims or Causes of Action based upon any act, omission, transaction, or other activity of any kind or nature that occurred or came into existence prior to the Effective Date in connection with the LP Debtors, whether or not the facts of or legal bases therefor were known or existed prior to the Effective Date.

#### **13.6. Special Provisions Regarding Insured Claims**

The Plan Distributions to each holder of an Allowed Insured Claim against the LP Debtors shall be made in accordance with the treatment provided under the Plan for the Class in which such Allowed Insured Claim is classified; except, that there shall be deducted from any Plan Distribution on account of an Insured Claim, for purposes of calculating the allowed amount of such Claim, the amount of any insurance proceeds actually received by such holder in



respect of such Allowed Insured Claim. Nothing in this Section 13.6 shall (i) constitute a waiver of any Claim, right, or Cause of Action of the LP Debtors or their Estates may hold against any Person, including any insurer, or (ii) provide for the allowance of any Insured Claim. 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 LP Debtors is an insured or a beneficiary.

### **13.7. Third Party Agreements; Subordination**

Except as otherwise provided in the Plan, the Plan Distributions to the various Classes of Claims and Equity Interests hereunder shall not affect the right of any Person to levy, garnish, attach, or employ any other legal process with respect to such Plan Distributions by reason of any claimed subordination rights or otherwise. All such rights and any agreements relating thereto shall remain in full force and effect. The right of the LP Debtors to seek subordination of any Claim or Equity Interest pursuant to section 510 of the Bankruptcy Code is fully reserved, and the treatment afforded any Claim or Equity Interest that becomes a subordinated Claim or Equity Interest at any time shall be modified to reflect such subordination.

### **13.8. Status Reports**

Following entry of the Confirmation Order, the LP Debtors shall file post-confirmation quarterly status reports with the Bankruptcy Court in accordance with Rule 3021-1 of the Local Bankruptcy Rules for the Southern District of New York and shall meet all Post-Confirmation Operating Report requirements of the U.S. Trustee's Operating Guidelines and Reporting Requirements (unless the Bankruptcy Court orders otherwise).

### **13.9. Notices**

In order to be effective, all notices, requests, and demands to or upon the LP Debtors or the Plan Sponsors (or the Ad Hoc LP Secured Group) shall be in writing (including by facsimile transmission) and, unless otherwise provided herein, shall be deemed to have been duly given or made only when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

If to the LP Debtors:

LightSquared LP  
Attention: Marc Montagner  
450 Park Avenue, Suite 2201  
New York, NY 10022  
Telephone: (877) 678-2920  
E-mail: Marc.Montagner@lightsquared.com

*with a copy to:*

Milbank, Tweed, Hadley & McCloy LLP  
Attention: Matthew S. Barr  
One Chase Manhattan Plaza  
New York, NY 10005-1413  
Telephone: (212) 530-5000  
Facsimile: (212) 822-5194

E-mail: mbarr@milbank.com

If to the Plan  
Sponsors (or Ad Hoc  
LP Secured Group):

White & Case LLP  
Attention: Glenn M. Kurtz  
Andrew Ambruoso  
1155 Avenue of the Americas  
New York, NY 10036  
Telephone: (212) 819-8200  
Facsimile: (212) 354-8113  
E-mail: gkurtz@whitecase.com  
andrew.ambruoso@whitecase.com

White & Case LLP  
Attention: Thomas E Lauria  
Matthew Brown  
Southeast Financial Center, Suite 4900  
200 South Biscayne Blvd.  
Miami, FL 33131  
Telephone: (305) 995-5282  
Facsimile: (305) 358-5744  
E-mail: tlauria@whitecase.com  
mbrown@whitecase.com

### **13.10. Headings**

The headings used in the Plan are inserted for convenience only, and neither constitute a portion of the Plan nor in any manner affect the construction of the provisions of the Plan.

### **13.11. Governing Law**

Except to the extent that the Bankruptcy Code or other federal law is applicable, or to the extent an Plan Document or exhibit or schedule to the Plan provides otherwise, the rights, duties, and obligations arising under this Plan and the Plan Documents shall be governed by, and construed and enforced in accordance with, the laws of the state of New York, without giving effect to the principles of conflict of laws thereof.

### **13.12. Section 1125(e) of the Bankruptcy Code**

The Plan Sponsors have and, upon confirmation of this Plan shall be deemed to have, solicited acceptances of this Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, and therefore are not and will not be liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of this Plan.

### **13.13. Inconsistency**

In the event of any inconsistency among the Plan, the Disclosure Statement, the Plan Documents, any exhibit to the Plan or any other instrument or document created or executed pursuant to the Plan, the provisions of the Plan shall govern; provided, that, notwithstanding the foregoing, in the event of any inconsistency among the Asset Purchase Agreement and any other document (including the Plan), the Asset Purchase Agreement shall govern.

### **13.14. Avoidance and Recovery Actions**

Effective as of the Effective Date, the LP Debtors retain the right to prosecute any avoidance or recovery actions under sections 544, 547, 548, 549 and 550 of the Bankruptcy Code except for any such actions that are Acquired Assets.

### **13.15. Expedited Determination**

The LP Debtors are hereby authorized to file a request for expedited determination under section 505(b) of the Bankruptcy Code for all tax returns filed with respect to the LP Debtors.

### **13.16. Exemption from Transfer Taxes**

To the fullest extent permitted by applicable law, all sale transactions consummated by the LP Debtors and approved by the Bankruptcy Court on and after the Confirmation Date through and including the Effective Date, including any transfers effectuated under this Plan, the sale by the LP Debtors of any owned property pursuant to section 1123(b)(4) of the Bankruptcy Code, and any assumption, assignment, and/or sale by the LP Debtors of their interests in unexpired leases of non-residential real property or executory contracts pursuant to section 365(a) of the Bankruptcy Code, shall constitute a “transfer under a plan” within the purview of section 1146 of the Bankruptcy Code, and shall not be subject to any stamp, real estate transfer, mortgage recording, or other similar tax.

### **13.17. Notice of Entry of Confirmation Order and Relevant Dates**

Promptly upon entry of the Confirmation Order, the LP Debtors shall publish as directed by the Bankruptcy Court and serve on all known parties in interest and holders of Claims and Equity Interests, notice of the entry of the Confirmation Order and all relevant deadlines and dates under the Plan, including, but not limited to, the deadline for filing notice of Administrative Claims, and the deadline for filing rejection damage Claims.

### **13.18. Termination of Professionals**

On the Effective Date, the engagement of each Professional Person retained by the LP Debtors, if any, shall be terminated without further order of the Bankruptcy Court or act of the parties; provided, however, such Professional Persons shall be entitled to prosecute their respective Fee Claims and represent their respective constituents with respect to applications for payment of such Fee Claims and the LP Debtors shall be responsible for the fees, costs and expenses associated with the prosecution of such Fee Claims. Nothing herein shall preclude any

LP Debtor from engaging a Professional Person on and after the Effective Date in the same capacity as such Professional Person was engaged prior to the Effective Date.

### **13.19. Interest and Attorneys' Fees**

Interest accrued after the applicable Petition Date will accrue and be paid on Claims only to the extent specifically provided for in this Plan, the Plan Documents, the Confirmation Order, or as otherwise required by the Bankruptcy Court or by applicable law. No award or reimbursement of attorneys' fees or related expenses or disbursements shall be allowed on, or in connection with, any Claim, except as set forth in the Plan or as ordered by the Bankruptcy Court.

### **13.20. Amendments**

(a) Plan Modifications. This Plan may be amended, modified, or supplemented by the Plan Sponsors, in the manner provided for by section 1127 of the Bankruptcy Code or as otherwise permitted by law, without additional disclosure pursuant to section 1125 of the Bankruptcy Code, except as otherwise ordered by the Bankruptcy Court. In addition, after the Confirmation Date, so long as such action does not materially and adversely affect the treatment of holders of Allowed Claims and Allowed Equity Interests pursuant to this Plan, the Plan Sponsors may remedy any defect or omission or reconcile any inconsistencies in this Plan, the Plan Documents and/or the Confirmation Order, with respect to such matters as may be necessary to carry out the purposes and effects of this Plan, and any holder of a Claim or Equity Interest that has accepted this Plan shall be deemed to have accepted this Plan as amended, modified, or supplemented.

(b) Other Amendments. Prior to the Effective Date, the Plan Sponsors may make appropriate technical adjustments and modifications to this Plan without further order or approval of the Bankruptcy Court; provided, however, that, such technical adjustments and modifications do not adversely affect in a material way the treatment of holders of Claims or Equity Interests under the Plan.

### **13.21. Revocation or Withdrawal of this Plan**

The Plan Sponsors reserve the right to revoke or withdraw this Plan prior to the Effective Date. If the Plan Sponsors revoke or withdraw this Plan prior to the Effective Date as to any or all of the LP Debtors, or if confirmation or consummation as to any or all of the LP Debtors does not occur, then, with respect to such LP Debtors: (a) this Plan shall be null and void in all respects; (b) any settlement or compromise embodied in this Plan (including the fixing or limiting to an amount certain any Claim or Equity Interest or Class of Claims or Equity Interests), assumption, assumption or assignment, or rejection of executory contracts or leases affected by this Plan, and any document or agreement executed pursuant to this Plan shall be deemed null and void; and (c) nothing contained in this Plan shall (i) constitute a waiver or release of any Claims by or against, or any Equity Interests in, such LP Debtors or any other Person, (ii) prejudice in any manner the rights of such LP Debtors or any other Person or (iii) constitute an admission of any sort by the LP Debtors or any other Person.

### **13.22. No Successor Liability**

Except as otherwise expressly provided in the Plan or the Asset Purchase Agreement, the Purchaser and any Alternative Purchaser do not, pursuant to this Plan or otherwise, assume, agree to perform, pay or indemnify or otherwise have any responsibilities for any liabilities or obligations of the LP Debtors or any other party relating to or arising out of the operations of or Assets of the LP Debtors, whether arising prior to, on, or after the Effective Date. The Purchaser and any Alternative Purchaser are not, and shall not be, successors to any of the LP Debtors by reason of any theory of law or equity, and it shall not have any successor or transferee liability of any kind or character, except that the Purchaser (or, if applicable, the Alternative Purchaser) shall assume the Assumed Liabilities under the terms and subject to the conditions set forth in the Asset Purchase Agreement.

### **13.23. Allocation of Plan Distributions Between Principal and Interest**

To the extent that any Allowed Claim entitled to a distribution under the Plan consists of indebtedness and other amounts (such as accrued but unpaid interest thereon), such distribution shall be allocated first to the principal amount of the Claim (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claim, to such other amounts.

### **13.24. Compliance with Tax Requirements**

In connection with the Plan, the Disbursing Agent shall comply with all withholding and reporting requirements imposed by federal, state, local and foreign taxing authorities and all Plan Distributions hereunder shall be subject to such withholding and reporting requirements. Notwithstanding the foregoing, each holder of an Allowed Claim that is to receive a Plan Distribution shall have the sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any government unit, including income, withholding and other tax obligations, on account of such Plan Distribution. The Disbursing Agent has the right, but not the obligation, to not make a Plan Distribution until such holder has made arrangements satisfactory to the Disbursing Agent for payment of any such tax obligations.

### **13.25. Rates**

The Plan does not provide for the change of any rate that is within the jurisdiction of any governmental regulatory commission after the occurrence of the Effective Date. Where a Claim has been denominated in foreign currency on a Proof of Claim, the allowed amount of such Claim shall be calculated in legal tender of the United States based upon the conversion rate in place as of the Petition Date and in accordance with section 502(b) of the Bankruptcy Code.

### **13.26. Binding Effect**

Except as otherwise provided in section 1141(d)(3) of the Bankruptcy Code and subject to the occurrence of the Effective Date, on and after the Confirmation Date, the provisions of this Plan shall be binding upon the LP Debtors, the holders of all Claims and Equity Interests and inure to the benefit of and be binding on such holder's respective successors and assigns,



whether or not the Claim or Equity Interest of any holder is impaired under this Plan and whether or not such holder has accepted this Plan.

**13.27. Successors and Assigns**

The rights, benefits and obligations of any Person 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 of such Person.

**13.28. Time**

In computing any period of time prescribed or allowed by this Plan, unless otherwise set forth herein or determined by the Bankruptcy Court, the provisions of Bankruptcy Rule 9006 shall apply.

**13.29. Severability**

If, prior to the entry of the Confirmation Order, any term or provision of this Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court, at the request of the Plan Sponsors 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 this Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

**13.30. Reservation of Rights**

Except as expressly set forth herein, the Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. None of the filing of this Plan, any statement or provision contained herein, or the taking of any action by the Plan Sponsors or the Stalking Horse Bidder with respect to this Plan shall be or shall be deemed to be, an admission or waiver of any rights of the Plan Sponsors or the Stalking Horse Bidder with respect to any Claims or Equity Interests prior to the Effective Date.

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Dated: July 23, 2013  
New York, New York

WHITE & CASE LLP

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LightSquared LP Lenders*

EXHIBIT "A"

**GLOSSARY OF DEFINED TERMS**

**"Acquired Assets"** means the LP Debtors' Assets to be sold pursuant to the terms and conditions of the Asset Purchase Agreement and the Bid Procedures Order.

**"Ad Hoc LP Secured Group"** means that certain Ad Hoc Group of LightSquared 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 LP Facility Credit Agreement, each of which is acting as a Plan Sponsor under this Plan.

**"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.

**"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 members of the Ad Hoc LP Secured Group in their capacities as such, including reasonable documented fees and expenses of LightSquared LP Lender Advisors.

**"Administrative Claim"** means any right to payment constituting a cost or expense of administration of any of the Chapter 11 Cases of the LP Debtors under sections 503(b) and 507(a)(2) of the Bankruptcy Code (other than a Fee Claim or U.S. Trustee Fees), including, without limitation, (i) any actual and necessary expenses of preserving the Estates of the LP Debtors, (ii) any actual and necessary expenses of operating the businesses of the LP Debtors, (iii) any indebtedness or obligations incurred or assumed by the LP Debtors in connection with the conduct of their business from and after the Petition Date, all Fee Claims, all compensation and reimbursement of expenses to the extent allowed by the Bankruptcy Court under section 330 or 503 of the Bankruptcy Code, (iv) any fees and charges assessed against the Estates of the LP Debtors under section 1930 of chapter 123 of title 28 of the United States Code, (v) the Ad Hoc LP Secured Group Fee Claims, and (vi) the Break-Up Fee and Expense Reimbursement, to the extent payable in accordance with the terms of the Stalking Horse Agreement and the Bid Procedures Order.

**"Affiliate"** means, with respect to any Person, all Persons that would fall within the definition assigned to such term in section 101(2) of the Bankruptcy Code, if such Person were a debtor in a case under the Bankruptcy Code.

**"Allowed Claim"** or **"Allowed [\_\_\_\_\_] Claim"** (with respect to a specific type of Claim, if specified) means: (a) any Claim (or a portion thereof) as to which no action to dispute, deny, equitably subordinate or otherwise limit recovery with respect thereto, or alter priority thereof, has been sought within the applicable period of limitation fixed by this Plan or applicable law, except to the extent the LP Debtors object to the enforcement

of such Claim or, if an action to dispute, deny, equitably subordinate or otherwise limit recovery with respect thereto, or alter priority thereof, has been sought, to the extent such Claim has been allowed (whether in whole or in part) by a Final Order of a court of competent jurisdiction with respect to the subject matter; or (b) any Claim or portion thereof that is allowed (i) in any contract, instrument, indenture or other agreement entered into in connection with the Plan, (ii) pursuant to the terms of the Plan, (iii) by Final Order of the Bankruptcy Court, or (iv) with respect to an Administrative Claim only (x) that was incurred by a LP Debtor in the ordinary course of business during the Chapter 11 Cases to the extent due and owing without defense, offset, recoupment or counterclaim of any kind, and (y) that is not otherwise disputed.

**“Allowed Equity Interest”** or **“Allowed [\_\_\_\_\_] Equity Interest”** means a valid and enforceable Equity Interest, as determined by the Disbursing Agent based on the LP Debtors’ books and records and any applicable registries of holders of Equity Interests.

**“Alternative Purchaser”** means the purchaser in any Alternative Sale.

**“Alternative Sale”** has the meaning given to such term in the Asset Purchase Agreement.

**“Asset Purchase Agreement”** means either (i) the Stalking Horse Agreement or (ii) if the Stalking Horse Bidder is not the Purchaser, an asset purchase agreement by and among the LP Debtors, as sellers, and the Purchaser, as buyer, which asset purchase agreement shall comply with the requirements of the Bid Procedures Order.

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

**“Assumed Liabilities”** means the liabilities of the LP Debtors assumed by the Purchaser pursuant to the Asset Purchase Agreement and the Bid Procedures Order.

**“Assumption Notice”** has the meaning set forth in Section 10.3(a) of this Plan.

**“Auction”** means the auction conducted in connection with the LP Sale and in accordance with the Bid Procedures Order.

**“Avoidance Actions”** means all Causes of Action of the Estates of the LP Debtors that arise under section 544, 545, 547, 548, 549, 550, 551 and/or 553 of the Bankruptcy Code.

**“Ballot”** means the form distributed to holders of impaired Claims or Equity Interests entitled to vote on the Plan on which is to be indicated the acceptance or rejection of the Plan approved by the Bankruptcy Court.

**“Bankruptcy Code”** means the Bankruptcy Reform Act of 1978, as codified at title 11 of the United States Code, as amended from time to time.

***“Bankruptcy Court”*** means the United States Bankruptcy Court for the Southern District of New York, or such other United States Bankruptcy Court having jurisdiction over the Chapter 11 Cases.

***“Bankruptcy Rules”*** means the Federal Rules of Bankruptcy Procedure, as promulgated by the United States Supreme Court pursuant to section 2075 of title 28 of the United States Code, as amended from time to time, applicable to the Chapter 11 Cases, and any Local Rules of the Bankruptcy Court.

***“Bar Date Notice”*** means the Notice of Deadlines for Filing Proofs of Claim that was approved pursuant to, and served in accordance with, the Bar Date Order.

***“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 entered as Docket No. 266 in the Chapter 11 Cases.

***“Bid Procedures Order”*** means an order granting the Motion of the Plan Sponsors for Entry of an Order (I) Approving Bid Procedures for the Sale of LightSquared LP Assets, (II) Scheduling an Auction, (III) Approving the Form and Scope of Notice of the Bid Procedures and Auction, (IV) Approving Procedures for Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (V) Granting Related Relief, dated \_\_\_\_\_, 2013, in form and substance acceptable to the Plan Sponsors.

***“Bid Procedures Recognition Order”*** means the order of the Canadian Court, which shall be in form and substance acceptable to the Plan Sponsors, recognizing the entry of the Bid Procedures Order.

***“Break-Up Fee”*** has the meaning given to such term in the Bid Procedures Order.

***“Business Day”*** means any day other than a Saturday, a Sunday or any other day on which commercial banks are required or authorized to close for business in New York, New York.

***“Canadian Court”*** means the Ontario Superior Court of Justice (Commercial List) having jurisdiction over the proceedings commenced by Debtors SkyTerra Holdings (Canada) Inc., SkyTerra (Canada) Inc., and LightSquared Corp. pursuant to Part IV of the Companies’ Creditors Arrangement Act, R.S.C. 1985, c.C-36.

***“Cash”*** means legal tender of the United States of America and equivalents thereof.

***“Causes of Action”*** means all claims, rights, actions, causes of action (including avoidance actions), liabilities, obligations, suits, debts, remedies, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages or judgments, whether known or unknown, liquidated or unliquidated, fixed or contingent, matured or unmatured, foreseen



or unforeseen, asserted or unasserted, arising in law, equity or otherwise including intercompany claims.

“**Chapter 11 Cases**” means the voluntary cases commenced by the Debtors under chapter 11 of the Bankruptcy Code, which are being jointly administered and are currently pending before the Bankruptcy Court, styled *In re LightSquared Inc.*, et al., Case No. 12-12080 (SCC).

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

“**Claims Agent**” means Kurtzman Carson Consultants LLC, or any other Person approved by the Bankruptcy Court to act as the Debtors’ claims and noticing agent pursuant to 28 U.S.C. § 156(c).

“**Class**” means each category of Claims or Equity Interests established under Article IV of the Plan pursuant to sections 1122 and 1123(a) of the Bankruptcy Code.

“**Closing**” means the consummation of all transactions required to close the LP Sale, after satisfaction of all applicable conditions to Closing, as set forth in the Asset Purchase Agreement.

“**Collateral**” means any property or interest in property of the Estates of the LP Debtors 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.

“**Confirmation Date**” means the date on which the Clerk of the Bankruptcy Court enters the Confirmation Order on the docket of the Bankruptcy Court.

“**Confirmation Hearing**” means the hearing held by the Bankruptcy Court, as it may be continued from time to time, to consider confirmation of the Plan.

“**Confirmation Order**” means the order of the Bankruptcy Court confirming this Plan pursuant to section 1129 of the Bankruptcy Code and authorizing and directing the LP Debtors to execute the Asset Purchase Agreement (to the extent not executed as of the Confirmation Date) pursuant to sections 105(a), 365, 1123(b)(4), 1129, 1142(b) and 1146(a) of the Bankruptcy Code, in form and substance reasonably acceptable to the Plan Sponsors.

“**Confirmation Recognition Order**” means the order of the Canadian Court, which shall be in form and substance acceptable to the Plan Sponsors: (a) recognizing the entry of the Confirmation Order; and (b) vesting in the Purchaser all of the LP Debtors’ right, title and interest in and to the Acquired 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 and to the extent set forth in the Asset Purchase Agreement.

“**Cure Costs**” has the meaning set forth in Section 10.3(a) of this Plan.

“**Cure Dispute**” has the meaning set forth in Section 10.3(d) of this Plan.

“**Debtor**” means any of the entities identified in footnote 1 of this Plan.

“**Designated Contract**” has the meaning set forth in the Asset Purchase Agreement.

“**Disallowed Claim**” when used with respect to a Claim, means a Claim, or such portion of a Claim, that has been disallowed by a Final Order.

“**Disbursing Agent**” means, for purposes of making distributions under the Plan, the LP Debtors or a designee thereof.

“**Disclosure Statement**” means that certain disclosure statement describing the Plan, including, without limitation, all exhibits and schedules thereto, as approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code and Bankruptcy Rule 3017.

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

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

“**Disputed Claim**” or “**Disputed [\_\_\_\_\_] Claim**” means, as of any relevant date, any Claim, or any portion thereof: (a) that is not an Allowed Claim or Disallowed Claim as of the relevant date; or (b) for which a proof of Claim has been timely filed with the Bankruptcy Court or a written request for payment has been made, to the extent the LP Debtors, the Disbursing Agent or any party in interest has interposed a timely objection or request for estimation, which objection or request for estimation has not been withdrawn or determined by a Final Order as of the relevant date.

“**Disputed Claims Reserves**” means a reserve or reserves that may be established and maintained by the Disbursing Agent for the purpose of effectuating distributions to holders of Disputed Claims pending allowance or disallowance of such Claims in accordance with the Plan.

“**Distribution Account**” means an account or accounts, as applicable, maintained by the Disbursing Agent into which the Plan Consideration will be delivered and then distributed by the Disbursing Agent in accordance with the Plan.

**“Distribution Record Date”** means, with respect to all Classes, the third (3rd) Business Day after the date the Confirmation Order is entered by the Bankruptcy Court or such other date as shall be established by the Bankruptcy Court in (a) the Confirmation Order or, (b) upon request of the LP Debtors or the Plan Sponsors, a separate order of the Bankruptcy Court.

**“Effective Date”** means a date selected by the Plan Sponsors that shall be a Business Day that is no later than five (5) days after all of the conditions precedent set forth in Section 11.2 of this Plan have been satisfied or waived (to the extent such conditions can be waived).

**“Equity Interest”** the interest (whether legal, equitable, contractual or other rights) of any holders of any class of equity securities of any of the LP Debtors represented by shares of common or preferred stock or other instruments evidencing an ownership interest in any of the LP Debtors, whether or not certificated, transferable, voting or denominated “stock” or a similar security, and any Claim or Cause of Action related to or arising from the foregoing, or any option, warrant or right, contractual or otherwise, to acquire any such interest means any outstanding ownership interest, including, without limitation, interests evidenced by membership or partnership interests, or other rights to purchase or otherwise receive any ownership interest and any right to payment or compensation based upon any such interest, whether or not such interest is owned by the holder of such right to payment or compensation.

**“Estate”** means each estate created in the Chapter 11 Cases pursuant to section 541 of the Bankruptcy Code.

**“Estimation Order”** means an order or orders of the Bankruptcy Court estimating for voting and/or distribution purposes (under section 502(c) of the Bankruptcy Code) the allowed amount of any Claim. The defined term Estimation Order includes the Confirmation Order if the Confirmation Order grants the same relief that would have been granted in a separate Estimation Order.

**“Existing Board”** means, with respect to each LP Debtor, the board of directors, board of managers or similar governing entity of such LP Debtor prior to the Effective Date.

**“Existing Officers”** means, with respect to each LP Debtor, the officers of such LP Debtor immediately prior to the Effective Date.

**“Expense Reimbursement”** has the meaning given to such term in the Bid Procedures Order.

**“Fee Application”** means an application for allowance and payment of a Fee Claim (including Claims for “substantial contribution” pursuant to section 503(b) of the Bankruptcy Code).

“**Fee Claim**” means a Claim of a Professional Person for compensation, indemnification or reimbursement of expenses pursuant to sections 327, 328, 330, 331, 503(b) or 1103(a) of the Bankruptcy Code.

“**Final Order**” means (a) an order or judgment of the Bankruptcy Court or any other court or adjudicative body as to which the time to appeal, petition for certiorari, or move for reargument or rehearing has expired and as to which no appeal, petition for certiorari, or other proceedings for reargument or rehearing shall then be pending, or (b) in the event that an appeal, writ of certiorari, reargument, or rehearing thereof has been taken or sought, such order of the Bankruptcy Court or any other court or adjudicative body shall have been affirmed by the highest court to which such order was appealed, or certiorari has been denied, or from which reargument or rehearing was sought, and the time to take any further appeal, petition for certiorari or move for reargument or rehearing shall have expired; provided, that no order shall fail to be a Final Order solely because of the possibility that a motion pursuant to section 502(j) of the Bankruptcy Code, Rule 59 or Rule 60 of the Federal Rules of Civil Procedure or Bankruptcy Rule 9024 may be filed with respect to such order.

“**Funding**” has the meaning given to such term in the Asset Purchase Agreement.

“**Funding Date**” has the meaning given to such term in the Asset Purchase Agreement.

“**General LP Unsecured Claim**” means any Claim against an LP Debtor other than an Administrative Claim, a Priority Non-Tax Claim, a Priority Tax Claim, a Fee Claim, U.S. Trustee Fees, an Other LP Secured Claim, an LP Facility Secured Claim, or an Intercompany Claim.

“**General LP Unsecured Claims Distribution**” means Plan Consideration in the form of Cash in an amount equal to \$10,000,000.

“**Inc. Entity**” means any of LightSquared Inc., LightSquared Investors Holdings Inc., TMI Communications Delaware, Limited Partnership, LightSquared GP Inc., One Dot Four Corp., One Dot Six Corp., One Dot Six TVCC Corp., TVCC Holdings Company, LLC, TVCC Intermediate Corp., Columbia One Six Partners IV, Inc., Columbia FMS Spectrum Partners IV, Inc., TVCC One Six Holdings LLC, CCMM I LLC, SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC or SkyTerra Investors LLC.

“**Inc. Entity General Unsecured Claim**” means a General Unsecured Claim held by any Inc. Entity against any LP Debtor.

“**Inc. Entity General Unsecured Claims Bar Date**” means the deadline by which Inc. Entity General Unsecured Claims must be filed, which shall be set forth in the Disclosure Statement Order.

“**Insured Claim**” means any Claim for which the LP Debtors or the holder of a Claim is entitled to indemnification, reimbursement, contribution or other payment under

a policy of insurance wherein any of the LP Debtors is an insured or beneficiary of the coverage.

**“Intercompany Claim”** means a Claim held by any LP Debtor against any other LP Debtor.

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

**“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).

**“LightSquared LP Lenders”** means those lenders from time to time party to the LP Facility Credit Agreement.

**“LP Cash”** means the LP Debtors’ Cash on hand as of the Effective Date.

**“LP Cash Collateral Order”** means the Amended Agreed Final Order (a) Authorizing Debtors to Use Cash Collateral, (b) Granting Adequate Protection to LP Facility Secured Parties, and (c) Modifying Automatic Stay, which has been entered as Docket No. 544 in the Chapter 11 Cases.

**“LP Common Equity Interests”** means the outstanding Equity Interests in LightSquared LP held by TMI Communications Delaware, Limited Partnership and LightSquared Investors Holdings Inc.

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

**“LP Facility Agent”** means UBS AG, Stamford Branch and any successor thereto, in its capacity as administrative agent on behalf of the LightSquared LP Lenders under the LP Facility Credit Agreement.

**“LP Facility Credit Agreement”** means that certain Credit Agreement, dated as of October 1, 2010, by and among LightSquared LP, as borrower, LightSquared Inc., the other LP Facility Parent Guarantors and the LP Facility Subsidiary Guarantors, as guarantors, and the LightSquared LP Lenders party thereto (as amended, supplemented, amended and restated or otherwise modified from time to time).

**“LP Facility Credit Documents”** means any related agreements, instruments and other documents executed and delivered in connection with the LP Facility Credit Agreement (each as amended, supplemented, amended and restated or otherwise modified from time to time).

**“LP Facility Parent Guarantors”** means LightSquared Inc., LightSquared



Investors Holdings Inc., LightSquared GP Inc., and TMI Communications Delaware, Limited Partnership.

***“LP Facility Postpetition Interest”*** means all interest owed to the LP Facility Secured Parties pursuant to the LP Facility Credit Documents 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).

***“LP Facility Prepetition Interest”*** means all interest owed to the LP Facility Secured Parties pursuant to the LP Facility Credit Documents prior to the Petition Date.

***“LP Facility Principal”*** means the principal amount owed to the LP Facility Secured Parties pursuant to the LP Facility Credit Documents as of the Petition Date.

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

***“LP Facility Secured Claims”*** means any Claim of the LP Facility Secured Parties under the LP Facility Credit Documents, inclusive of LP Facility Principal, LP Facility Prepetition Interest, LP Facility Postpetition Interest and all applicable fees and premiums due and owing under the LP Facility Credit Documents (including the LP Facility Repayment Premium), in each case, unless the Bankruptcy Court orders otherwise.

***“LP Facility Secured Parties”*** means the LP Facility Agent and the LightSquared LP Lenders.

***“LP Facility Subsidiary Guarantors”*** means ATC Technologies, LLC, LightSquared Corp., LightSquared Inc. of Virginia, LightSquared Subsidiary LLC, SkyTerra Holdings (Canada) Inc., and SkyTerra (Canada) Inc.

***“LP Preferred Unit Interests”*** means an Equity Interest in LightSquared LP arising from ownership of any outstanding non-voting Series A Preferred Units of LightSquared LP.

***“LP Sale”*** means the sale of the Acquired Assets under sections 105(a), 1123(a)(5), 1123(b)(4), 1129(b)(2)(A), 1141, 1145 and 1146(a) of the Bankruptcy Code under terms and conditions of the Asset Purchase Agreement free and clear of any Claims, Liens, interests, or encumbrances.

***“LP Sale Proceeds”*** means all Cash proceeds and other consideration deliverable to the LP Debtors from the LP Sale in accordance with the Asset Purchase Agreement.

***“Notice of Effective Date”*** means the notice of the occurrence of the Effective Date to be filed with the Bankruptcy Court and mailed, as necessary, to holders of Claims and Equity Interests.

***“Other LP Secured Claim”*** means any Secured Claim against an LP Debtor other than the LP Facility Secured Claims.

***“Parent Entity”*** means DISH Network Corporation.

***“Person”*** means an individual, corporation, partnership, limited liability company, joint venture, association, indenture trustee, organization, joint stock company, trust, estate, unincorporated association, unincorporated organization, governmental entity, or political subdivision thereof, Equity Interest holder or any other entity or organization.

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

***“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 Sponsors.

***“Plan Consideration”*** means LP Cash and LP Sale Proceeds less the amount of Cash necessary to fund the Wind Down Reserve.

***“Plan Distribution”*** means a payment or distribution to holders of Allowed Claims or Allowed Equity Interests under the Plan.

***“Plan Distribution Date”*** means, with respect to any Claim or Equity Interest, (a) the Effective Date or a date that is as soon as reasonably practicable and permissible after the Effective Date, if such Claim or Equity Interest is then an Allowed Claim or Allowed Equity Interest, or (b) if not allowed on the Effective Date, a date that is as soon as reasonably practicable and permissible after the date such Claim or Equity Interest becomes allowed.

***“Plan Documents”*** means the documents, other than the Plan and the Asset Purchase Agreement, to be executed, delivered, assumed, and/or performed in connection with the consummation of the Plan, including, without limitation, the documents to be included in the Plan Supplement and the Schedule of Rejected Executory Contracts and Unexpired Leases, each of which shall be in form and substance reasonably acceptable to the Plan Sponsors and filed with the Bankruptcy Court as specified in the Plan.

***“Plan Sponsor Fee Claims”*** means all Claims for the reasonable out-of-pocket expenses incurred by the Plan Sponsors.

***“Plan Sponsors”*** means the holders of LP Facility Secured Claims listed on Schedule 1 hereto, solely in their capacities as sponsors of this Plan.

**“Plan Supplement”** means the supplemental appendix to this Plan, to be filed no later than five (5) calendar days prior to the Voting Deadline, which will contain, among other things, draft forms, signed copies, or summaries of material terms, as the case may be, of the Plan Documents; provided, that such supplemental appendix may be amended, supplemented or modified from time to time after the Voting Deadline in accordance with the terms of this Plan, the Bid Procedures Order and the Confirmation Order.

**“Priority Non-Tax Claim”** means any Claim other than an Administrative Claim, a Fee Claim or a Priority Tax Claim, entitled to priority in right of payment under section 507(a) of the Bankruptcy Code.

**“Priority Tax Claim”** means a Claim that is of a kind specified in section 507(a)(8) of the Bankruptcy Code.

**“Professional Person”** means all Persons retained by order of the Bankruptcy Court in connection with the Chapter 11 Cases, pursuant to sections 327, 328, 330 or 1103 of the Bankruptcy Code, excluding any ordinary course professionals retained pursuant to an order of the Bankruptcy Court.

**“Proof of Claim”** means the proof of Claim that must be filed by a holder of a Claim by the deadline, if any, designated by the Bankruptcy Court as the deadline for filing proofs of Claim against any of the LP Debtors.

**“Pro Rata Share”** means the proportion that an Allowed Claim or Equity Interest bears to the aggregate amount of all Claims or Equity Interests in a particular Class, including, with respect to Classes of Claims, Disputed Claims, but excluding Disallowed Claims, (a) as calculated by the Disbursing Agent; or (b) as determined or estimated by the Bankruptcy Court.

**“Purchaser”** shall have the meaning set forth in the Bid Procedures Order, identifying the Qualified Bidder submitting the highest and best bid for the Assets of the LP Debtors to be sold pursuant to the Auction.

**“Qualified Bidder”** means a Person eligible to submit a bid pursuant to the Bid Procedures Order.

**“Released Parties”** means (a) the LP Debtors, (b) the Ad Hoc LP Secured Group and each member thereof, (c) the Plan Sponsors, (d) the Stalking Horse Bid Parties, (e) the Purchaser, (f) each LightSquared LP Lender, (g) the LP Facility Agent, (h) the present and former directors, officers, managers, equity holders, agents, successors, assigns, attorneys, accountants, consultants, investment bankers, bankruptcy and restructuring advisors, financial advisors, in each case in their capacity as such, and each of the respective affiliates of the parties listed in (a) through (h), in their capacity as such, and (i) any Person claimed to be liable derivatively through any of the foregoing; provided, however, that neither the Purchaser nor the LP Debtors shall be deemed to be a Released Party as against one another with respect to each such party’s right to enforce

the Asset Purchase Agreement against the other party.

“**Retained Assets**” means the LP Debtors’ Assets that are excluded from the LP Sale pursuant to the terms and conditions of the Asset Purchase Agreement.

“**Schedule of Rejected Executory Contracts and Unexpired Leases**” means a schedule of the contracts and leases to be rejected by the LP Debtors pursuant to Article X of this Plan, the initial version of which shall be filed with the Bankruptcy Court by the LP Debtors no later than five (5) Business Days prior to the Voting Deadline, as the same may be amended or modified from time to time.

“**Schedules**” means, unless otherwise stated, the schedules of assets and liabilities and list of Equity Interests and the statements of financial affairs filed by the LP Debtors with the Bankruptcy Court, as required by section 521 of the Bankruptcy Code and in conformity with the Official Bankruptcy Forms of the Bankruptcy Rules, as such schedules and statements have been or may be amended or supplemented from time to time in accordance with Bankruptcy Rule 1009.

“**Secured Claim**” means a Claim, either as set forth in this Plan, as agreed to by the holder of such Claim and the Plan Sponsors or Disbursing Agent, as applicable, 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.

“**Specified Regulatory Approvals**” has the meaning given to such term in the Asset Purchase Agreement.

“**Stalking Horse Agreement**” means that certain asset purchase agreement, dated [\_\_\_\_\_, 2013], executed by the Stalking Horse Bid Parties setting forth the terms of the Stalking Horse Bidder’s offer for the Acquired Assets.

“**Stalking Horse Bid**” means the initial bid of the Stalking Horse Bidder pursuant to the Stalking Horse Agreement, pursuant to which the Stalking Horse Bidder has offered a cash purchase price of \$2.22 billion for the Acquired Assets.

“**Stalking Horse Bidder**” means L-Band Acquisition, LLC, a Delaware limited liability company, in its capacity as the stalking horse bidder under the Stalking Horse Agreement.

“**Stalking Horse Bid Parties**” means the Stalking Horse Bidder and the Parent Entity.

“**Successful Bid**” means the bid selected as the highest or otherwise best bid for the Acquired Assets in accordance with the Bid Procedures Order.

“**Unclassified Claims**” means Administrative Claims, Fee Claims, U.S. Trustee Fees and Priority Tax Claims against the LP Debtors.

“**U.S. Trustee**” means the Office of the U.S. Trustee for Region 2, Southern District of New York.

“**U.S. Trustee Fees**” means fees arising under 28 U.S.C. § 1930(a)(6) and, to the extent applicable, accrued interest thereon arising under 31 U.S.C. § 3717, each as determined by the Bankruptcy Court at the Confirmation Hearing.

“**Voting Deadline**” means [\_\_\_\_\_, 2013, at 5:00 p.m. (prevailing Eastern time), or such later date as may be determined by the Plan Sponsors or as otherwise determined by the Bankruptcy Court.

“**Wind Down**” means the wind down of the LP Debtors in accordance with the Plan, as more fully set forth in Article VII herein.

“**Wind Down Reserve**” has the meaning set forth in Section 7.1 of this Plan.



**Schedule 1**

**Plan Sponsors**

1. Capital Research and Management Company
2. Cyrus Capital Partners, L.P.
3. Intermarket Corporation
4. SP Special Opportunities, LLC
5. UBS AG, Stamford Branch