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and Debtors in Possession

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	:	Chapter 11
NII Holdings, Inc., et al.,[1]	:	Case No. 14-12611 (SCC)
Debtors.	:	(Jointly Administered)

NOTICE OF FILING OF CLEAN AND BLACKLINE VERSIONS OF FIRST AMENDED PLAN AND DISCLOSURE STATEMENT

[1] The Debtors in the jointly administered bankruptcy cases are comprised of the following fourteen entities (the last four digits of their respective U.S. taxpayer identification numbers follow in parentheses): NII Holdings, Inc. (1412); Nextel International (Services), Ltd. (6566); NII Capital Corp. (6843); NII Aviation, Inc. (6551); NII Funding Corp. (6265); NII Global Holdings, Inc. (1283); NII International Telecom S.C.A. (7498); NII International Holdings S.à r.l. (N/A); NII International Services S.à r.l. (6081); Airfone Holdings, LLC (1746); Nextel International (Uruguay), LLC (5939); McCaw International (Brazil), LLC (1850); NII Mercosur, LLC (4079); and NIU Holdings LLC (5902). The location of the Debtors' corporate headquarters and the Debtors' service address is: 1875 Explorer Street, Suite 800, Reston, VA 20190.

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On March 13, 2015, NII Holdings, Inc. and certain of its direct and indirect subsidiaries, as debtors and debtors in possession (collectively, the "Debtors"), together with the official committee of unsecured creditors appointed in these chapter 11 cases (the "Creditors' Committee" and, together with the Debtors, the "Plan Proponents"), filed the (a) *First Amended Joint Plan of Reorganization Proposed by the Plan Debtors and Debtors in Possession and the Official Committee of Unsecured Creditors* (as amended or modified from time to time, the "Plan") [Docket No. 527, Ex. A-1] and (b) *First Amended Disclosure Statement for First Amended Joint Plan of Reorganization Proposed by the Plan Debtors and Debtors in Possession and the Official Committee of Unsecured Creditors* (as amended or modified from time to time, the "Disclosure Statement") [Docket No. 527, Ex. B-1].

2. On March 23, 2015, the Plan Proponents filed a notice containing Exhibits 2 through 4 to the Disclosure Statement [Docket No. 579] (the "Disclosure Statement Exhibits").

3. Attached hereto and dated as of the date hereof (a) as Exhibit A-1 is a revised version of the Plan and (b) as Exhibit A-2 is a blackline reflecting the changes made to the Plan.

4. Attached hereto and dated as of the date hereof (a) as Exhibit B-1 is a revised version of the Disclosure Statement, including the Disclosure Statement Exhibits (except the Plan, which is Exhibit 1 thereto) and (b) as Exhibit B-2 is a blackline reflecting the changes made to the Disclosure Statement and Disclosure Statement Exhibits (except the Plan, which is Exhibit 1 thereto).

Dated: April 2, 2015
New York, New York

Respectfully submitted,

/s/ Scott J. Greenberg

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ATTORNEYS FOR DEBTORS AND
DEBTORS IN POSSESSION

EXHIBIT A-1

First Amended Joint Plan of Reorganization Proposed by the Plan Debtors and Debtors in Possession and the Official Committee of Unsecured Creditors

(Clean)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	:	Chapter 11
NII Holdings, Inc., et al.,[1]	:	Case No. 14-12611 (SCC)
Debtors.	:	(Jointly Administered)

FIRST AMENDED JOINT PLAN OF REORGANIZATION PROPOSED BY THE PLAN DEBTORS AND DEBTORS IN POSSESSION AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

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ATTORNEYS FOR THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS

Dated: April 2, 2015

[1] The Debtors in the jointly administered bankruptcy cases are comprised of the following fourteen entities (the last four digits of their respective U.S. taxpayer identification numbers follow in parentheses): NII Holdings, Inc. (1412); Nextel International (Services), Ltd. (6566); NII Capital Corp. (6843); NII Aviation, Inc. (6551); NII Funding Corp. (6265); NII Global Holdings, Inc. (1283); NII International Telecom S.C.A. (7498); NII International Holdings S.à r.l. (N/A); NII International Services S.à r.l. (6081); Airfone Holdings, LLC (1746); Nextel International (Uruguay), LLC (5939); McCaw International (Brazil), LLC (1850); NII Mercosur, LLC (4079); and NIU Holdings LLC (5902). The location of the Debtors' corporate headquarters and the Debtors' service address is: 1875 Explorer Street, Suite 800, Reston, VA 20190.

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TABLE OF EXHIBITS[1]

Exhibit A – Registration Rights Agreement

Exhibit B – Revised NII Holdings Certificate of Incorporation

Exhibit C – Revised NII Holdings Bylaws

Exhibit D – New Directors of Reorganized NII Holdings

Exhibit E – Form of Management Incentive Plan

Exhibit F – Amendments to Operating Company Credit Agreements

Exhibit G – Executory Contracts and Unexpired Leases to be Assumed

Exhibit H – New NII-ATC Guaranty

Exhibit I – Retained Causes of Action

Exhibit J – New NII Exit Financing Facility (if obtained)

[1] The Exhibits not initially appended to the Plan will be Filed as part of the Plan Supplement. All Exhibits will be made available, free of charge, on the Document Website once they are filed. Copies of all Exhibits may be obtained from the Notice and Claims Agent by calling 1-844-224-1140 (toll-free). The Plan Proponents reserve the right to modify, amend, supplement, restate or withdraw any of the Exhibits after they are Filed and shall promptly make such changes available on the Document Website.

INTRODUCTION

NII Holdings, Inc., Nextel International (Services), Ltd., NII Capital Corp., NII Aviation, Inc., NII Funding Corp., NII Global Holdings, Inc., NII International Telecom S.C.A., NII International Holdings S.à r.l., NII International Services S.à r.l., Airfone Holdings, LLC, McCaw International (Brazil), LLC, NII Mercosur, LLC and NIU Holdings LLC, as debtors and debtors in possession (collectively, the "Plan Debtors"), and the Creditors' Committee (together with the Plan Debtors, the "Plan Proponents") propose this first amended joint plan of reorganization for the resolution of Claims against and Interests in each of the Plan Debtors pursuant to chapter 11 of the Bankruptcy Code. The Plan Debtors and the Creditors' Committee are the proponents of the Plan within the meaning of section 1129 of the Bankruptcy Code.

Reference is made to the Disclosure Statement, distributed contemporaneously herewith, for a discussion of the Plan Debtors' assets, liabilities, history, business, results of operations, historical financial information, projections of future operations and for a summary of the Plan and the distributions to be made thereunder.

Other agreements and documents supplementing the Plan are appended as Exhibits hereto and have been or will be Filed with the Bankruptcy Court. These supplemental agreements and documents are referenced in the Plan and the Disclosure Statement and will be available for review.

ALL CREDITORS ENTITLED TO VOTE ON THE PLAN ARE ENCOURAGED TO READ THE DISCLOSURE STATEMENT IN ITS ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. SUBJECT TO CERTAIN RESTRICTIONS AND REQUIREMENTS SET FORTH IN SECTION 1127 OF THE BANKRUPTCY CODE, IN BANKRUPTCY RULE 3019 AND IN THE PLAN, THE PLAN PROPONENTS RESERVE THE RIGHT TO ALTER, AMEND, MODIFY, REVOKE OR WITHDRAW THE PLAN PRIOR TO ITS SUBSTANTIAL CONSUMMATION.

I. DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME

A. Defined Terms

Capitalized terms used in the Plan and not otherwise defined shall have the meanings set forth below. Any term that is not defined in this Plan, 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.

1. **"Administrative Claim"** means a Claim against a Plan Debtor or its Estate arising on or after the Petition Date and prior to the Effective Date for a cost or expense of administration in the Chapter 11 Cases that is entitled to priority or superpriority under sections 364(c)(1), 503(b), 503(c), 507(b) or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date of preserving the Estates and operating the businesses of the Plan Debtors; (b) compensation for legal, financial advisory, accounting and other services and reimbursement of expenses awarded or allowed under sections 330(a) or 331 of the Bankruptcy Code, including Fee Claims; (c) all fees and charges assessed against the Estates under chapter 123 of title 28, United States Code, 28 U.S.C. §§ 1911-1930; and (d) all Intercompany Administrative Claims.

2. **"Administrative Claims Bar Date"** means the date that is thirty (30) days after the entry of the Confirmation Order.

3. **"Administrative Claims Objection Deadline"** means the date that is sixty (60) days after the Effective Date.

4. **"Affiliate"** has the meaning set forth in section 101(2) of the Bankruptcy Code.

5. **"Allowed"** means with respect to Claims: (a) any Claim (i) for which a Proof of Claim has been timely filed on or before the applicable Claims Bar Date (or that by the Bankruptcy Code or Final Order is

not or shall not be required to be filed) or (ii) that is listed in the Schedules as of the Effective Date as not disputed, not contingent and not unliquidated, and for which no Proof of Claim has been timely filed; provided that, in each case, any such Claim shall be considered Allowed only if and to the extent that no objection to the allowance thereof has been interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules or the Bankruptcy Court or such an objection has been interposed and the Claim has been thereafter Allowed by a Final Order; or (b) any Claim Allowed pursuant to the Plan, a Final Order of the Bankruptcy Court (including pursuant to any stipulation approved by the Bankruptcy Court) and any Stipulation of Amount and Nature of Claim; provided, further, that the Claims described in clauses (a) and (b) above shall not include any Claim on account of a right, option, warrant, right to convert or other right to purchase an Equity Interest. Claims allowed solely for the purpose of voting to accept or reject the Plan pursuant to an order of the Bankruptcy Court shall not be considered "Allowed Claims" hereunder.

6. **"Allowed Capco Note Claims Amount"** means $2,858,127,778.

7. **"Allowed Luxco Note Claims Amount"** means $1,694,882,000.

8. **"Allowed TG Claims Amount"** means $285,129,687.50.

9. **"ATC"** shall mean, collectively, American Tower Corporation and the ATC Counterparties.

10. **"ATC Counterparties"** means, collectively, (a) American Tower do Brasil – Cessão de Infraestruturas Ltda. and (b) MATC Digital S. de R.L. de C.V.

11. **"Aurelius"** means, collectively, those Entities managed by Aurelius Capital Management, LP that have executed the Plan Support Agreement.

12. **"Avoidance Claims"** means any and all Claims, obligations, suits, judgments, damages, debts, rights, remedies, causes of action, avoidance powers or rights, Liabilities of any nature whatsoever and legal or equitable remedies that could be asserted (a) against any of the Plan Debtors by or on behalf of any other Plan Debtor or any creditor thereof, (b) against NIU, as assigned to NIU Holdings LLC pursuant to the Mexico Sale Order, by or on behalf of any of the Plan Debtors or any creditor thereof or (c) against any direct or indirect non-Debtor subsidiary of NII Holdings by or on behalf of any of the Plan Debtors or any creditors thereof, in each case, including, without limitation, pursuant to chapter 5 of the Bankruptcy Code, and shall include the Identified Avoidance Claims.

13. **"Ballot"** means the applicable form or forms of ballot(s) distributed to Holders of Claims entitled to vote on the Plan and on which the acceptance or rejection of the Plan is to be indicated.

14. **"Bankruptcy Code"** means title 11 of the United States Code, as now in effect or hereafter amended, as applicable to these Chapter 11 Cases.

15. **"Bankruptcy Court"** means the United States District Court having jurisdiction over the Chapter 11 Cases and, to the extent of any reference made pursuant to 28 U.S.C. § 157, the bankruptcy unit of such District Court.

16. **"Bankruptcy Rules"** means, collectively, the Federal Rules of Bankruptcy Procedure and the local rules of the Bankruptcy Court, as now in effect or hereafter amended.

17. **"Brazil Equipment Financing Agent"** shall have the meaning ascribed to the term "Administrative Agent" in the NII Brazil CDB Agreements.

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

19. **"Capco"** means NII Capital Corp.

20. **"Capco 7.625% Note Indenture"** means that Indenture dated as of March 29, 2011 among Capco (as issuer), each of the Capco Guarantors (as guarantors thereto) and Wilmington Savings Fund Society, FSB (as successor trustee) and all amendments, supplements or modifications thereto and extensions thereof.

21. **"Capco 7.625% Notes"** means the 7.625% senior notes due 2021 in the aggregate principal amount of $1,450,000,000 issued pursuant to the Capco 7.625% Note Indenture.

22. **"Capco 8.875% Note Indenture"** means that Indenture dated as of December 15, 2009 among Capco (as issuer), each of the Capco Guarantors (as guarantors thereto) and U.S. Bank National Association (as successor trustee) and all amendments, supplements or modifications thereto and extensions thereof.

23. **"Capco 8.875% Notes"** means the 8.875% senior notes due 2019 in the aggregate principal amount of $500,000,000 issued pursuant to the Capco 8.875% Note Indenture.

24. **"Capco 10% Note Indenture"** means that Indenture dated as of August 18, 2009 among Capco (as issuer), each of the Capco Guarantors (as guarantors thereto) and Wilmington Savings Fund Society, FSB (as successor trustee) and all amendments, supplements or modifications thereto and extensions thereof.

25. **"Capco 10% Notes"** means the 10% senior notes due 2016 in the aggregate principal amount of $800,000,000 issued pursuant to the Capco 10% Note Indenture.

26. **"Capco Cash Allocation"** means the amount of Cash equal to Total Distributable Cash less the sum of (i) the TG Claims Cash Allocation and (ii) the Luxco Notes Cash Allocation.

27. **"Capco Debtor Group"** means the Debtor Group consisting of Capco.

28. **"Capco Distributable Value Allocation"** means the amount equal to 29.61% multiplied by the Plan Distributable Value, which shall be in the form of (1) the Capco Stock Allocation, subject to dilution by any Management Incentive Plan Shares, and (2) the Capco Cash Allocation.

29. **"Capco Guarantors"** means NII Holdings, NIS, NII Aviation, Inc., NII Funding Corp. and NII Global Holdings, Inc.

30. **"Capco Guarantors Debtor Group"** means the Debtor Group consisting of NIS, NII Aviation, Inc., NII Funding Corp. and NII Global Holdings, Inc.

31. **"Capco Indentures"** means, collectively, the Capco 10% Note Indenture, the Capco 8.875% Note Indenture and the Capco 7.625% Note Indenture.

32. **"Capco Intercompany Note"** means that certain promissory note dated August 31, 2011 issued by Luxco to Capco in the original principal amount of $644,000,000.

33. **"Capco Note Claims"** means any Claim against Capco or any of the Capco Guarantors under or evidenced by the Capco 7.625% Note Indenture, the Capco 7.625% Notes, the Capco 8.875% Note Indenture, the Capco 8.875% Notes, the Capco 10% Note Indenture or the Capco 10% Notes, including Claims related to any obligations of any Capco Guarantors with respect to any of the foregoing.

34. **"Capco Notes"** means, collectively, the Capco 7.625% Notes, the Capco 8.875% Notes and the Capco 10% Notes.

35. **"Capco Stock Allocation"** means the number of shares of Reorganized NII Common Stock equal to the Initial Share Pool multiplied by the Capco Stock Allocation Percentage.

36. **"Capco Stock Allocation Percentage"** means the result, expressed as a percentage, of subtracting from 100% (x) the TG Claims Stock Allocation Percentage and (y) the Luxco Notes Stock Allocation Percentage.

37. **"Capital Group"** means, collectively, those Entities managed by Capital Research and Management Company that have executed the Plan Support Agreement.

38. **"Cash"** means the lawful currency of the United States of America and equivalents thereof.

39. **"CDB Amended Guarantee"** means the Parent Guaranty dated September 25, 2013 by NII Holdings in favor of the Brazil Equipment Financing Agent, as amended in accordance with that certain Amendment to Parent Guaranty dated December 5, 2014 between NII Holdings and the Brazil Equipment Financing Agent.

40. **"CDB Documents"** means, collectively, the (a) CDB Guarantee, (b) CDB Loan Subordination Agreement and (c) CDB Shareholder Undertaking Agreement.

41. **"CDB Documents Claims"** means any Claim against NII Holdings under or evidenced by any of the CDB Documents, including any obligations of NII Holdings with respect thereto.

42. **"CDB Guarantee"** means the Parent Guaranty dated September 25, 2013 by NII Holdings in favor of the Brazil Equipment Financing Agent.

43. **"CDB Loan Subordination Agreement"** means the Loan Subordination Agreement dated December 12, 2013 between Luxco and the Brazil Equipment Financing Agent.

44. **"CDB Shareholder Undertaking Agreement"** means the Shareholder Undertaking Agreement dated April 20, 2012 between NII Holdings and the Brazil Equipment Financing Agent, in each case, as amended, supplemented or modified from time to time.

45. **"Chapter 11 Cases"** means the cases commenced under chapter 11 of the Bankruptcy Code by the Debtors in the Bankruptcy Court.

46. **"Claim"** means a claim, as such term is defined in section 101(5) of the Bankruptcy Code, against a Plan Debtor.

47. **"Claims Bar Date"** means, as applicable, the Administrative Claims Bar Date and any other date or dates to be established by an Order of the Bankruptcy Court by which Proofs of Claim must be filed, including the general bar date of December 23, 2014 as set forth in the *Order, Pursuant to Sections 105, 501 and 503 of the Bankruptcy Code, Bankruptcy Rules 2002 and 3003(c)(3) and Local Bankruptcy Rule 3003-1, Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof* [Docket No. 218].

48. **"Class"** means a class of Claims or Interests, as described in Section II.

49. **"Confirmation"** means the entry of the Confirmation Order on the docket of the Bankruptcy Court.

50. **"Confirmation Date"** means the date on which the Bankruptcy Court enters the Confirmation Order on its docket, within the meaning of Bankruptcy Rules 5003 and 9021.

51. **"Confirmation Hearing"** means the hearing held by the Bankruptcy Court to consider Confirmation of the Plan, as such hearing may be continued from time to time.

52. **"Confirmation Order"** means the order of the Bankruptcy Court, which shall be in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders, confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

53. **"Consenting Noteholders"** shall mean Aurelius, Capital Group, the members of the Luxco Group and any transferee of the Prepetition Notes that becomes a party to the Plan Support Agreement in accordance with section 3.04 thereof.

54. **"Convenience Claims"** means General Unsecured Claims against any of the Plan Debtors that otherwise would be classified in Classes 8A, 8B or 8C, but, with respect to each such Claim, either (a) the aggregate amount of such Claim is equal to or less than $20,000 or (b) the aggregate amount of such Claim is reduced to $20,000 pursuant to an election by the Holder of a Claim made on the Ballot provided for voting on the Plan by the Voting Deadline; provided, however, that where any portion(s) of a single Claim has been transferred to a transferee, (a) the amount of all such portions will be aggregated to determine whether a Claim qualifies as a Convenience Claim and for purposes of the Convenience Claim election and (b) unless all transferees make the Convenience Claim election on the applicable Ballots, the Convenience Claim election will not be recognized for such Claim.

55. **"Creditors' Committee"** shall mean the official committee of unsecured creditors appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code.

56. **"Debtor Group"** has the meaning given to it in Section II.B.1.

57. **"Debtors"** means, collectively, NII Holdings, NIS, Capco, NII Aviation, Inc., NII Funding Corp., NII Global Holdings, Inc., Luxco, NII International Holdings S.à r.l., NII International Services S.à r.l., the Transferred Guarantors, NII Mercosur, LLC and NIU Holdings LLC.

58. **"DIP Agent"** means Credit Suisse AG, Cayman Islands Branch, in its capacity as administrative agent and collateral agent under the DIP Credit Agreement.

59. **"DIP Claims"** means any Claim of the DIP Agent or the DIP Lenders against a Debtor under or evidenced by (a) the DIP Credit Agreement and (b) the DIP Order.

60. **"DIP Credit Agreement"** means that certain Debtor-in-Possession Credit and Security Agreement, dated as of March 23, 2015 (as the same may have been subsequently modified, amended, supplemented or otherwise revised from time to time, and together with all instruments, documents and agreements related thereto) among Luxco (as borrower), the Guarantors (as defined in the DIP Credit Agreement), the DIP Agent and the DIP Lenders party thereto.

61. **"DIP Lenders"** means, collectively, those entities identified as "Lenders" in the DIP Credit Agreement and their respective permitted successors and assigns (solely in their capacity as "Lenders" under the DIP Credit Agreement).

62. **"DIP Order"** means the *Order, Pursuant to 11 U.S.C. §§ 105, 362, 363 and 364, Rules 4001 and 9014 of the Federal Rules of Bankruptcy Procedure and Rule 4001-2 of the Local Bankruptcy Rules for the Southern District of New York: (A) Authorizing Debtors to Obtain Postpetition Financing and (B) Granting Related Relief*, entered on March 23, 2015 [Docket No. 573], as such order may be amended from time to time.

63. **"Disclosure Statement"** means the Disclosure Statement for the First Amended Joint Plan of Reorganization Proposed by the Plan Debtors and Debtors in Possession and the Official Committee of Unsecured Creditors, of even date herewith (including all exhibits and schedules thereto or referenced therein), that has been prepared and distributed by the Plan Proponents, pursuant to section 1125(g) of the Bankruptcy Code, as the same may be amended, modified or supplemented, and which is in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

64. **"Disclosure Statement Order"** means an order entered by the Bankruptcy Court, which shall be a Final Order and which shall be in form and substance reasonably satisfactory to the Plan Proponents and each of the Requisite Consenting Noteholders, approving, among other things, the Disclosure Statement as containing adequate information pursuant to section 1125 of the Bankruptcy Code, authorizing solicitation of the Disclosure Statement and the Plan and approving related solicitation materials.

65. **"Disputed Claim"** means any portion of a Claim (a) that is neither an Allowed Claim nor a disallowed Claim, (b) that is listed as disputed, contingent or unliquidated on the Schedules or that is otherwise subject to an objection or (c) 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 Plan Debtors have, or any party in interest entitled to do so 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.

66. **"Distribution Record Date"** means the date for determining which Holders of Allowed Claims or Interests are eligible to receive distributions hereunder, which, unless otherwise specified, shall be the Voting Deadline; provided, however, that the Distribution Record Date shall not apply to Holders of Allowed Luxco Note Claims, Allowed Capco Note Claims and Allowed Transferred Guarantor Claims.

67. **"Document Website"** means the internet site address https://cases.primeclerk.com/nii at which all of the exhibits and schedules to the Plan and the Disclosure Statement will be available to any party in interest and the public, free of charge.

68. **"DTC"** means The Depository Trust Company.

69. **"Effective Date"** means the day selected by the Plan Debtors that is a Business Day as soon as reasonably practicable after the Confirmation Date on which all conditions to the Effective Date in Section VII.B shall have been satisfied or waived in accordance with Section VII.C and, if a stay of the Confirmation Order is in effect, such stay shall have expired, dissolved, or been lifted.

70. **"Entity"** means an individual, firm, corporation, partnership, limited liability company, association, joint stock company, joint venture, estate, trust, unincorporated organization or government or any political subdivision thereof, or other person or entity.

71. **"Estate"** means, as to each Plan Debtor, the estate created for such Plan Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

72. **"Executory Contract"** or **"Unexpired Lease"** means a contract or lease to which a Plan Debtor is a party that is subject to assumption, assumption and assignment or rejection under section 365 of the Bankruptcy Code, including any modifications, amendments, addenda or supplements thereto or restatements thereof.

73. **"Exhibit"** means an exhibit attached to this Plan or included in the Plan Supplement.

74. **"Fee Claim"** means a Claim under sections 328, 330(a), 331, 503 or 1103 of the Bankruptcy Code for compensation of a Professional or other Entity for services rendered or expenses incurred in the Chapter 11 Cases, other than a Requisite Consenting Noteholder Professional Fee Claim.

75. **"Fee Order"** means any order establishing procedures for interim compensation and reimbursement of expenses of Professionals that may be entered by the Bankruptcy Court.

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

77. **"Final Order"** means an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction, as entered on the docket in the Chapter 11 Cases or the docket of any other court of

competent jurisdiction, that has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari or move for a new trial, reargument or rehearing has expired, and no appeal or petition for certiorari or other proceedings for a new trial, reargument or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been timely filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument or rehearing shall have been denied or resulted in no modification of such order.

78. **"General Unsecured Claim"** means any Claim that is not an Administrative Claim, Priority Claim, Priority Tax Claim, Secured Claim, Sale-Leaseback Guaranty Claim, CDB Documents Claim, Capco Note Claim, Luxco Note Claim, Transferred Guarantor Claim, Section 510 Claim, Prepetition Intercompany Claim or a Non-Debtor Affiliate Claim.

79. **"Holder"** means an Entity holding a Claim or Interest, as the context requires.

80. **"Holdings Debtor Group"** means the Debtor Group consisting of NII Holdings.

81. **"Holdings Sale-Leaseback Guarantees"** means (a) that certain Guaranty of Obligations, dated March 23, 2005, by NII Holdings in favor of MATC Celular, S. de R.L. de C.V. (n/k/a MATC Digital S. de R.L. de C.V.), (b) that certain Guaranty of Obligations, dated March 22, 2005, by NII Holdings in favor of American Tower do Brasil – Cessão de Infraestruturas Ltda., and all amendments, supplements or modifications of any of the foregoing and extensions thereof and (c) any other guarantees given by NII Holdings in favor of ATC or any of its affiliates, in each case, as amended, supplemented or modified from time to time.

82. **"Identified Avoidance Claims"** means all potential Avoidance Claims related to or arising from (a) the guarantees by NII Holdings of the Luxco Notes; (b) the subordination of the right of Capco to payment under the terms of the Capco Intercompany Note to the payment of the Luxco Notes, (c) the release and/or transfer of approximately $614 million of receivables that were owed to NII Holdings by Nextel Telecomunicações Ltda. and transferred to Luxco on or about February 28, 2013, (d) the release and/or transfer of approximately $48 million owed to NII Holdings, NIS and NII Funding Corp. from McCaw International (Brazil), LLC and (e) the release by NIS and NII Holdings of approximately $93 million in intercompany receivables owed to them by Nextel del Peru S.A.

83. **"Impaired"** means, when used in reference to a Claim or an Interest, a Claim or an Interest that is impaired within the meaning of section 1124 of the Bankruptcy Code.

84. **"Indenture Trustees"** means (a) Wilmington Trust, National Association, (b) Wilmington Savings Fund Society, FSB or (c) U.S. Bank National Association.

85. **"Initial Share Pool"** means 100,000,000 shares of Reorganized NII Common Stock issued and outstanding as of the Effective Date and distributed to Holders of Allowed Transferred Guarantor Claims, Allowed Luxco Note Claims and Allowed Capco Note Claims.

86. **"Intercompany Administrative Claim"** means any Allowed Claim (a) of any Plan Debtor against another Plan Debtor or (b) of any Plan Debtor against NIU, as assigned to NIU Holdings LLC pursuant to the Mexico Sale Order, (c) of any Non-Debtor Affiliate against a Plan Debtor or (d) of any Non-Debtor Affiliate against NIU, as assigned to NIU Holdings LLC pursuant to the Mexico Sale Order, in each case, arising from and after the Petition Date through and including the Effective Date.

87. **"Interest"** means the rights of the Holders of the common stock, membership interests or partnership interests issued by a Plan Debtor and outstanding immediately prior to the Petition Date, and any options, warrants or other rights with respect thereto, or any other instruments evidencing an ownership interest in a Plan Debtor and the rights of any Entity to purchase or demand the issuance of any of the foregoing, including: (a) redemption, conversion, exchange, voting, participation and dividend rights (including any rights in respect of accrued and unpaid dividends); (b) liquidation preferences; and (c) stock options and warrants.

88. **"Liabilities"** means any and all Claims, obligations, suits, judgments, damages, demands, debts, rights, Recovery Actions, causes of action and liabilities, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, arising in law, equity or otherwise, that are based in whole or in part on any act, event, injury, omission, transaction or agreement.

89. **"Luxco"** means NII International Telecom S.C.A.

90. **"Luxco 7.875% Note Indenture"** means that Indenture dated as of May 23, 2013 among Luxco (as issuer), NII Holdings (as guarantor), and Wilmington Trust, National Association (as trustee) and all amendments, supplements or modifications thereto and extensions thereof.

91. **"Luxco 7.875% Notes"** means the 7.785% senior notes due 2019 in the aggregate principal amount of $700,000,000 issued pursuant to the Luxco 7.875% Note Indenture.

92. **"Luxco 11.375% Note Indenture"** means that Indenture dated as of February 19, 2013 among Luxco (as issuer), NII Holdings (as guarantor), and Wilmington Trust, National Association (as trustee) and all amendments, supplements or modifications thereto and extensions thereof.

93. **"Luxco 11.375% Notes"** means the 11.375% senior notes due 2019 in the aggregate principal amount of $900,000,000 issued pursuant to the Luxco 11.375% Note Indenture.

94. **"Luxco Group"** means that certain ad hoc group of Holders of Luxco Note Claims represented by Kirkland & Ellis LLP that have executed the Plan Support Agreement.

95. **"Luxco Indentures"** means, collectively, the Luxco 11.375% Note Indenture and Luxco 7.875% Note Indenture.

96. **"Luxco Note Claims"** means any Claim against Luxco or NII Holdings under or evidenced by the Luxco 7.875% Note Indentures, the Luxco 7.875% Notes, the Luxco 11.375% Note Indenture or the Luxco 11.375% Notes, including any obligations of NII Holdings with respect to any of the foregoing.

97. **"Luxco Notes"** means, collectively, the Luxco 7.875% Notes and the Luxco 11.375% Notes.

98. **"Luxco Notes Cash Allocation"** means an amount of Cash equal to the Total Distributable Cash multiplied by the percentage used to calculate the Luxco Notes Distributable Value Allocation.

99. **"Luxco Notes Distributable Value Allocation"** means the amount equal to 60.25% multiplied by the Plan Distributable Value, which shall be in the form of (1) the Luxco Notes Stock Allocation, subject to dilution by any Management Incentive Plan Shares, and (2) the Luxco Notes Cash Allocation.

100. **"Luxco Notes Stock Allocation"** means the number of shares of Reorganized NII Common Stock equal to the Initial Share Pool multiplied by the Luxco Stock Allocation Percentage.

101. **"Luxco Stock Allocation Percentage"** means the result, expressed as a percentage, of dividing (x) the Allowed Luxco Note Claims Amount less the Luxco Notes Cash Allocation by (y) the Plan Distributable Value less Total Distributable Cash.

102. **"Luxco Sale-Leaseback Guarantee"** means that certain Guaranty and Subordination Agreement, dated December 6, 2013, among American Tower do Brasil – Cessão de Infraestruturas Ltda., American Tower do Brasil II – Cessao de Infraestruturas Ltda., and Luxco.

103. **"Luxembourg Debtor Group"** means the Debtor Group consisting of Luxco, NII International Holdings S.à r.l. and NII International Services S.à r.l.

104. **"Management Incentive Plan"** means an incentive plan for the management of Reorganized NII to be implemented by the New Board on or promptly following the Effective Date pursuant to which Reorganized NII may distribute to certain members of the management of Reorganized NII (a) restricted stock for up to 2.5% of Reorganized NII Common Stock or (b) options to purchase up to 2.5% of Reorganized NII Common Stock, in each case, on a fully diluted basis; provided that the vesting, apportionment, granting, and any applicable exercise price shall be determined by the New Board.

105. **"Management Incentive Plan Shares"** means any shares of Reorganized NII Common Stock issued as a result of the exercise of options, restricted stock or other securities granted pursuant to the Management Incentive Plan.

106. **"Mexico Sale Documents"** means (a) the Purchase Agreement and all ancillary documents and agreements (including the Transition Services Agreement and Escrow Agreement (each as defined in the Mexico Sale Order)) to the Purchase Agreement, each as amended, modified or supplemented from time to time, (b) the Mexico Sale Order and (c) all other documents necessary to effectuate the Mexico Sale Transaction.

107. **"Mexico Sale Order"** means the *Order: (I) Approving Purchase and Sale Agreement; (II) Authorizing the Sale of All of the Membership Interests of Nextel International (Uruguay) LLC Free and Clear of Interests; (III) Approving the Transfer and Novation of the Liabilities of Nextel International (Uruguay) LLC, Enjoining the Enforcement of Such Liabilities and Dismissing Its Chapter 11 Case and (IV) Granting Certain Related Relief*, entered on March 23, 2015 [Docket No. 575], as such order may be amended from time to time.

108. **"Mexico Sale Transaction"** means that transaction or series of transactions pursuant to the Purchase Agreement effecting the sale of the Purchased Assets in accordance with the Mexico Sale Order.

109. **"New Board"** means the initial board of directors of Reorganized NII Holdings composed of individuals as set forth in Section III.F.2.

110. **"New NII-ATC Guaranty"** shall mean a form of guaranty by Luxco, as reorganized under the Plan, or its legal successor, in form and substance reasonably acceptable to ATC, the Plan Proponents and each of the Requisite Consenting Noteholders, and a copy of which shall be included in the Plan Supplement.

111. **"New NII Exit Financing Documents"** means, collectively, the definitive documents, statements and filings that evidence the New NII Exit Financing Facility, if obtained.

112. **"New NII Exit Financing Facility"** means a financing facility or debt issuance, if obtained, that is entered into or issued by one or more of the Reorganized Debtors on the Effective Date.

113. **"New Securities and Documents"** means the Reorganized NII Common Stock, New NII Exit Financing Documents (if the New NII Exit Financing Facility is obtained), and any and all other securities, notes, stock, instruments, certificates, and other documents or agreements required to be issued, executed or delivered pursuant to or in connection with this Plan.

114. **"NII Brazil CDB Agreements"** means, collectively, (a) that certain Credit Agreement (Sinosure), dated as of April 20, 2012, among Nextel Telecomunicações Ltda. (as borrower), the guarantors party thereto, and China Development Bank Corporation (as lender and administrative agent) and (b) that certain Credit Agreement (non-Sinosure), dated as of April 20, 2012, among Nextel Telecomunicações Ltda. (as borrower), the guarantors party thereto, and China Development Bank Corporation (as lender and administrative agent), in each case, as amended, restated, amended and restated, supplemented or otherwise modified from time to time.

115. **"NII Holdings"** means NII Holdings, Inc.

116. **"NII Interests"** means any Interests in NII Holdings.

117. **"NII Mexico"** means Comunicaciones Nextel de México, S.A. de C.V. and its direct and indirect subsidiaries.

118. **"NIS"** means Nextel International (Services), Ltd.

119. **"NIU"** means Nextel International (Uruguay), LLC.

120. **"Non-Debtor Affiliate"** means any direct or indirect subsidiary of NII Holdings that is not a Debtor.

121. **"Non-Debtor Affiliate Claim"** means any Claim held by a Non-Debtor Affiliate against (a) a Plan Debtor or (b) NIU, as assigned to NIU Holdings LLC pursuant to the Mexico Sale Order, in each case, that arose prior to the Petition Date.

122. **"Notice and Claims Agent"** means Prime Clerk LLC, in its capacity as noticing, claims and solicitation agent for the Debtors.

123. **"Operating Company Credit Agreements"** means, collectively, the NII Brazil CDB Agreements and the Other Brazilian Credit Agreements.

124. **"Ordinary Course Professionals Order"** means any order entered by the Bankruptcy Court authorizing the Debtors to retain, employ and pay professionals and service providers, as specified in such order, which are not materially involved in the administration of the Chapter 11 Cases.

125. **"Other Brazilian Credit Agreements"** means (a) that certain Cédula de Crédito Bancário no. 307.001.181, dated as of October 31, 2012, between Nextel Telecomunicações Ltda. and Banco do Brasil, S.A., and (b) that certain Cédula de Crédito Bancário, dated as of December 8, 2011, Nextel Telecomunicações Ltda. (as borrower), Nextel Telecomunicações S.A. (as guarantor), and Caixa Ecônomica Federal (as lender), in each case, as amended, restated, amended and restated, supplemented or otherwise modified from time to time.

126. **"Petition Date"** means (i) September 15, 2014 for NII Holdings; NIS; Capco; NII Aviation, Inc.; NII Funding Corp.; NII Global Holdings, Inc.; Luxco; NII International Holdings S.à r.l.; and NII International Services S.à r.l.; (ii) October 8, 2014 for Airfone Holdings, LLC; McCaw International (Brazil), LLC; and NII Mercosur, LLC; and (iii) January 25, 2015 for NIU Holdings LLC.

127. **"Plan"** means this first amended joint plan of reorganization for the Plan Debtors, and all Exhibits attached hereto or referenced herein, supplements, appendices, schedules, and the Plan Supplement, as the same may be amended, modified or supplemented.

128. **"Plan Debtors"** means, collectively, NII Holdings, Inc., Nextel International (Services), Ltd., NII Capital Corp., NII Aviation, Inc., NII Funding Corp., NII Global Holdings, Inc., NII International Telecom S.C.A., NII International Holdings S.à r.l., NII International Services S.à r.l., Airfone Holdings, LLC, McCaw International (Brazil), LLC, NII Mercosur, LLC and NIU Holdings LLC.

129. **"Plan Distributable Value"** means $2.813 billion.

130. **"Plan Documents"** means the Plan, the Disclosure Statement, the Confirmation Order, the Mexico Sale Documents and any other documents or agreements Filed with the Bankruptcy Court by the Debtors that are necessary to implement the Plan, including any appendices, amendments, modifications, supplements, exhibits and schedules relating to the Plan or the Disclosure Statement, including: (a) any term sheet and/or commitment letter for any proposed postpetition or exit financing facility; (b) the operative documents for any proposed postpetition financing or exit financing, including the DIP Credit Agreement, the DIP Order and the New NII Exit Financing Documents (if any); (c) any documents disclosing the identity of the members of the board of directors of any of the Reorganized Debtors and the nature of any compensation for any "insider" under the

Bankruptcy Code who is proposed to be employed or retained by any of the Reorganized Debtors; (d) any list of material Executory Contracts and Unexpired Leases to be assumed, assumed and assigned, or rejected; (e) a list of any material retained causes of action; and (f) the Registration Rights Agreement, each of which shall (i) be in form and substance reasonably acceptable to the Plan Proponents, Aurelius, and Capital Group, and (ii) solely with respect to the Plan, the Disclosure Statement, the materials for solicitation of the Plan and Disclosure Statement, the motion to approve the Disclosure Statement, the Disclosure Statement Order, the Confirmation Order, any term sheet and/or commitment letter relating to the DIP Credit Agreement be in form and substance reasonably acceptable to the Luxco Group, and with respect to all other documents, be subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; provided, however, the Debtors shall consult with the Luxco Group regarding a proposed New NII Exit Financing Facility and the negotiation of the terms thereof and the final terms and conditions of such New NII Exit Financing Facility shall be subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; provided, further, that if Aurelius or Capital Group participates in the New NII Exit Financing Facility, such financing shall be on terms and conditions reasonably acceptable to each of the Plan Proponents and each of the Requisite Consenting Noteholders.

131. **"Plan Proponents"** means, collectively, the Plan Debtors and the Creditors' Committee.

132. **"Plan Supplement"** means the compilation of documents and forms of documents as amended from time to time that constitute Exhibits to the Plan Filed with the Bankruptcy Court no later than seven days before the earlier of the (a) Voting Deadline and (b) deadline for objections to Confirmation of this Plan (or such later date as may be approved by the Bankruptcy Court), including, without limitation, the following: (a) New NII-ATC Guaranty; (b) revised NII Holdings certificate of incorporation (or comparable constituent document); (c) revised NII Holdings bylaws (or comparable constituent document); (d) term sheet, credit agreement or indenture, as applicable, for the New NII Exit Financing Facility (if obtained); (e) list of the new directors of NII Holdings; (f) form of Management Incentive Plan; (g) list of Executory Contracts and Unexpired Leases to be assumed by the Plan Debtors; (h) list of retained causes of action (if any); and (i) copies, or a summary of material terms of, any amendments to the Operating Company Credit Agreements.

133. **"Plan Support Agreement"** means that certain Plan Support Agreement, dated March 5, 2015, among the Plan Debtors, the Creditors' Committee and the Consenting Noteholders, pursuant to which the parties agreed to support, and (as applicable) vote in favor of, this Plan, appended as Exhibit A to the *Notice of Filing Plan Support Agreement and Plan Term Sheet* [Docket No. 506], as such agreement may be amended from time to time.

134. **"Plan Support Agreement Order"** means an order of the Bankruptcy Court (a) authorizing and approving the Plan Debtors' entry into the Plan Support Agreement and performance of their obligations thereunder and (b) providing related relief.

135. **"Plan Term Sheet"** means that certain Plan Term Sheet, dated March 5, 2015, attached as Exhibit 1 to the Plan Support Agreement.

136. **"Prepetition Indentures"** means, collectively, the (a) Capco Indentures and (b) the Luxco Indentures.

137. **"Prepetition Intercompany Claim"** means any Claim of (a) any Plan Debtor against any other Plan Debtor, (b) of any Plan Debtor against NIU, as assigned to NIU Holdings LLC pursuant to the Mexico Sale Order, or (c) of any Plan Debtor against any Non-Debtor Affiliate, in each case, that arose prior to the Petition Date.

138. **"Prepetition Note Claims"** means, collectively, the Luxco Note Claims and the Capco Note Claims.

139. **"Prepetition Notes"** means, collectively, the Capco Notes and the Luxco Notes.

140. "Priority Claim" means a Claim that is entitled to priority in payment pursuant to section 507(a) of the Bankruptcy Code that is not an Administrative Claim, DIP Claim or a Priority Tax Claim.

141. "Priority Tax Claim" means a Claim that is entitled to priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code.

142. "Pro Rata" means when used with reference to a distribution of Plan Distributable Value to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C or 6E, proportionately so that with respect to a particular Allowed Claim in any such Class, the ratio of (w) the amount of Plan Distributable Value distributed on account of such Claim to (x) the Allowed amount of such Claim is the same as the ratio of (y) Plan Distributable Value distributed on account of all Allowed Claims in such applicable Class to (z) the amount of all Allowed Claims in such applicable Class.

143. "Professional" means any professional employed in the Chapter 11 Cases pursuant to sections 327, 328, 363 or 1103 of the Bankruptcy Code or any professional or other Entity seeking compensation or reimbursement of expenses in connection with the Chapter 11 Cases pursuant to section 503(b)(4) of the Bankruptcy Code.

144. "Proof of Claim" means a proof of claim filed with the Bankruptcy Court or the Notice and Claims Agent in connection with the Chapter 11 Cases.

145. "Purchase Agreement" means that certain Purchase and Sale Agreement (collectively with all exhibits and schedules thereto) dated January 26, 2015, by and between New Cingular Wireless Services, Inc., NIHD Telecom Holdings B.V., NIU Holdings LLC, NIU, Comunicaciones Nextel de México, S.A. de C.V., Luxco, NII International Holdings S.à r.l., NII Global Holdings, Inc., Capco and NII Holdings, as amended, modified or supplemented from time to time.

146. "Purchased Assets" means 100% of the membership interests of NIU and any other assets that are the subject of the Purchase Agreement.

147. "Recharacterization Claims" means any and all Claims, obligations, suits, judgments, damages, debts, rights, remedies, causes of action, avoidance powers or rights, liabilities of any nature whatsoever, and legal or equitable remedies that could be asserted (a) against any of the Plan Debtors by or on behalf of any other Plan Debtor, Non-Debtor Affiliate or their creditors derivatively, (b) against NIU by or on behalf of any other Plan Debtor, Non-Debtor Affiliate or their creditors derivatively or (c) against any Non-Debtor Affiliate by or on behalf of any of the Plan Debtors or their creditors derivatively, in each case, seeking the recharacterization as equity of debt obligations owing (i) to or from a Plan Debtor and another Plan Debtor, (ii) to or from NIU and another Plan Debtor, or (iii) from a Non-Debtor Affiliate to a Plan Debtor or NIU.

148. "Recovery Actions" means, collectively and individually, preference actions, fraudulent conveyance actions and other claims or causes of action under sections 510, 544, 547, 548, 549 and 550 of the Bankruptcy Code and other similar state law claims and causes of action, except the Avoidance Claims and the Recharacterization Claims.

149. "Registration Rights Agreement" means that certain registration rights agreement between the Reorganized Debtors and the holders of Reorganized NII Common Stock, a copy of which is attached hereto as Exhibit A.

150. "Reinstated" means, unless the Plan specifies a particular method pursuant to which a Claim or Interest shall be Reinstated, (a) leaving unaltered the legal, equitable and contractual rights to which a Claim or Interest so as to render such Claim or Interest Unimpaired; or (b) notwithstanding any contractual provisions or applicable law that entitles the Holder of a Claim or Interest to demand or receive accelerated payment of such Claim or Interest after the occurrence of a default, (i) curing any such default that occurred before or after the commencement of the applicable Chapter 11 Case, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) of the Bankruptcy Code expressly does not require to be

cured; (ii) reinstating the maturity of a Claim or Interest as such maturity existed before such default; (iii) compensating the Holder of a Claim or Interest for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law; (iv) if such Claim arises from any failure to perform a nonmonetary obligation, other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A) of the Bankruptcy Code, compensating the Holder of such Claim for any actual pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable or contractual rights to which a Claim or Interest entitles the Holder of such Claim or Interest.

151. "Released Parties" means, collectively and individually, the Plan Proponents, the members of the Creditors' Committee, the Indenture Trustees, the Consenting Noteholders, the DIP Agent, the DIP Lenders, and the Representatives of each of the foregoing (solely in their capacities as such).

152. "Reorganized" means, (a) when used in reference to a particular Plan Debtor (except NII Holdings), such Plan Debtor on and after the Effective Date, and (b) when used in reference to the Plan Debtors collectively, then all of the Plan Debtors on and after the Effective Date (including Reorganized NII).

153. "Reorganized NII" means NII Holdings, on and after the Effective Date, or its legal successor under the Plan on and after the Effective Date.

154. "Reorganized NII Common Stock" means the shares of common stock of Reorganized NII, $0.001 par value per share, authorized pursuant to the certificate of incorporation of Reorganized NII, to be initially authorized pursuant to the Plan as of the Effective Date, including such shares to be issued pursuant to the Plan.

155. "Representatives" means, with respect to any Entity, any successor, predecessor, officer, director, partner, limited partner, general partner, shareholder, manager, management company, investment manager, affiliate, employee, agent, attorney, advisor, investment banker, financial advisor, accountant or other Professional of such Entity or any of the foregoing and any committee of which such Entity is a member, in each case, in such capacity, serving on or after the Petition Date.

156. "Requisite Consenting Noteholders" means, collectively, each of (a) Aurelius, (b) Capital Group and (c) the Luxco Group, provided that the Luxco Group shall exercise its rights as a Requisite Consenting Noteholder through approval by members of the Luxco Group holding a majority in principal amount of the Prepetition Notes held by the Luxco Group in the aggregate.

157. "Requisite Consenting Noteholders Professionals" shall mean the following in their respective capacity as counsel or financial advisor to one or more of the Requisite Consenting Noteholders: (a) Akin Gump Strauss Hauer & Feld LLP, (b) Paul, Weiss, Rifkind, Wharton & Garrison LLP, (c) Blackstone Advisory Partners, L.P., (d) Houlihan Lokey Capital, Inc., (e) Robbins, Russell, Englert, Orseck, Untereiner & Sauber LLP, (f) Kirkland & Ellis LLP, and (g) Millstein & Co. LP.

158. "Requisite Consenting Noteholders Professionals Fees/Expenses" shall mean all unpaid fees and expenses incurred pursuant to engagement letters (as such letters have been amended) with the Debtors and, if no engagement letter is in effect, all reasonable and documented fees and expenses of the Requisite Consenting Noteholders Professionals incurred prior to the Effective Date in connection with the Debtors' restructuring; provided that the reasonable and documented fees and expenses payable by the Debtors of (i) Robbins, Russell, Englert, Orseck, Untereiner & Sauber LLP shall not exceed $150,000, (ii) Kirkland & Ellis LLP shall not exceed $4,500,000, (iii) Millstein & Co. LP shall not exceed $4,000,000, (iv) Blackstone Advisory Partners, L.P., solely with respect to its restructuring and discretionary fees, shall not exceed $3,000,000, and (v) Houlihan Lokey Capital, Inc., solely with respect to its restructuring fee, shall not exceed $7,000,000.

159. "Restructuring Transactions" means, collectively, those mergers, consolidations, restructurings, dispositions, liquidations or dissolutions that the Plan Debtors determine to be necessary or appropriate to effect a corporate restructuring of their business or otherwise to simplify the overall corporate structure of the Reorganized Debtors, as described in greater detail in Section III.C.

160. "Retained Cash Amount" means an amount of Cash, not to exceed $515,000,000, retained by the Plan Debtors or their subsidiaries to fund their operations, to repay the DIP Claims and to fund payments required pursuant to the Plan.

161. "Sale-Leaseback Guaranty Claims" means any Claim arising under or evidenced by either the Luxco Sale-Leaseback Guarantee or any of the Holdings Sale-Leaseback Guarantees.

162. "Schedules" means, collectively, the (a) schedules of assets, Liabilities and Executory Contracts and Unexpired Leases and (b) statements of financial affairs, as each may be amended and supplemented from time to time, Filed by the Debtors pursuant to section 521 of the Bankruptcy Code.

163. "Section 510 Claim" means any Claim against a Debtor arising from rescission of a purchase or sale of a security of the Debtors or an Affiliate, for damages arising from the purchase or sale of such a security, or for reimbursement or contribution allowed under section 502 of the Bankruptcy Code on account of such a Claim and any other claim subject to subordination under section 510 of the Bankruptcy Code.

164. "Secured Claim" means a Claim, including a Secured Tax Claim, that is secured by a lien on property in which an Estate has an interest or that is subject to a valid right of setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Claim Holder's interest in such Estate's interest in such property or to the extent of the amount subject to such valid right of setoff, as applicable, as determined pursuant to section 506 of the Bankruptcy Code.

165. "Secured Tax Claim" means a Secured Claim arising out of a Plan Debtor's liability for any Tax.

166. "Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

167. "Severance Plan" means the NII Holdings Severance Plan, as amended and restated effective February 27, 2013.

168. "Stipulation of Amount and Nature of Claim" means a stipulation or other agreement between the applicable Plan Debtor or Reorganized Debtor and a Holder of a Claim or Interest establishing the allowed amount or nature of such Claim or Interest that is (a) entered into in accordance with any Claim settlement procedures established by order of the Bankruptcy Court in these Chapter 11 Cases, (b) expressly permitted by the Plan or (c) approved by order of the Bankruptcy Court.

169. "Subsidiary Debtor" means any Debtor other than NII Holdings.

170. "Subsidiary Debtor Equity Interests" means, as to a particular Subsidiary Debtor, any Interests in such Debtor.

171. "Tax" means: (a) any net income, alternative or add-on minimum, gross income, gross receipts, sales, use, ad valorem, value added, transfer, franchise, profits, license, property, environmental or other tax, assessment or charge of any kind whatsoever (together in each instance with any interest, penalty, addition to tax or additional amount) imposed by any federal, state, local or foreign taxing authority; or (b) any liability for payment of any amounts of the foregoing types as a result of being a member of an affiliated, consolidated, combined or unitary group, or being a party to any agreement or arrangement whereby liability for payment of any such amounts is determined by reference to the liability of any other Entity.

172. "TG Claims Cash Allocation" means an amount of Cash equal to the lesser of (A) the product of (x) 52.38% and (y) the result of Total Distributable Cash less the Luxco Notes Cash Allocation and (B) the Allowed TG Claims Amount.

173. "TG Claims Distributable Value Allocation" means the amount equal to 10.14% multiplied by the Plan Distributable Value, which shall be in the form of (1) the TG Claims Stock Allocation, subject to dilution by any Management Incentive Plan Shares, and (2) the TG Claims Cash Allocation.

174. "TG Claims Stock Allocation" means the number of shares of Reorganized NII Common Stock equal to the Initial Share Pool multiplied by the TG Claims Stock Allocation Percentage.

175. "TG Claims Stock Allocation Percentage" means the result, expressed as a percentage, of dividing (x) the Allowed TG Claims Amount less the TG Claims Cash Allocation by (y) the Plan Distributable Value less Total Distributable Cash.

176. "Total Distributable Cash" means an amount of Cash equal to (i) the Estimated Purchase Price (as defined in the Purchase Agreement) less (ii) the Escrow Amount (as defined in the Purchase Agreement) less (iii) the Retained Cash Amount.

177. "Transferred Guarantor Claims" means any and all Claims, obligations, suits, judgments, damages, debts, rights, remedies, causes of action, avoidance powers or rights, liabilities of any nature whatsoever, and legal or equitable remedies against any Entity arising from or related to any alleged default under the Capco 8.875% Note Indenture or the Capco 10% Note Indenture, or any event giving rise to the right to declare such a default, including, but not limited to, (a) the alleged defaults described in the purported notice of default under the Capco 8.875% Note Indenture dated March 19, 2014 delivered by Cede & Co. to NII Holdings and Capco, (b) the transfer of certain direct or indirect equity interests in the Transferred Guarantors from NII Global Holdings, Inc. to Nextel International Holdings S.à r.l. on or about December 30, 2009 and the transfer of certain direct or indirect equity interests in NII Mercosur, LLC from NII Global Holdings, Inc. to Nextel International Holdings S.à r.l. on or about May 28, 2010, and (c) the purported release of guarantees of the Transferred Guarantors and NII Mercosur, LLC under the Capco 8.875% Note Indenture and the Capco 10% Note Indenture that occurred on or around December 30, 2009 and on or about May 28, 2010.

178. "Transferred Guarantors Debtor Group" means the Debtor Group consisting of Airfone Holdings, LLC, NIU Holdings LLC (including, as assignee of Claims against NIU pursuant to the Mexico Sale Order), McCaw International (Brazil), LLC and NII Mercosur, LLC.

179. "Transferred Guarantors" means, collectively, Airfone Holdings, LLC, McCaw International (Brazil), LLC and NIU (including, as applicable, NIU Holdings LLC as assignee of Claims against NIU pursuant to the Mexico Sale Order).

180. "Unimpaired" means, when used in reference to a Claim or an Interest, a Claim or an Interest that is not Impaired within the meaning of section 1124 of the Bankruptcy Code.

181. "U.S. Trustee" means the United States Trustee appointed under section 581 of title 28 of the United States Code to serve in the Southern District of New York.

182. "Voting Deadline" means 4:00 p.m. (Eastern time) on [DATE], 2015, which is the deadline for submitting Ballots to accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code.

B. Rules of Interpretation and Computation of Time

1. Rules of Interpretation

For purposes of the Plan, unless otherwise provided herein: (a) whenever it is appropriate from the context, each term, whether stated in the singular or the plural, includes both the singular and the plural; (b) unless otherwise provided in the Plan, any reference in the Plan to a contract, instrument, release or other agreement or document 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; (c) any reference in the 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 pursuant to the Plan, Confirmation Order or otherwise; (d) any reference to an Entity as a Holder of a Claim or Interest includes that Entity's successors, assigns and affiliates; (e) all references in the Plan to Sections, Articles and Exhibits are references to Sections, Articles and Exhibits of or to the Plan; (f) the words "herein," "hereunder" and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan; (g) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (h) subject to the provisions of any contract, articles or certificates of incorporation, bylaws, codes of regulation, similar constituent documents, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, federal law, including the Bankruptcy Code and the Bankruptcy Rules; and (i) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply to the extent not inconsistent with any other provision of this Section I.B.1.

2. Computation of Time

In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

3. Reference to Monetary Figures

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

II. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

All Claims and Interests, except Administrative Claims and Priority Tax Claims, are placed in the Classes set forth below. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims, as described in Section II.A, are not classified herein. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any remainder of the Claim or Interest qualifies within the description of such other Classes.

A. Unclassified Claims

1. Administrative Claims

a. Administrative Claims in General

Except as specified in this Section II.A.1, and subject to Section II.A.1.d and subject to the bar date provisions herein, unless otherwise agreed by the Holder of an Administrative Claim and the applicable Reorganized Debtor, each Holder of an Allowed Administrative Claim shall receive, in full satisfaction of its Administrative Claim, Cash equal to the Allowed amount of such Administrative Claim on either (i) the latest to occur of (A) the Effective Date (or as soon thereafter as practicable), (B) the date such Claim becomes an Allowed Administrative Claim and (C) such other date as may be agreed upon by the Reorganized Debtors and the Holder of such Claim or (ii) on such other date as the Bankruptcy Court may order.

b. Statutory Fees

All fees payable pursuant to 28 U.S.C. § 1930 after the Effective Date shall be paid by the applicable Reorganized Debtor in accordance therewith until the earlier of the conversion or dismissal of the applicable Chapter 11 Case under section 1112 of the Bankruptcy Code or the closing of the applicable Chapter 11 Case pursuant to section 350(a) of the Bankruptcy Code.

c. Ordinary Course Postpetition Administrative Liabilities

Administrative Claims based on liabilities incurred by a Plan Debtor in the ordinary course of its business, including Administrative Claims arising from or with respect to the sale of goods or provision of services on or after the Petition Date, Administrative Claims of governmental units for Taxes (including Tax audit Claims related to Tax years or portions thereof ending after the Petition Date), Administrative Claims arising under Executory Contracts and Unexpired Leases and all Intercompany Administrative Claims, shall be paid by the applicable Reorganized Debtor, pursuant to the terms and conditions of the particular transaction giving rise to those Administrative Claims, without further action by the Holders of such Administrative Claims or further approval by the Bankruptcy Court. Holders of the foregoing Claims shall not be required to File or serve any request for payment of such Administrative Claims.

d. Requisite Consenting Noteholders Professionals Fees/Expenses

Pursuant to the Plan Support Agreement, the Debtors have sought to obtain authorization pursuant to the Plan Support Agreement Order to pay in full in Cash the Requisite Consenting Noteholders Professionals Fees/Expenses, subject to the limitations set forth in Section I.A.158. To the extent the Requisite Consenting Noteholders Professionals Fees/Expenses are not paid in full in Cash pursuant to the Plan Support Agreement Order, in light of the substantial contribution that each of the Requisite Consenting Noteholders and their respective Requisite Consenting Noteholders Professionals have made to the Chapter 11 Cases resulting in an actual and demonstrable benefit to the Estates and all creditors, the Requisite Consenting Noteholders Professionals Fees/Expenses shall constitute Allowed Administrative Claims and shall be paid in full in Cash, subject to the limitations set forth in Section I.A.158.

e. Professional Compensation

Professionals or other Entities asserting a Fee Claim for services rendered before the Effective Date must File and serve on the Reorganized Debtors and such other Entities who are designated by the Bankruptcy Rules, the Fee Order, the Confirmation Order or other order of the Bankruptcy Court an application for final allowance of such Fee Claim no later than sixty (60) days after the Effective Date; provided, however, that any party who may receive compensation or reimbursement of expenses pursuant to the Ordinary Course Professionals Order may continue to receive such compensation and reimbursement of expenses for services rendered before the Effective Date pursuant to the Ordinary Course Professionals Order without further Bankruptcy Court review or approval (except as provided in the Ordinary Course Professionals Order); provided, further, however, that the Requisite Consenting Noteholders Professionals will not be required to seek allowance of their fees or expenses. Objections to any Fee Claim must be Filed and served on the Reorganized Debtors and the requesting party no later than ninety (90) days after the Effective Date. To the extent necessary, the Confirmation Order shall amend and supersede any previously entered order of the Bankruptcy Court regarding the payment of Fee Claims.

f. Post-Effective Date Professionals' Fees and Expenses

Except as otherwise specifically provided in the Plan, on and after the Effective Date, the Reorganized Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented fees and expenses of the Professionals or other fees and expenses incurred by the Reorganized Debtors on or after the Effective Date, in each case, related to implementation and consummation of the Plan. Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code or any order of the Bankruptcy Court entered before the Effective Date governing the retention of, or compensation for services rendered by, Professionals after the Effective Date shall terminate, and the Reorganized Debtors may employ or pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

g. Claims Under the DIP Credit Agreement

Upon consummation of the Mexico Sale Transaction, Allowed DIP Claims shall be paid in Cash in an amount equal to the full amount of those Claims in accordance with the DIP Credit Agreement and to the extent such Allowed DIP Claims have not been otherwise paid pursuant to a separate order(s) of the Bankruptcy Court.

h. Bar Dates for Administrative Claims

Except as otherwise provided herein, requests for payment of Administrative Claims (other than DIP Claims, Fee Claims, Requisite Consenting Noteholder Professionals Fees/Expenses, Claims described in paragraph 47 of the Mexico Sale Order and Administrative Claims based on Liabilities incurred by a Plan Debtor in the ordinary course of its business as described in Section II.A.1.c) must be Filed and served on the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped and enjoined from asserting such Administrative Claims against the Plan Debtors or their property and such Administrative Claims shall be deemed discharged as of the Effective Date. Objections to such requests, if any, must be Filed and served on the Reorganized Debtors and the requesting party no later than the Administrative Claims Objection Deadline.

2. Payment of Priority Tax Claims

a. Priority Tax Claims

Pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, unless otherwise agreed by the Holder of a Priority Tax Claim and the Plan Proponents (with the consent of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed), each Holder of an Allowed Priority Tax Claim shall receive, in full satisfaction of its Allowed Priority Tax Claim that is due and payable on or before the Effective Date, on account of and in full and complete settlement, release and discharge of such Claim, Cash equal to the amount of such Allowed Priority Tax Claim on the later of: (i) the Effective Date (or as soon as reasonably practicable thereafter); and (ii) the date such Priority Tax Claim becomes an Allowed Priority Tax Claim, or as soon as practicable thereafter; provided, however, that all Allowed Priority Tax Claims that are not due and payable on or before the Effective Date shall be paid in the ordinary course of business by the Reorganized Debtors as they become due.

b. Other Provisions Concerning Treatment of Priority Tax Claims

Notwithstanding Section II.A.2.a, any Claim on account of any penalty arising with respect to or in connection with an Allowed Priority Tax Claim that does not compensate the Holder for actual pecuniary loss shall be treated as a General Unsecured Claim, and the Holder (other than as the Holder of a General Unsecured Claim) may not assess or attempt to collect such penalty from the Reorganized Debtors or their respective property.

B. Classification of Claims and Interests

1. General

Pursuant to sections 1122 and 1123 of the Bankruptcy Code, Claims and Interests are classified for voting and distribution pursuant to this Plan, as set forth herein. A Claim or Interest shall be deemed classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and shall be deemed classified in a different Class to the extent that any remainder of such Claim or Interest qualifies within the description of such other Class. Holders of Allowed Claims may assert such Claims against each Plan Debtor obligated with respect to such Claim, and such Claims shall be entitled to share in the recovery provided for the applicable Class of Claims against each obligated Plan Debtor based upon the full Allowed amount of the Claim. Notwithstanding the foregoing, and except as otherwise specifically provided for herein, the Confirmation Order or other order of the Bankruptcy Court, or required by applicable bankruptcy law, in no event shall the aggregate value

of all property received or retained under the Plan on account of an Allowed Claim exceed 100% of the underlying Allowed Claim.

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for the purposes of Confirmation by acceptance of the Plan by an Impaired Class of Claims; provided, however, that in the event no Holder of a Claim with respect to a specific Class for a particular Plan Debtor timely submits a Ballot in compliance with the Disclosure Statement Order indicating acceptance or rejection of this Plan, such Class will be deemed to have accepted this Plan. The Plan Proponents may seek Confirmation of this Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests.

For administrative convenience, the Plan organizes the Plan Debtors into five (5) groups and assigns a letter to each such group (each, a "Debtor Group") and a number to each of the Classes of Claims against or Interests in the Plan Debtors in such Debtor Group. Notwithstanding this organizing principle, Claims against or Interests in a Debtor belonging to a Debtor Group consisting of more than one Debtor shall be deemed to be classified in a single Class of Claims against or Interests in such Debtor for all purposes under the Bankruptcy Code, including voting. To the extent a Holder has a Claim that may be asserted against more than one Plan Debtor in a Debtor Group, the vote of such Holder in connection with such Claims shall be counted as a vote of such Claim against each Plan Debtor in such Debtor Group against which such Holder has a Claim. For consistency, similarly designated Classes of Claims and Interests are assigned the same number across each of the Debtor Groups. Any non-sequential enumeration of the Classes is intentional to maintain consistency. Claims against and Interests in the Debtor(s) in an applicable Debtor Group are classified in up to 13 separate Classes as follows:

Letter	Debtor Group
A	**Holdings Debtor Group** NII Holdings, Inc.
B	**Capco Debtor Group** NII Capital Corp.
C	**Capco Guarantors Debtor Group** Nextel International (Services), Ltd. NII Aviation, Inc. NII Funding Corp. NII Global Holdings, Inc.
D	**Luxembourg Debtor Group** Nextel International Holdings S.à r.l. Nextel International Services S.à r.l. NII International Telecom S.C.A.
E	**Transferred Guarantors Debtor Group** NII Mercosur, LLC Airfone Holdings, LLC NIU Holdings LLC[2] McCaw International (Brazil), LLC

Number	Designation
1	Priority Claims
2	Secured Claims
3	Sale-Leaseback Guaranty Claims
4	Luxco Note Claims
5	Capco Note Claims
6	Transferred Guarantor Claims
7	CDB Documents Claims
8	General Unsecured Claims
9	Convenience Claims
10	Section 510 Claims
11	Non-Debtor Affiliate Claims
12	NII Interests
13	Subsidiary Debtor Equity Interests

2. Identification of Classes of Claims Against and Interests in the Plan Debtors

The following table designates the Classes of Claims against and Interests in the Plan Debtors and specifies which Classes are (a) Impaired or Unimpaired by this Plan, (b) entitled to vote to accept or reject this Plan in accordance with section 1126 of the Bankruptcy Code or (c) deemed to accept or reject this Plan.

Class(es)	Designation	Impairment	Entitled to Vote
1A – 1E	Priority Claims	Unimpaired	Deemed to Accept
2A – 2E	Secured Claims	Unimpaired	Deemed to Accept

[2] As assignee of Claims asserted against NIU and assigned to NIU Holdings LLC pursuant to the Mexico Sale Order.

3A, 3D	Sale-Leaseback Guaranty Claims	Impaired	Entitled to Vote
4A, 4D	Luxco Note Claims	Impaired	Entitled to Vote
5A – 5C	Capco Note Claims	Impaired	Entitled to Vote
6E	Transferred Guarantor Claims	Impaired	Entitled to Vote
7A	CDB Documents Claims	Impaired	Entitled to Vote
8A – 8E	General Unsecured Claims	Impaired	Entitled to Vote
9A – 9C	Convenience Claims	Unimpaired	Deemed to Accept
10A – 10E	Section 510 Claims	Impaired	Deemed to Reject
11A – 11E	Non-Debtor Affiliate Claims	Unimpaired	Deemed to Accept
12A	NII Interests	Impaired	Deemed to Reject
13B – 13E	Subsidiary Debtor Equity Interests	Unimpaired	Deemed to Accept

C. Treatment of Claims

1. Priority Claims (Classes 1A through 1E)

a. *Classification:* Classes 1A, 1B, 1C, 1D and 1E consist of all Priority Claims against the respective Plan Debtors.

b. *Treatment:* On the later of (a) the Effective Date and (b) the date on which such Priority Claim becomes an Allowed Priority Claim, unless otherwise agreed to by the Plan Proponents (with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) and the Holder of an Allowed Priority Claim (in which event such other agreement will govern), each Holder of an Allowed Priority Claim against a Plan Debtor shall receive on account and in full and complete settlement, release and discharge of such Claim, at the Plan Debtors' election (following consultation with the Creditors' Committee and with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed), (i) Cash in the amount of such Allowed Priority Claim in accordance with section 1129(a)(9) of the Bankruptcy Code and/or (ii) such other treatment required to render such Claim unimpaired pursuant to section 1124 of the Bankruptcy Code. All Allowed Priority Claims against the Plan Debtors that are not due and payable on or before the Effective Date shall be paid by the Reorganized Debtors when such Claims become due and payable in the ordinary course of business in accordance with the terms thereof.

c. *Voting:* Claims in Classes 1A, 1B, 1C, 1D and 1E are Unimpaired. Each Holder of an Allowed Claim in Class 1A, 1B, 1C, 1D or 1E shall be deemed to have accepted the Plan and is, therefore, not entitled to vote.

2. Secured Claims (Classes 2A through 2E)

a. *Classification:* Classes 2A, 2B, 2C, 2D and 2E consist of all Secured Claims against the respective Plan Debtors.

b. *Treatment:* Unless otherwise agreed by the Holder of a Secured Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, each Holder of a Secured Claim shall receive the following treatment at the option of the Plan Proponents (with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed): (i) such Allowed Secured Claim shall be Reinstated; (ii) payment in full (in Cash) of any such Allowed Secured Claim; (iii) satisfaction of any such Allowed Secured Claim by delivering the collateral securing any such Allowed Secured Claim and paying any interest required to be paid under section 506(b) of the Bankruptcy Code; or (iv) providing such Holders with such treatment in accordance with section 1129(b) of the Bankruptcy Code as may be determined by the Bankruptcy Court.

c. *Voting:* Claims in Classes 2A, 2B, 2C, 2D and 2E are Unimpaired. Each Holder of an Allowed Claim in Class 2A, 2B, 2C, 2D or 2E shall be deemed to have accepted the Plan and is, therefore, not entitled to vote.

3. Sale-Leaseback Guaranty Claims (Classes 3A and 3D)

a. *Classification:* Classes 3A and 3D consist of all Sale-Leaseback Guaranty Claims.

b. *Treatment:* Unless otherwise agreed by the Holder of a Sale-Leaseback Guaranty Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, the Luxco Sale-Leaseback Guarantee and each of the Holdings Sale-Leaseback Guarantees shall be extinguished and each Holder of an Allowed Sale-Leaseback Guaranty Claim shall receive, subject to the terms of this Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim the New NII-ATC Guaranty.

c. *Voting:* Claims in Classes 3A and 3D are Impaired. Each Holder of an Allowed Claim in Class 3A or 3D is entitled to vote.

4. Luxco Note Claims (Class 4A and 4D)

a. *Allowance:* On the Effective Date, the Luxco Note Claims for principal and interest obligations under the Luxco Notes and Luxco Indentures shall be deemed Allowed Claims under the Plan in their entirety in the amount of the Allowed Luxco Note Claims Amount against each of NII Holdings and Luxco, and not subject to challenge, reduction, recharacterization, defense, offset or counterclaims.

b. *Classification:* Classes 4A and 4D consist of all Luxco Note Claims.

c. *Treatment:* Unless otherwise agreed by the Holder of a Luxco Note Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed:

(A) to each Holder of an Allowed Luxco Note Claim in Classes 4A and 4D, subject to the terms of this Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata share of the Luxco Notes Distributable Value Allocation (i.e., the amount equal to 60.25% multiplied by the Plan Distributable Value), and with respect to specific distributions on account of Claims in each of Class 4A and Class 4D shall be comprised of:

i. with respect to each Holder of an Allowed Luxco Note Claim in Class 4D, its Pro Rata share of the Luxco Notes Distributable Value Allocation; and

ii. having satisfied such Claims in full as a result of distributions to Holders of Class 4D Claims, no further distribution with respect to each Holder of an Allowed Luxco Note Claim in Class 4A; and

(B) an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustee under the Luxco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise its contractual lien rights prior to distribution).

d. *Voting:* Claims in Classes 4A and 4D are Impaired. Each Holder of an Allowed Claim in Class 4A or 4D is entitled to vote.

5. Capco Note Claims (Classes 5A, 5B and 5C)

a. *Allowance:* On the Effective Date, the Capco Note Claims for principal and interest obligations under the Capco Notes and the Capco Indentures, as applicable, shall be deemed Allowed Claims under the Plan in their entirety in the amount of the Allowed Capco Note Claims Amount against each of

NII Holdings, NIS, Capco, NII Aviation, Inc., NII Funding Corp., and NII Global Holdings, Inc., and not subject to challenge, reduction, recharacterization, defense, offset or counterclaims.

b. *Classification:* Classes 5A, 5B and 5C consist of all Capco Note Claims.

c. *Treatment:* Unless otherwise agreed by the Holder of a Capco Note Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed:

(A) to each Holder of an Allowed Capco Note Claim in Classes 5A, 5B and 5C, subject to the terms of this Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata share of the Capco Distributable Value Allocation (i.e., the amount equal to 29.61% multiplied by the Plan Distributable Value), and with respect to specific distributions on account of Claims in each of Class 5A, 5B and 5C shall be comprised of:

i. with respect to each Holder of an Allowed Capco Note Claim in Class 5A, its Pro Rata share of 19.34% of the Capco Distributable Value Allocation;

ii. with respect to each Holder of an Allowed Capco Note Claim in Class 5B, its Pro Rata share of 69.22% of the Capco Distributable Value Allocation; and

iii. with respect to each Holder of an Allowed Capco Note Claim in Class 5C, its Pro Rata share of 11.44% of the Capco Distributable Value Allocation; and

(B) an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustees under the Capco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise their contractual lien rights prior to distribution).

d. *Voting:* Claims in Classes 5A, 5B, and 5C are Impaired. Each Holder of an Allowed Claim in Class 5A, 5B, and 5C is entitled to vote.

6. Transferred Guarantor Claims (Class 6E)

a. *Allowance:* On the Effective Date, the Transferred Guarantor Claims shall be deemed Allowed Claims under the Plan in their entirety in the amount of the Allowed TG Claims Amount against each of NII Mercosur, LLC, Airfone Holdings, LLC, NIU Holdings LLC and McCaw International (Brazil), LLC, and not subject to challenge, reduction, recharacterization, defense, offset or counterclaims.

b. *Classification:* Class 6E consists of all Transferred Guarantor Claims.

c. *Treatment:* Unless otherwise agreed by the Holder of a Transferred Guarantor Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed to each Holder of an Allowed Transferred Guarantor Claim in Class 6E, subject to the terms of this Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata share of the TG Claims Distributable Value Allocation (i.e., the amount equal to 10.14% multiplied by the Plan Distributable Value).

d. *Voting:* Claims in Class 6E are Impaired. Each Holder of an Allowed Claim in Class 6E is entitled to vote.

7. CDB Documents Claims (Class 7A)

a. *Classification:* Class 7A consists of all CDB Documents Claims.

b. *Treatment:* Unless otherwise agreed by the Holder of a CDB Documents Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, each Holder of an Allowed CDB Documents Claim, subject to the terms of this Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, shall receive the CDB Amended Guarantee.

c. *Voting:* Claims in Class 7A are Impaired. Each Holder of an Allowed Claim in Class 7A is entitled to vote.

8. General Unsecured Claims (Classes 8A through 8E)

a. *Classification:* Classes 8A, 8B, 8C, 8D and 8E consist of all General Unsecured Claims.

b. *Treatment:* Unless otherwise agreed by the Holder of a General Unsecured Claim and the applicable Debtor and the Creditors' Committee and each of the Requisite Consenting Noteholders, on the Effective Date, each Holder of an Allowed General Unsecured Claim in Classes 8A, 8B, 8C, 8D and 8E shall receive, subject to the terms of this Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, a distribution equal to the following:

(A) with respect to each Holder of an Allowed General Unsecured Claim in Class 8A, Cash in an amount equal to 5.64% of its Allowed General Unsecured Claim against Holdings;

(B) with respect to each Holder of an Allowed General Unsecured Claim in Class 8B, Cash in an amount equal to 20.18% of its Allowed General Unsecured Claim against Capco;

(C) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NIS, Cash in an amount equal to 4.51% of its Allowed General Unsecured Claim;

(D) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Aviation, Inc., Cash in an amount equal to 0.15% of its Allowed General Unsecured Claim;

(E) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Funding Corp., Cash in an amount equal to 0.24% of its Allowed General Unsecured Claim;

(F) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Global Holdings, Inc., Cash in an amount equal to 0.18% of its Allowed General Unsecured Claim;

(G) with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Holdings S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Holdings S.à r.l.;

(H) with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Services S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Services S.à r.l.;

(I) with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against Luxco, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against Luxco;

(J) with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against NIU Holdings LLC, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NIU Holdings LLC;

(K) with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against McCaw International (Brazil), LLC, its share of the property available for distribution of McCaw International (Brazil), LLC ratably with all other Allowed unsecured Claims against McCaw International (Brazil), LLC;

(L) with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against Airfone Holdings, LLC, its share of the property available for distribution of Airfone Holdings, LLC ratably with all other Allowed unsecured Claims against Airfone Holdings, LLC; and

(M) with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against NII Mercosur, LLC, its share of the property available for distribution of NII Mercosur, LLC ratably with all other Allowed unsecured Claims against NII Mercosur, LLC.

c. *Voting:* Claims in Classes 8A, 8B, 8C, 8D and 8E are Impaired. Each Holder of an Allowed Claim in Class 8A, 8B, 8C, 8D or 8E is entitled to vote.

9. Convenience Claims (Classes 9A, 9B and 9C)

a. *Classification:* Classes 9A, 9B and 9C consist of all Convenience Claims.

b. *Treatment:* Unless otherwise agreed by the Holder of a Convenience Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, each Holder of an Allowed Convenience Claim shall receive, subject to the terms of this Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, Cash equal to the amount of such Allowed Claim (as reduced, if applicable, pursuant to an election by the Holder thereof in accordance with Section I.A.54).

c. *Voting:* Claims in Classes 9A, 9B and 9C are Unimpaired. Each Holder of an Allowed Claim in Class 9A, 9B and 9C shall be deemed to have accepted the Plan and, therefore, is not entitled to vote.

10. Section 510 Claims (Classes 10A through 10E)

a. *Classification:* Classes 10A, 10B, 10C, 10D and 10E consist of all Section 510 Claims.

b. *Treatment:* No property shall be distributed to or retained by the Holders of Section 510 Claims, and such Claims shall be extinguished on the Effective Date. Holders of Section 510 Claims shall not receive any distribution pursuant to the Plan.

c. *Voting:* Claims in Classes 10A, 10B, 10C, 10D and 10E are Impaired. Each Holder of an Allowed Claim in Class 10A, 10B, 10C, 10D or 10E shall be deemed to have rejected the Plan and, therefore, is not entitled to vote.

11. Non-Debtor Affiliate Claims (Classes 11A through 11E)

a. *Classification:* Classes 11A, 11B, 11C, 11D and 11E consist of all Non-Debtor Affiliate Claims.

b. *Treatment:* On the Effective Date, all Non-Debtor Affiliate Claims shall be Reinstated.

c. *Voting:* Claims in Classes 11A, 11B, 11C, 11D and 11E are Unimpaired. Each Holder of an Allowed Claim in Class 11A, 11B, 11C, 11D or 11E shall be deemed to have accepted the Plan and, therefore, is not entitled to vote.

12. NII Interests (Class 12A)

a. *Classification:* Class 12A consists of all NII Interests.

b. *Treatment:* On the Effective Date, all NII Interests shall be cancelled and extinguished. Holders of NII Interests shall not receive any distribution pursuant to the Plan.

c. *Voting:* Interests in Class 12A are Impaired. Each Holder of an Allowed Interest in Class 12A shall be deemed to have rejected the Plan and, therefore, is not entitled to vote.

13. Subsidiary Debtor Equity Interests (Classes 13B through 13E)

a. *Classification:* Classes 13B, 13C, 13D and 13E consist of all Subsidiary Debtor Equity Interests.

b. *Treatment:* On the Effective Date, all Subsidiary Debtor Equity Interests shall not receive any distribution pursuant to the Plan and shall be Reinstated, subject to Section III.C.1.

c. *Voting:* Interests in Classes 13B, 13C, 13D and 13E are Unimpaired. Each Holder of an Allowed Interest in Class 13B, 13C, 13D or 13E shall be deemed to have accepted the Plan and, therefore, is not entitled to vote.

D. Special Provision Regarding Prepetition Intercompany Claims, Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims

Any and all Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims (including any such Claims against or in favor of NIU to which NIU Holdings LLC shall succeed pursuant to the Mexico Sale Order) shall be settled and compromised pursuant to Section III.H.2. Distributions on account of the Allowed Claims resulting from such settlement and compromise shall be effected through the distributions to Holders of Allowed Claims pursuant to this Plan. Notwithstanding the foregoing, Prepetition Intercompany Claims may be deemed settled, cancelled, extinguished or otherwise Reinstated, in whole or in part, as of the Effective Date, in each case, at the discretion of the Plan Debtors or Reorganized Debtors, with the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed; provided, however, that such treatment shall not affect or be deemed to affect or modify (1) the settlement and compromise of the Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims pursuant to the terms of this Plan or (2) the releases contained in this Plan.

E. Special Provision Governing Unimpaired Claims

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Plan Debtors' or the Reorganized Debtors' rights regarding any Unimpaired Claim, including all rights regarding legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claim.

F. Postpetition Interest on Claims

Except as required by applicable bankruptcy law, postpetition interest shall not accrue or be payable on account of any Claim; provided, however, in connection with the settlement and compromise of the Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims set forth herein, certain Holders of the Luxco Note Claims relinquished their right to assert additional claims for postpetition interest on their Luxco Note Claims.

G. Insurance

Notwithstanding anything to the contrary herein, if any Allowed Claim is covered by an insurance policy, such Claim shall first be paid from proceeds of such insurance policy, with the balance, if any, treated in accordance with the provisions of the Plan governing the Class applicable to such Claim.

III. MEANS OF IMPLEMENTATION

A. Issuance of Reorganized NII Common Stock

On the Effective Date, 150,000,000 shares of Reorganized NII Common Stock shall be authorized, and Reorganized NII shall issue 100,000,000 shares of Reorganized NII Common Stock pursuant to the Plan, including the distribution of shares of Reorganized NII Common Stock to holders of Claims in Classes 4D, 5A, 5B, 5C, and 6E pursuant to the Plan. The issuance of up to an additional 5,263,158 shares of Reorganized NII Common Stock by Reorganized NII, including restricted stock, options, stock appreciation rights or other equity awards, if any, in connection with the Management Incentive Plan, shall be authorized without the need for further corporate action and without any further action by the Holders of Claims or Interests. Any shares not necessary to satisfy obligations under the Plan shall have the status of authorized but not issued shares of Reorganized NII.

Each distribution and issuance of the Reorganized NII Common Stock under the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

On the Effective Date, each of the applicable Reorganized Debtors will be authorized to and shall issue or execute and deliver, as applicable, the Reorganized NII Common Stock and the New Securities and Documents, 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 Entity.

As soon as reasonably practicable after the Effective Date, but no later than sixty (60) days after the Effective Date, Reorganized NII shall use commercially reasonable efforts to cause the Reorganized NII Common Stock to be listed for trading on the New York Stock Exchange or the Global or Global Select markets of the NASDAQ Stock Market.

The issuance or execution and delivery of the New Securities and Documents, as applicable, and the distribution thereof under this Plan shall be exempt from registration under applicable securities laws pursuant to section 1145(a) of the Bankruptcy Code and/or any other applicable exemptions. Without limiting the effect of section 1145 of the Bankruptcy Code, all documents, agreements, and instruments entered into and delivered on or as of the Effective Date contemplated by or in furtherance of this Plan shall become and shall remain effective and binding in accordance with their respective terms and conditions upon the parties thereto, 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 Entity (other than as expressly required by such applicable agreement).

On the Effective Date, Reorganized NII and certain recipients of the Reorganized NII Common Stock shall be deemed to have entered into the Registration Rights Agreement, which provides, among other things, that parties who, together with their affiliates, receive 10% or more of the Reorganized NII Common Stock issued under the Plan will have registration rights pursuant to the terms of the Registration Rights Agreement.

B. Continued Corporate Existence and Vesting of Assets in the Reorganized Debtors

Except as otherwise provided herein (including with respect to the Restructuring Transactions described in Section III.C.1): (1) as of the Effective Date, Reorganized NII shall exist as a separate corporate entity, with all corporate powers in accordance with the laws of the state of Delaware and the certificates of incorporation and bylaws, appended hereto as Exhibit B and Exhibit C, respectively; (2) subject to the Restructuring Transactions,

each of the Plan Debtors shall, as a Reorganized Debtor, continue to exist after the Effective Date as a separate legal entity, with all of the powers of such a legal entity under applicable law and without prejudice to any right to alter or terminate such existence (whether by merger, conversion, dissolution or otherwise) under applicable law; and (3) on the Effective Date, all property of the Estate of a Plan Debtor, and any property acquired by a Plan Debtor or Reorganized Debtor under the Plan, shall vest, subject to the Restructuring Transactions, in the applicable Reorganized Debtors, free and clear of all Claims, liens, charges, other encumbrances, Interests and other interests. On and after the Effective Date, each Reorganized Debtor may operate its business and may use, acquire and dispose of property and compromise or settle any claims without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan or the Confirmation Order. Without limiting the foregoing, each Reorganized Debtor may pay the charges that it incurs on or after the Effective Date for appropriate Professionals' fees, disbursements, expenses or related support services (including fees relating to the preparation of Professional fee applications) without application to, or the approval of, the Bankruptcy Court.

C. Restructuring Transactions

1. Restructuring Transactions Generally

On or after the Confirmation Date, the applicable Plan Debtors or Reorganized Debtors may enter into such Restructuring Transactions and may take such actions as the applicable Plan Debtors or Reorganized Debtors may determine to be necessary or appropriate to effect, in accordance with applicable non-bankruptcy law, a corporate restructuring of their respective businesses or simplify the overall corporate structure of the Reorganized Debtors, all to the extent not inconsistent with any other terms of the Plan, and subject to the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed. Unless otherwise provided by the terms of a Restructuring Transaction, all such Restructuring Transactions will be deemed to occur on the Effective Date and may include one or more mergers, consolidations, restructurings, dispositions, liquidations or dissolutions, as may be determined by the Plan Debtors or the Reorganized Debtors (each with the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) to be necessary or appropriate. The actions to effect these transactions may include: (a) the execution and delivery of appropriate agreements or other documents of merger, consolidation, restructuring, disposition, liquidation or dissolution containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable state law and such other terms to which the applicable Entities may agree; (b) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, duty or obligation on terms consistent with the terms of the Plan and having such other terms to which the applicable Entities may agree; (c) the filing of appropriate certificates or articles of merger, consolidation, dissolution or change in corporate form pursuant to applicable state law; and (d) the taking of all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable state law in connection with such transactions. Any such transactions may be effected on or subsequent to the Effective Date without any further action by the stockholders or directors of any of the Plan Debtors or the Reorganized Debtors.

2. Obligations of Any Successor Corporation in a Restructuring Transaction

The Restructuring Transactions may result in substantially all of the respective assets, properties, rights, Liabilities, duties and obligations of certain of the Reorganized Debtors vesting in one or more surviving, resulting or acquiring corporations. In each case in which the surviving, resulting or acquiring corporation in any such transaction is a successor to a Reorganized Debtor, such surviving, resulting or acquiring corporation will succeed to the rights and obligations of such Reorganized Debtor under the Plan and will perform the obligations of the applicable Reorganized Debtor pursuant to the Plan to pay or otherwise satisfy the Allowed Claims against such Reorganized Debtor, except as provided in the Plan or in any contract, instrument or other agreement or document effecting a disposition to such surviving, resulting or acquiring corporation, which may provide that another Reorganized Debtor will perform such obligations. For the avoidance of doubt, with respect to the Mexico Sale Documents, the provisions in such documents identifying (i) successors to the Debtors thereunder and (ii) the obligations of such successors thereunder, in each case, shall apply.

D. Operating Company Credit Agreements and New NII-ATC Guaranty

The Plan Debtors or Reorganized Debtors, as applicable, are authorized to execute and deliver and enter into any agreements or filings related to the CDB Amended Guarantee, the CDB Shareholder Undertaking Agreement, the CDB Loan Subordination Agreement, the Operating Company Credit Agreements and the New NII-ATC Guaranty without the need for any further corporate or other organizational action and without further Court approval. As discussed in Section VII.B, the execution and effectiveness of the foregoing agreements and amendments with respect to the Operating Company Credit Agreements is a condition precedent to the Effective Date.

E. Sources of Cash for Plan Distributions

The Plan Debtors or Reorganized Debtors, as applicable, with the consent of the Creditors' Committee and the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed, are authorized to execute and deliver any documents necessary or appropriate to obtain Cash for funding the Plan, including, without limitation, pursuant to the New NII Exit Financing Documents (if obtained). All consideration necessary for the Reorganized Debtors to make payments or distributions pursuant hereto shall be obtained through a combination of one or more of the following: (a) Cash on hand of the Plan Debtors, including Cash from business operations, or distributions from Non-Debtor Affiliates; (b) proceeds of the Mexico Sale Transaction and any other sale of assets; (c) the New NII Exit Financing Facility (if obtained); (d) the proceeds of any tax refunds and other causes of action; and (e) any other means of financing or funding that the Plan Debtors or the Reorganized Debtors determine is necessary or appropriate. Further, the Plan Debtors and the Reorganized Debtors shall be entitled to transfer funds between and among themselves as they determine to be necessary or appropriate to enable the Reorganized Debtors to satisfy their obligations under the Plan, with the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed. Except as set forth herein, any changes in intercompany account balances resulting from such transfers shall be accounted for and settled in accordance with the Debtors' historical intercompany account settlement practices and shall not violate the terms of the Plan or any orders entered by the Bankruptcy Court with respect to the Debtors' cash management system.

F. Corporate Governance, Directors and Officers, Employment-Related Agreements and Compensation Programs; Other Agreements

1. Certificates of Incorporation and Bylaws

As of the Effective Date, the certificate of incorporation and the bylaws (or comparable constituent documents) of Reorganized NII shall be substantially in the forms appended hereto as Exhibit B and Exhibit C, respectively. The certificate of incorporation and bylaws (or comparable constituent documents) of each Reorganized Debtor, among other things, shall prohibit the issuance of nonvoting equity securities to the extent required by section 1123(a)(6) of the Bankruptcy Code. After the Effective Date, each Reorganized Debtor may amend and restate its certificate of incorporation or bylaws (or comparable constituent documents) as permitted by applicable non-bankruptcy law, subject to the terms and conditions of such constituent documents. On the Effective Date, or as soon thereafter as is practicable, each Reorganized Debtor shall file such certificate of incorporation (or comparable constituent documents) with the secretary of state or jurisdiction or similar office of the state or jurisdiction in which such Reorganized Debtor is incorporated or organized, to the extent required by and in accordance with the applicable corporate law of such state.

2. Directors and Officers of the Reorganized Debtors

In accordance with section 1129(a)(5) of the Bankruptcy Code, from and after the Effective Date, the initial officers and directors of Reorganized NII shall be comprised of the individuals identified in a disclosure to be Filed as part of the Plan Supplement.

The New Board shall initially consist of seven (7) directors, including (a) the chief executive officer of Reorganized NII, (b) three (3) directors designated by Capital Group, (c) one (1) director designated by Aurelius,

and (d) two (2) directors designated by the Luxco Group. Each of the individuals designated as nominees to be directors (other than the chief executive officer of Reorganized NII) shall (a) be independent under the rules of the New York Stock Exchange or the NASDAQ Stock Market, as applicable, and the independence requirements for members of audit committees under the rules of the Securities and Exchange Commission and (b) not be employees of any of the Requisite Consenting Noteholders. The foregoing board designation rights shall not continue after the selection of the New Board.

The directors for the boards of directors of the direct and indirect subsidiaries of Reorganized NII shall be identified and selected by the New Board.

3. Employment-Related Agreements and Compensation Programs

a. Except as otherwise provided herein, as of the Effective Date, each of the Reorganized Debtors shall have authority to: (i) maintain, reinstate, amend or revise existing employment, retirement, welfare, incentive, severance, indemnification and other agreements with its active and retired directors, officers and employees, subject to the terms and conditions of any such agreement and applicable non-bankruptcy law; and (ii) enter into new employment, retirement, welfare, incentive, severance, indemnification and other agreements for active and retired employees.

b. On the Effective Date, the Severance Plan shall be reinstated and continued in accordance with their terms and, to the extent applicable, shall be deemed assumed by Reorganized NII pursuant to section 365 of the Bankruptcy Code and Section IV.A of the Plan.

c. On or after the Effective Date, the New Board shall adopt and implement the Management Incentive Plan.

d. From and after the Effective Date, the Reorganized Debtors shall continue to administer and pay the Claims arising before the Petition Date under the Plan Debtors' workers' compensation programs in accordance with their prepetition practices and procedures.

4. Other Matters

Notwithstanding anything to the contrary in the Plan, no provision in any contract, agreement or other document with the Plan Debtors that is rendered unenforceable against the Plan Debtors or the Reorganized Debtors pursuant to sections 541(c), 363(*l*) or 365(e)(1) of the Bankruptcy Code, or any analogous decisional law, shall be enforceable against the Plan Debtors or Reorganized Debtors as a result of this Plan.

5. Transactions Effective as of the Effective Date

Pursuant to section 1142 of the Bankruptcy Code and section 303 of the Delaware General Corporation Law and any comparable provisions of the business corporation law of any other state or jurisdiction the following shall occur and be effective as of the Effective Date, if no such other date is specified in such other documents, and shall be authorized and approved in all respects and for all purposes without any requirement of further action by the stockholders or directors of the Plan Debtors or any of the Reorganized Debtors: (a) the Restructuring Transactions, if any; (b) the adoption of new or amended and restated certificates of incorporation and bylaws (or comparable constituent documents) for each Reorganized Debtor; (c) the initial selection of directors and officers for each Reorganized Debtor; (d) the distribution of Cash and other property pursuant to the Plan; (e) the authorization and issuance of Reorganized NII Common Stock pursuant to the Plan; (f) the entry into and performance of the New NII Exit Financing Documents (if applicable); (g) the entry into and performance of the CDB Amended Guarantee; (h) the entry into and performance of the New NII-ATC Guaranty; (i) any amendments to any of the Operating Company Credit Agreements; (j) the adoption, execution, delivery and implementation of all contracts, leases, instruments, releases and other agreements or documents related to any of the foregoing; (k) the adoption, execution and implementation of employment, retirement and indemnification agreements, incentive compensation programs, including the Management Incentive Plan, retirement income plans, welfare benefit plans and other employee plans and related agreements; and (*l*) any other matters provided for under the Plan involving the corporate structure of the

Plan Debtors or Reorganized Debtors or corporate action to be taken by or required of a Plan Debtor or Reorganized Debtor.

G. New NII Exit Financing Facility

On the Effective Date, one or more of the Reorganized Debtors shall be authorized to consummate the New NII Exit Financing Facility (if obtained) and to execute, deliver and enter into the New NII Exit Financing Documents, and any related agreements or filings without the need for any further corporate or other organizational action and without further action by the Holders of Claims or Interests, and the New NII Exit Financing Documents and any related agreements or filings shall be executed and delivered and the applicable Reorganized Debtors shall enter into the New NII Exit Financing Facility and be permitted to incur or issue the indebtedness available thereunder.

Any final material terms of the New NII Exit Financing Facility (if obtained) shall be included in the Plan Supplement, and shall be reasonably acceptable to the Plan Proponents, Capital Group and Aurelius, and subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; provided that if Capital Group or Aurelius participates as a lender in the New NII Exit Financing Facility, the New NII Exit Financing Facility shall be reasonably acceptable to each of the Plan Proponents and each of the Requisite Consenting Noteholders.

H. Preservation of Rights of Action; Settlement Agreements and Releases

1. Preservation of Rights of Action by the Reorganized Debtors; Recovery Actions

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, in accordance with section 1123(b)(3) of the Bankruptcy Code, the Reorganized Debtors shall have vested in them as of the Effective Date, and the Reorganized Debtors shall retain and may enforce, any claims, demands, rights, defenses and causes of action that the Plan Debtor or the Estate may hold against any Entity, except the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims. Each Reorganized Debtor or its successor may pursue such retained claims, demands, rights, defenses or causes of action, as appropriate, and may settle such claims after the Effective Date without notice to parties in interest or approval of the Bankruptcy Court. Notwithstanding the foregoing, as of the Effective Date, the Plan Debtors shall waive and release all Recovery Actions.

2. Comprehensive Settlement of Claims and Controversies

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, the Plan incorporates an integrated compromise and settlement designed to achieve a beneficial and efficient resolution of these Chapter 11 Cases for all parties in interest. Accordingly, in consideration of the distributions and other benefits provided under the Plan, the provisions of the Plan, including the releases set forth in Section IX.E, shall constitute a good-faith compromise and settlement of all Claims, disputes, or controversies relating to the rights that a Holder of a Claim may have with respect to any Claim (other than Claims Reinstated hereunder) or any distribution to be made pursuant to the Plan on account of any such Claim (other than Claims Reinstated hereunder), including, but not limited to, the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims as described below. Without limiting the effect of the preceding sentence, the Plan provides that:

- The Avoidance Claims shall be settled and compromised herein by providing for Allowed Claims against the applicable Debtors in amounts reflecting the avoidance of 25% of each of the Identified Avoidance Claims.

- The Recharacterization Claims shall be settled and compromised herein by providing for Allowed Claims against the applicable Debtors in an amount equal to 75% of the amount of the Recharacterization Claims, excluding the Capco Intercompany Note, which will be Allowed in an amount equal to 100% of its asserted amount, subject to the subordination of the Capco Intercompany Note being resolved pursuant to the settlement and compromise of the Avoidance

Claims. In addition, if a Claim is subject to both Avoidance Claims and Recharacterization Claims, there is a compounding effect on such a Claim resulting from the settlement.

- The Transferred Guarantor Claims shall be settled and compromised herein by providing for Allowed Claims against each of the Plan Debtors in the Transferred Guarantor Debtor Group in amounts reflecting the allowance of 21.0% of the outstanding prepetition Claim amount of each of the Capco 8.875% Notes and Capco 10% Notes.

The allowance of Claims provided for herein and the distributions and other benefits provided under the Plan shall be in full satisfaction of any and all potential Claims that could have been asserted as part of the Avoidance Claims, the Recharacterization Claims and Transferred Guarantor Claims, regardless of whether any of the foregoing Claims are identified herein or could have been asserted. Distributions on account of the Allowed Claims resulting from the settlement and compromise of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims shall be effected through the distributions to Holders of Allowed Claims pursuant to this Plan. The allowance of such Claims provided for hereunder is solely for the purpose of determining the allocation and distribution of the Reorganized NII Common Stock to Holders of Allowed Claims pursuant to the Plan but shall not alter the treatment of the underlying transactions that gave rise to such Claims for any other purpose.

The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of all such Claims, disputes, or controversies provided for herein, and the Bankruptcy Court's determination that such compromises and settlements are in the best interests of the Plan Debtors, their estates, the Reorganized Debtors, creditors and all other parties in interest, and are fair, equitable and within the range of reasonableness. The compromises and settlements described herein shall be deemed non-severable from each other and from all other terms of the Plan.

I. Reinstatement and Continuation of Insurance Policies

From and after the Effective Date, each of the Plan Debtors' insurance policies in existence as of the Effective Date shall be reinstated and continued in accordance with their terms and, to the extent applicable, shall be deemed assumed by the applicable Reorganized Debtor pursuant to section 365 of the Bankruptcy Code and Section IV.A of the Plan. Nothing in the Plan shall affect, impair or prejudice the rights of the insurance carriers or the Reorganized Debtors under the insurance policies in any manner, and such insurance carriers and Reorganized Debtors shall retain all rights and defenses under such insurance policies, and such insurance policies shall apply to, and be enforceable by and against, the Reorganized Debtors in the same manner and according to the same terms and practices applicable to the Plan Debtors, as existed prior to the Effective Date.

J. Cancellation and Surrender of Instruments, Securities and Other Documentation

Except as provided in any contract, instrument or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to Section II, all notes, instruments, certificates, and other documents evidencing Claims or Interests (including, without limitation, the NII Interests, the Prepetition Indentures and the Prepetition Notes) shall be deemed cancelled and of no further force and effect against the Debtors and the Plan Debtors, without any further action on the part of any Plan Debtor; provided, however, that the Prepetition Indentures and the Prepetition Notes shall remain in effect after the Effective Date only as follows: (1) for so long as is necessary to permit distributions to be made pursuant to the Plan and the applicable Indenture Trustee to perform necessary functions with respect thereto; and (2) to allow each Indenture Trustee and any predecessor trustee under any of the Prepetition Indentures to exercise its charging lien for the payment of its fees and expenses and for indemnification as provided in the applicable Prepetition Indentures. From and after the making of the applicable distributions pursuant to Section II, the Holders of the Prepetition Note Claims shall have no rights against the Debtors, the Plan Debtors or the Reorganized Debtors arising from or relating to such instruments and other documentation or the cancellation thereof, except the rights provided pursuant to the Plan. No distribution under the Plan shall be made to or on behalf of any Holder of a Prepetition Note Claim until such Prepetition Notes are received by the applicable Indenture Trustee to the extent required pursuant to Section V.B.

K. Release of Liens

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and consistent with the treatment provided for Claims and Interests in Section II, all mortgages, deeds of trust, liens or other security interests, including any liens granted as adequate protection against the property of any Estate, shall be fully released and discharged, and all of the right, title and interest of any Holder of such mortgages, deeds of trust, liens or other security interests, including any rights to any collateral thereunder, shall revert to the applicable Reorganized Debtor and its successors and assigns. For the avoidance of doubt, the charging liens of the Indenture Trustees under the applicable Prepetition Indentures may be asserted on the distributions to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C and 6E as applicable, and, to the extent asserted, shall remain in place until the reasonable and documented fees and expenses of the Indenture Trustees are satisfied as provided herein. As of the Effective Date, the Reorganized Debtors shall be authorized to execute and file on behalf of creditors Form UCC-3 termination statements, mortgage releases or such other forms as may be necessary or appropriate to implement the provisions of this Section III.K.

L. Effectuating Documents; Further Transactions

On and after the Effective Date, the Reorganized Debtors, and the officers and members of the boards of directors thereof, are authorized to and may issue, execute, deliver, file, or record such contracts, securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement and further evidence the terms and conditions of the Plan, the Reorganized NII Common Stock issued pursuant to the Plan, the CDB Amended Guarantee, the New NII-ATC Guaranty, the New NII Exit Financing Facility (if obtained) authorized pursuant to the Plan (including, but not limited to, the New NII Exit Facility Documents) and any amendments to any of the Operating Company Credit Agreements, in each case, in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorization or consents except those expressly required pursuant to the Plan.

IV. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption and Rejection of Executory Contracts and Unexpired Leases

On the Effective Date, except as otherwise provided herein, each of the Plan Debtors' Executory Contracts and Unexpired Leases not previously assumed or rejected pursuant to an order of the Bankruptcy Court shall be deemed rejected as of the Effective Date in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code except any Executory Contract or Unexpired Lease (1) identified on Exhibit G to this Plan (which shall be Filed as part of the Plan Supplement) as an Executory Contract or Unexpired Lease designated for assumption, (2) which is the subject of a separate motion or notice to assume or reject Filed by the Debtors and pending as of the Confirmation Hearing, (3) that previously expired or terminated pursuant to its own terms or (4) that was previously assumed by any of the Debtors.

Entry of the Confirmation Order by the Bankruptcy Court shall constitute an order approving the assumptions or rejections of such Executory Contracts and Unexpired Leases as set forth in the Plan, all pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Each Executory Contract and Unexpired Lease assumed pursuant to the Plan or by Bankruptcy Court order, and not assigned to a third party on or prior to the Effective Date, shall revest in and be fully enforceable by the applicable contracting Reorganized Debtor in accordance with its terms, except as such terms may have been modified by order of the Bankruptcy Court. To the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption of such Executory Contract or Unexpired Lease (including, without limitation, any "change of control" provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the counterparty thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Notwithstanding anything to the contrary in the Plan, the Plan Debtors or Reorganized Debtors, as applicable, reserve the right to alter, amend, modify, or supplement Exhibit G to the Plan in their discretion (subject to the consent of the Creditors' Committee and each of the Requisite Consenting

Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) prior to the Effective Date on no less than three (3) days' notice to the counterparty thereto.

B. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on the Effective Date, subject to the limitation described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or (3) any other matter pertaining to assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order or orders resolving the dispute and approving the assumption. No later than the date on which the Plan Supplement is Filed, to the extent not previously Filed with the Bankruptcy Court and served on affected counterparties, the Plan Debtors shall provide for notices of proposed assumption and proposed cure amounts to be sent to applicable Executory Contract and Unexpired Lease counterparties, together with procedures for objecting thereto and resolution of disputes by the Bankruptcy Court. Any objection by a contract or lease counterparty to a proposed assumption or related cure amount must be Filed, served, and actually received by the Plan Debtors by the date on which objections to Confirmation are due (or such other date as may be provided in the applicable assumption notice). Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or cure amount shall be deemed to have assented to such assumption or cure amount.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption. Any Proofs of Claim filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed disallowed and expunged without further notice to or action, order or approval of the Bankruptcy Court.

C. Claims Based on Rejection of Executory Contracts and Unexpired Leases

Unless otherwise provided by a Bankruptcy Court order, any Proofs of Claim asserting Claims arising from the rejection of the Plan Debtors' Executory Contracts and Unexpired Leases pursuant to the Plan or otherwise must be filed with the Notice and Claims Agent within 30 days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection. Any Proofs of Claim arising from the rejection of the Plan Debtors' Executory Contracts and Unexpired Leases that are not timely filed shall be disallowed automatically, forever barred from assertion, and shall not be enforceable against any Reorganized Debtor without the need for any objection by the Reorganized Debtors or further notice to or action, order, or approval of the Bankruptcy Court. All Allowed Claims arising from the rejection of the Plan Debtors' Executory Contracts and Unexpired Leases shall constitute General Unsecured Claims and shall be treated in accordance with Section II.C.8.

The Plan Proponents reserve the right to object to, settle, compromise or otherwise resolve any Claim Filed on account of a rejected Executory Contract or Unexpired Lease.

D. Contracts and Leases Entered Into After the Petition Date

Contracts and leases entered into after the Petition Date by any Plan Debtor, including any Executory Contracts and Unexpired Leases assumed by such Plan Debtor, shall be performed by the Plan Debtor or Reorganized Debtor liable thereunder in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) shall survive and remain unaffected by entry of the Confirmation Order.

E. Reservation of Rights

Neither the exclusion nor inclusion of any contract or lease in the Plan Supplement, nor anything contained in the Plan, nor the Plan Debtors' delivery of a notice of proposed assumption and proposed cure amount to applicable contract and lease counterparties shall constitute an admission by the Plan Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any Reorganized Debtor has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Plan Debtors or Reorganized Debtors, as applicable, shall have 30 days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

F. Pre-Existing Obligations to the Plan Debtors Under Executory Contracts and Unexpired Leases

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

G. Certain Compensation and Benefit Programs

Notwithstanding anything to the contrary in this Plan, all contracts, agreements, policies, programs and plans in existence on the Petition Date that provided for the issuance of NII Interests or other Interests in any of the Plan Debtors to current or former employees or directors of the Plan Debtors are, to the extent not previously terminated or rejected by the Plan Debtors, rejected or otherwise terminated as of the Effective Date without any further action of the Plan Debtors or Reorganized Debtors or any order of the Court, with rejection damages of $0.00, and any unvested NII Interests or other Interests granted under any such agreements, policies, programs and plans in addition to any NII Interests or other Interests granted under such agreements previously terminated or rejected by the Plan Debtors to the extent not previously cancelled shall be cancelled pursuant to Section III.J. Objections to the treatment of these plans or the Claims for rejection or termination damages arising from the rejection or termination of any such plans, if any, must be submitted and resolved in accordance with the procedures and subject to the conditions for objections to Confirmation. If any such objection is not timely Filed and served before the deadline set for objections to the Plan, each participant in or counterparty to any agreement described in this Section IV.G shall be forever barred from (1) objecting to the rejection or termination provided hereunder, and shall be precluded from being heard at the Confirmation Hearing with respect to such objection; (2) asserting against any Reorganized Debtor, or its property, any default existing as of the Effective Date or any counterclaim, defense, setoff or any other interest asserted or assertable against the Plan Debtors; and (3) imposing or charging against any Reorganized Debtor any accelerations, assignment fees, increases or any other fees as a result of any rejection pursuant to this Section IV.G.

H. Obligations to Insure and Indemnify Directors, Officers and Employees

1. Any and all directors and officers liability and fiduciary insurance or tail policies in existence as of the Effective Date shall be reinstated and continued in accordance with their terms and, to the extent applicable, shall be deemed assumed or assumed and assigned by the applicable Debtor or Reorganized Debtor, pursuant to section 365 of the Bankruptcy Code and Section IV.A of the Plan. Each insurance carrier under such policies shall continue to honor and administer the policies with respect to the Reorganized Debtors in the same manner and according to the same terms and practices applicable to the Plan Debtors prior to the Effective Date.

2. The applicable Reorganized Debtor shall only be obligated to indemnify any person who is serving or has served as one of the Plan Debtors' directors, officers or employees at any time from and after the Petition Date for any losses, claims, costs, damages or Liabilities resulting from such person's service in such a capacity at any time from and after the Petition Date or as a director, officer or employee of a Non-Debtor Affiliate at any time from and after the Petition Date, to the extent provided in the applicable certificates of incorporation, by-

laws or similar constituent documents, by statutory law or by written agreement, policies or procedures of or with such Debtor, shall be deemed and treated as Executory Contracts that are assumed by the applicable Debtor or Reorganized Debtor pursuant to the Plan and section 365 of the Bankruptcy Code as of the Effective Date. Accordingly, such indemnification obligations shall survive and be unaffected by entry of the Confirmation Order.

V. PROVISIONS GOVERNING DISTRIBUTIONS

A. Distributions for Allowed Claims as of the Effective Date

Except as otherwise provided in this Section V, distributions to be made on the Effective Date to Holders of Allowed Claims as provided by Section II or this Section V shall be deemed made on the Effective Date if made on the Effective Date or as promptly thereafter as practicable by the Plan Debtors or the Reorganized Debtors, as applicable.

B. Delivery of Distributions and Undeliverable or Unclaimed Distributions to Holders of Claims in Classes 4A, 4D, 5A, 5B, 5C, and 6E

1. Distribution Procedures

a. Reorganized NII shall deliver to the applicable Indenture Trustees on or as soon as practicable after the Effective Date the property to be distributed, if any, to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C, and 6E under Section II; provided that, notwithstanding the foregoing, Reorganized NII and the applicable Indenture Trustees, subject to their respective rights under sections 6.09 and 7.07(d) under the applicable Prepetition Indentures, shall take the necessary steps to effect the distribution of the Reorganized NII Common Stock through DTC. As soon as practicable thereafter and to the extent applicable, the applicable Indenture Trustees shall make the distributions set forth in Section II, which shall be effected through DTC, and in accordance therewith to the Holders of Allowed Luxco Note Claims, Allowed Capco Note Claims and Allowed Transferred Guarantor Claims, as applicable, in accordance with the practices and procedures of DTC; provided that, to the extent that the distributions are not eligible to be effected through DTC, (i) the Indenture Trustees will have no responsibility or obligation to take delivery of, or distribute such distributions and (ii) neither Reorganized NII nor an agent thereof will make such distributions directly or indirectly to Holders of Allowed Claims until after the Indenture Trustees receive an amount of Cash equal to the reasonable and documented fees and expenses of such Indenture Trustee outstanding in accordance with Section II. Upon delivery of the property to be distributed, if any, to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C, and 6E under Section II as provided hereunder, the Plan Debtors shall have no further obligations with respect to distributions to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C, and 6E under this Plan.

b. No fractional shares of Reorganized NII Common Stock shall be distributed under this Plan. To the extent any Holder of a Claim would be entitled to receive a fractional share of Reorganized NII Common Stock, the Plan Debtors shall round downward the number of shares due to that Holder to the nearest whole share.

c. The Plan Debtors, the Reorganized Debtors and the Indenture Trustees (if applicable) shall only be required to act and make distributions in accordance with the terms of the Plan. Such parties shall have no (i) liability to any party for actions taken in accordance with the Plan or in reliance upon information provided to it in accordance with the Plan or (ii) obligation or liability for distributions under the Plan to any party who does not hold a Claim against the Plan Debtors as of the Distribution Record Date or any other date on which a distribution is made or who does not otherwise comply with the terms of the Plan.

2. Undeliverable Distributions

a. Holding of Undeliverable Distributions

The Reorganized Debtors shall make one attempt to make the distributions contemplated hereunder in accordance with the procedures set forth herein. Any distributions returned to the Reorganized Debtors, or

distributions that are otherwise undeliverable, shall remain in the possession of the applicable Reorganized Debtor until such time as a distribution becomes deliverable.

b. Failure to Claim Undeliverable Distributions

Any Holder of an Allowed Claim entitled to a distribution of property under this Plan that does not assert a claim pursuant to the Plan for an undeliverable distribution within 180 days after the Effective Date shall have its claim for such undeliverable distribution discharged and shall be forever barred from asserting any such claim against the Reorganized Debtors or their respective property.

C. Compliance with Tax Requirements

1. In connection with the Plan and all instruments issued in connection herewith and distributed hereunder, to the extent applicable, the Plan Debtors, the Reorganized Debtors, the Indenture Trustees or any other party issuing any instruments or making any distributions under the Plan shall comply with all Tax withholding and reporting requirements imposed on them by any governmental unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Each of the Plan Debtors, Reorganized Debtors and the Indenture Trustees, as applicable, shall be authorized to take any actions that may be necessary or appropriate to comply with such withholding and reporting requirements.

2. Notwithstanding any other provision of the Plan, each Entity receiving a distribution pursuant to the Plan shall have the sole and exclusive responsibility for the satisfying and paying of any Tax obligations imposed on it by any governmental unit on account of such distribution, including income, withholding and other Tax obligations.

D. Effect of Distribution and Distribution Record Date

1. Upon the date on which distributions to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C and 6E are completed, the transfer registers for the Prepetition Notes shall be closed. The Plan Debtors or the Indenture Trustees shall have no obligation to recognize the transfer or sale of any Prepetition Note Claim that occurs after such date and shall be entitled for all purposes herein to recognize and make distributions only to those Holders who are Holders of such Prepetition Note Claims on such date.

2. Except as otherwise provided in a Final Order of the Bankruptcy Court, the transferees of Claims that are transferred pursuant to Bankruptcy Rule 3001 on or prior to the applicable Distribution Record Date shall be treated as the Holders of such Claims for all purposes, notwithstanding that any period provided by Bankruptcy Rule 3001 for objecting to such transfer has not expired by such Distribution Record Date.

E. Setoffs

Except with respect to claims of a Plan Debtor or Reorganized Debtor released pursuant to the Plan or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Reorganized Debtors may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Claim and the payments or distributions to be made on account of the Claim the claims, rights and causes of action of any nature that the applicable Debtor or Reorganized Debtor may hold against the Holder of the Claim; provided, however, that the failure to effect a setoff shall not constitute a waiver or release by the applicable Debtor or Reorganized Debtor of any claims, rights and causes of action that the Plan Debtor or Reorganized Debtor may possess against the Holder of a Claim; provided, further, however, that the Plan Debtor or Reorganized Debtor shall not set off or assert a right of set off against any Prepetition Note Claims.

F. Allocation Between Principal and Accrued Interest

Except as otherwise provided in the Plan, the aggregate consideration paid to Holders with respect to their Allowed Claims shall be treated pursuant to the Plan as allocated first to the principal amount of such Allowed Claims (to the extent thereof) and, thereafter, to the interest, if any, accrued through the Effective Date.

G. Distributions to Holders of Disputed Claims

Notwithstanding any other provision of the Plan, (1) no payments or distributions will be made on account of a Disputed Claim until such Claim becomes an Allowed Claim, if ever and (2) except as otherwise agreed to by the relevant parties, no partial payments and no partial distributions shall be made with respect to a Disputed Claim until all such disputes in connection with such Disputed Claim have been resolved by settlement or Final Order.

To the extent that a Disputed Claim ultimately becomes an Allowed Claim, distributions (if any) shall be made to the Holder of such Allowed Claim in accordance with the provisions of the Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Holder of such Claim shall receive the distribution (if any) to which such Holder is entitled under the Plan as of the Effective Date, without any interest to be paid on account of such Claim unless required under applicable bankruptcy law. Distributions made after the Effective Date to Holders of Disputed Claims that are not Allowed Claims as of the Effective Date but which later become Allowed Claims shall be deemed to have been made on the Effective Date.

VI. DISPUTED, CONTINGENT AND UNLIQUIDATED CLAIMS

A. Allowance of Claims

After the Effective Date, the Reorganized Debtors shall have and retain any and all rights and defenses the Plan Debtors had with respect to any Claim immediately prior to the Effective Date, except with respect to any Claim deemed Allowed under the Plan. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date (including the Confirmation Order), no Claim shall become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code or the Bankruptcy Court has entered a Final Order (including the Confirmation Order) in the Chapter 11 Cases allowing such Claim. All settled Claims approved prior to the Effective Date pursuant to a Final Order of the Bankruptcy Court pursuant to Bankruptcy Rule 9019 or otherwise shall be binding on all parties.

Any Claim that has been listed in the Schedules as disputed, contingent or unliquidated, and for which no Proof of Claim has been timely filed, is not considered Allowed and shall be expunged without further action and without any further notice to or action, order or approval of the Bankruptcy Court.

B. Prosecution of Objections to Claims

Except as otherwise specifically provided in the Plan, the Plan Proponents, prior to the Effective Date, and the Reorganized Debtors, after the Effective Date, shall have the sole authority: (1) to File, withdraw or litigate to judgment, objections to Claims; (2) to settle or compromise any Disputed Claim without any further notice to or action, order or approval by the Bankruptcy Court; and (3) to administer and adjust the claims register to reflect any such settlements or compromises without any further notice to or action, order or approval by the Bankruptcy Court.

C. Estimation of Claims

The Plan Proponents, prior to the Effective Date, and the Reorganized Debtors after the Effective Date, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Claim that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or whether the Bankruptcy Court has ruled on any such objection. The Bankruptcy Court shall retain jurisdiction to estimate any such Claim, including during the litigation of any objection to any Claim or during the appeal relating to such objection. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions), and the relevant Reorganized Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim or Interest.

D. Adjustment to Claims Without Objection

Any Claim that has been paid or satisfied, or any Claim that has been amended or superseded, may be adjusted or expunged on the claims register by the Reorganized Debtors without a claim objection having to be Filed and without any further notice to or action, order or approval of the Bankruptcy Court.

E. Disallowance of Certain Claims

EXCEPT AS PROVIDED HEREIN, IN AN ORDER OF THE BANKRUPTCY COURT OR OTHERWISE AGREED, ANY AND ALL PROOFS OF CLAIM FILED AFTER THE CLAIMS BAR DATE SHALL BE DEEMED DISALLOWED AND EXPUNGED AS OF THE EFFECTIVE DATE WITHOUT ANY FURTHER NOTICE TO OR ACTION, ORDER OR APPROVAL OF THE BANKRUPTCY COURT, AND HOLDERS OF SUCH CLAIMS MAY NOT RECEIVE ANY DISTRIBUTIONS ON ACCOUNT OF SUCH CLAIMS.

F. Offer of Judgment

The Reorganized Debtors are authorized to serve upon a Holder of a Disputed Claim an offer to allow judgment to be taken on account of such Disputed Claim, and, pursuant to Bankruptcy Rules 7068 and 9014, Federal Rule of Civil Procedure 68 shall apply to such offer of judgment. To the extent the Holder of a Disputed Claim must pay the costs incurred by the Reorganized Debtors after the making of such offer, the Reorganized Debtors are entitled to set off such amounts against the amount of any distribution to be paid to such Holder without any further notice to or action, order, or approval of the Bankruptcy Court.

G. Amendments to Claims

On or after the Effective Date, except as provided herein, a Claim may not be filed or amended without the prior authorization of the Bankruptcy Court or the Reorganized Debtors, and, to the extent such prior authorization is not received, any such new or amended Claim filed shall be deemed disallowed in full and expunged without any further action.

VII. CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

A. Conditions to Confirmation

The Bankruptcy Court shall not be requested to enter the Confirmation Order unless and until the following conditions have been satisfied or duly waived pursuant to Section VII.C:

1. The Bankruptcy Court shall have entered the Disclosure Statement Order in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

2. All Plan Documents shall (a) be in form and substance reasonably acceptable to the Plan Proponents, Aurelius and Capital Group, and (b) solely with respect to the Plan, the Disclosure Statement, the materials for solicitation of the Plan and Disclosure Statement, the motion to approve the Disclosure Statement, the Disclosure Statement Order, the Confirmation Order, any term sheet and/or commitment letter relating to the DIP Credit Agreement be in form and substance reasonably acceptable to the Luxco Group, and with respect to all other documents, be subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; provided, however, the Debtors shall consult with the Luxco Group regarding a proposed New NII Exit Financing Facility and the negotiation of the terms thereof and the final terms and conditions of such New NII Exit Financing Facility shall be subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; provided, further, that if Aurelius or Capital Group participates in the New NII Exit Financing Facility, such financing shall be on terms and conditions reasonably acceptable to each of the Plan Proponents and each of the Requisite Consenting Noteholders.

3. The Bankruptcy Court shall have entered the Plan Support Agreement Order in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

4. The Plan and Confirmation Order shall be in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

B. Conditions to the Effective Date

The Effective Date shall not occur, and the Plan shall not be consummated unless and until the following conditions have been satisfied or duly waived pursuant to Section VII.C:

1. All documents and agreements necessary to consummate the Plan shall have been effected or executed.

2. The Bankruptcy Court shall have entered the Mexico Sale Order, subject to any modifications to the form of Mexico Sale Order appended to the motion seeking approval of the Mexico Sale Transaction [Docket No. 406] being in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

3. The Mexico Sale Transaction shall have been consummated in accordance with its terms and the Mexico Sale Order.

4. The Bankruptcy Court shall have entered the Confirmation Order, and the Confirmation Order shall be (i) a Final Order and (ii) in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

5. The Operating Company Credit Agreements shall have been amended in form and substance reasonably acceptable to the applicable operating subsidiaries of the Debtors and each of the Requisite Consenting Noteholders (subject to a consultation right in favor of the Creditors' Committee), and any defaults under the Operating Company Credit Agreements shall have been cured or waived; provided that the foregoing consent rights of each of the Requisite Consenting Noteholders with respect to (i) any amendments, restatements, modifications or refinancings of the NII Brazil CDB Agreement shall only apply to such amendments, restatements, modifications or refinancings entered into after December 18, 2014, including any further amendments, restatements, modifications or refinancings of any such amendments, restatements, modifications or refinancings of the NII Brazil CDB Agreement entered into prior to December 18, 2014, and (ii) any amendments, restatements, modifications or refinancings of any of the Other Brazilian Credit Agreements shall only apply to amendments or modifications to the drafts of such amendments, restatements, modifications or refinancings of such Other Brazilian Credit Agreements delivered to the Requisite Consenting Noteholders on or before February 26, 2015, including any amendments, restatements, modifications or refinancings of any of such drafts.

6. Receipt of required governmental approvals (if any) and any and all other steps necessary to consummate the Plan Debtors' proposed restructuring in any applicable jurisdictions have been received and/or effectuated.

7. All reasonable and documented Requisite Consenting Noteholders Professionals Fees/Expenses as well as the reasonable out-of-pocket expenses of the Requisite Consenting Noteholders incurred in connection with the Debtors' restructuring that were incurred prior to the Effective Date have been paid in full in Cash pursuant to the terms of this Plan, subject to the limitations set forth in Section I.A.158, and to the extent required by the Plan Support Agreement.

8. All other documents and agreements necessary to implement the Plan on the Effective Date that are required to be in form and substance reasonably acceptable to the Plan Proponents and the Requisite Consenting Noteholders shall have been executed and delivered and all other actions required to be taken in connection with the Effective Date shall have occurred.

9. All statutory fees and obligations then due and payable to the Office of the United States Trustee shall have been paid and satisfied in full.

C. Waiver of Conditions to Confirmation or the Effective Date

The conditions to Confirmation and the conditions to the Effective Date may be waived in whole or part at any time by the Plan Proponents, with the consent of each of the Requisite Consenting Noteholders, without an order of the Bankruptcy Court.

D. Effect of Nonoccurrence of Conditions to the Effective Date

Subject to the terms of the Plan Support Agreement, the Plan Proponents reserve the right to seek to vacate the Plan at any time prior to the Effective Date. If the Confirmation Order is vacated pursuant to this Section VII.D: (1) the Plan shall be null and void in all respects, including with respect to (a) the discharge of Claims pursuant to section 1141 of the Bankruptcy Code, (b) the assumption, assumption and assignment or rejection of Executory Contracts and Unexpired Leases, as applicable, and (c) the releases described in Section IX.E; and (2) nothing contained in the Plan shall (a) constitute a waiver or release of any claims by or against, or any Interest in, any Plan Debtor or (b) prejudice in any manner the rights of the Plan Debtors or any other party in interest.

VIII. NON-CONSENSUAL CONFIRMATION

In the event that any Impaired Class of Claims or Interests rejects this Plan, the Plan Proponents reserve the right, without any delay in the occurrence of the Confirmation Hearing or Effective Date, to (A) request that the Bankruptcy Court confirm this Plan in accordance with section 1129(b) of the Bankruptcy Code with respect to such non-accepting Class, in which case this Plan shall constitute a motion for such relief and/or (B) amend this Plan in accordance with Section XI.A.

IX. EFFECT OF CONFIRMATION

A. Dissolution of Official Committees

Except to the extent provided herein, upon the Effective Date, the current and former members of the Creditors' Committee and any other creditor, equity or other committee appointed pursuant to section 1102 of the Bankruptcy Code in the Chapter 11 Cases, and their respective officers, employees, counsel, advisors and agents, shall be released and discharged of and from all further authority, duties, responsibilities and obligations related to and arising from and in connection with the Chapter 11 Cases; provided, however, that following the Effective Date the Creditors' Committee shall continue in existence and have standing and a right to be heard for the following limited purposes: (1) Claims and/or applications for compensation by Professionals and requests for allowance of Administrative Claims for substantial contribution pursuant to section 503(b)(3)(D) of the Bankruptcy Code; (2) any appeals to which the Creditors' Committee is a party; (3) any adversary proceedings or contested matters as of the Effective Date to which the Creditors' Committee is a party; and (4) responding to creditor inquiries for sixty (60) days following the Effective Date. Following the completion of the Creditors' Committee's remaining duties set forth above, the Creditors' Committee shall be dissolved, and the retention or employment of the Creditors' Committee's respective attorneys, accountants and other agents shall terminate.

B. Discharge of Claims and Interests

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan shall be in exchange for and in complete satisfaction, discharge and release of all Claims and Interests arising or existing on or before the Effective Date, including any interest accrued on Claims from and after the Petition Date. From and after the Effective Date, the Plan Debtors shall be discharged from any and all Claims and Interests that arose or existed prior to the Effective Date, subject to the obligations of the Plan Debtors under the Plan.

C. Injunctions

As of the Effective Date, except with respect to the obligations of the Reorganized Debtors under the Plan or the Confirmation Order, all Entities that have held, currently hold or may hold any Claims or Interests, obligations, suits, judgments, damages, demands, debts, rights, causes of action or Liabilities that are waived, discharged or released under the Plan shall be permanently enjoined from taking any of the following enforcement actions against the Plan Debtors, the Reorganized Debtors, the Released Parties or any of their respective assets or property on account of any such waived, discharged or released Claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or Liabilities: (1) commencing or continuing in any manner any action or other proceeding; (2) enforcing, levying, attaching, collecting or recovering in any manner any judgment, award, decree or order; (3) creating, perfecting or enforcing any lien or encumbrance; (4) asserting any right of setoff, subrogation or recoupment of any kind against any debt, liability or obligation due to any Plan Debtor, Reorganized Debtor or Released Party; and (5) commencing or continuing any action, in any manner, in any place to assert any Claim waived, discharged or released under the Plan or that does not otherwise comply with or is inconsistent with the provisions of the Plan.

D. Exculpation

From and after the Effective Date, the Released Parties, the Plan Debtors and the Reorganized Debtors shall neither have nor incur any liability to any Entity, and no Holder of a Claim or Interest, no other party in interest and none of their respective Representatives shall have any right of action against any Plan Debtor, Reorganized Debtor, Released Party or any of their respective Representatives for any act taken or omitted to be taken before the Effective Date in connection with, related to or arising out of the Chapter 11 Cases, the Debtors or the negotiation, consideration, formulation, preparation, dissemination, implementation, Confirmation or consummation of the Plan Term Sheet, the Plan Support Agreement, Plan, the Exhibits, the Disclosure Statement, any amendments to any of the Operating Company Credit Agreements, the New NII-ATC Guaranty, the CDB Amended Guarantee, the Mexico Sale Transaction, the DIP Credit Agreement, the DIP Order, any of the New Securities and Documents, the Restructuring Transactions or any other transactions proposed in connection with the Chapter 11 Cases or any contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any other obligations arising under the Plan or the obligations assumed hereunder; provided, however, that the foregoing provisions of this Section IX.D shall have no effect on: (1) the liability of any Entity that would otherwise result from the failure to perform or pay any obligation or liability under the Plan or any contract, instrument, release or other agreement or document to be entered into or delivered in connection with the Plan or (2) the liability of any Released Party that would otherwise result from any act or omission of such Released Party to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct (including fraud).

E. Releases

1. Releases by Plan Debtors and Reorganized Debtors

Without limiting any other applicable provisions of, or releases contained in, the Plan, as of the Effective Date, to the fullest extent permitted by law, the Plan Debtors and the Reorganized Debtors, on behalf of themselves and their affiliates, the Estates and their respective successors, assigns and any and all Entities who may purport to claim by, through, for or because of them, shall forever release, waive and discharge all Liabilities that they have, had or may have against any Released Party with respect to a Debtor, the Estates, the Chapter 11 Cases, or the negotiation, consideration, formulation, preparation, dissemination, implementation, Confirmation or consummation of the Plan Term Sheet, the Plan Support Agreement, the Plan, the Exhibits, the Disclosure Statement, any amendments to any of the Operating Company Credit Agreements, the New NII-ATC Guaranty, the CDB Amended Guarantee, the Mexico Sale Transaction, the DIP Credit Agreement, the DIP Order, any of the New Securities and Documents, the Restructuring Transactions or any other transactions proposed in connection with the Chapter 11 Cases or any contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted

to be taken in connection therewith or in connection with any obligations arising under the Plan or the obligations assumed hereunder; provided, however, that the foregoing provisions of this Section IX.E.1 shall not affect (a) the liability of any Released Party that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct (including fraud), (b) any rights to enforce the Plan or the other contracts, instruments, releases, agreements or documents to be, or previously, entered into or delivered in connection with the Plan, (c) except as otherwise expressly set forth in this Plan, any objections by the Plan Debtors or the Reorganized Debtors to Claims or Interests filed by any Entity against any Plan Debtor and/or the Estates, including rights of setoff, refund or other adjustments, (d) the rights of the Plan Debtors to assert any applicable defenses in litigation or other proceedings with their employees (including the rights to seek sanctions, fees and other costs) and (e) any claim of the Plan Debtors or Reorganized Debtors, including (but not limited to) cross-claims or counterclaims or other causes of action against employees or other parties, arising out of or relating to actions for personal injury, wrongful death, property damage, products liability or similar legal theories of recovery to which the Plan Debtors or Reorganized Debtors are a party.

2. Releases by Holders of Claims

Without limiting any other applicable provisions of, or releases contained in, the Plan, as of the Effective Date, in consideration for the obligations of the Plan Debtors and the Reorganized Debtors under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, each Holder of a Claim that votes in favor of the Plan shall be deemed to forever release, waive and discharge all Liabilities in any way that such Entity has, had or may have against any Released Party (which release shall be in addition to the discharge of Claims and termination of Interests provided herein and under the Confirmation Order and the Bankruptcy Code), in each case, relating to a Debtor, the Estates, the Chapter 11 Cases, or the negotiation, consideration, formulation, preparation, dissemination, implementation, Confirmation or consummation of the Plan Term Sheet, the Plan Support Agreement, the Plan, the Exhibits, the Disclosure Statement, any amendments to any of the Operating Company Credit Agreements, the New NII-ATC Guaranty, the CDB Amended Guarantee, the Mexico Sale Transaction, the DIP Credit Agreement, the DIP Order, any of the New Securities and Documents, the Restructuring Transactions or any other transactions proposed in connection with the Chapter 11 Cases or any contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any obligations arising under the Plan or the obligations assumed hereunder; provided, however, that the foregoing provisions of this Section IX.E.2 shall have no effect on: (a) the liability of any Entity that would otherwise result from the failure to perform or pay any obligation or liability under the Plan or any contract, instrument, release or other agreement or document to be entered into or delivered in connection with the Plan or (b) the liability of any Released Party that would otherwise result from any act or omission of such Released Party to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct (including fraud).

F. Votes Solicited in Good Faith

The Plan Proponents have, and upon confirmation of the Plan shall be deemed to have, solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code. The Plan Proponents (and each of their respective affiliates, agents, directors, officers, members, employees, advisors, and attorneys) have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer and issuance of the securities offered and sold under the Plan and therefore have not, and on account of such offer and issuance 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 the Plan or the offer or issuance of the securities offered and distributed under the Plan.

G. Termination of Certain Subordination Rights

The classification and manner of satisfying Claims under the Plan take into consideration all subordination rights, whether arising under general principles of equitable subordination, contract, sections 510(a) and 510(c) of the Bankruptcy Code or otherwise, that a Holder of a Claim or Interest may have against other Claim or Interest

Holders with respect to any distribution made pursuant to the Plan, including, without limitation, any such rights that are resolved in connection with the settlement of the Avoidance Claims. All subordination rights that a Holder of a Claim, other than a Holder of a Claim Reinstated hereunder, may have with respect to any distribution to be made pursuant to the Plan shall be discharged and terminated, and all actions related to the enforcement of such subordination rights shall be permanently enjoined. Accordingly, distributions pursuant to the Plan shall not be subject to payment to a beneficiary of such terminated subordination rights or to levy, garnishment, attachment or other legal process by a beneficiary of such terminated subordination rights**.**

X. RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain such jurisdiction over the Chapter 11 Cases after the Effective Date as is legally permissible, including jurisdiction to:

1. Allow, disallow, estimate, determine, liquidate, reduce, classify, re-classify, estimate or establish the priority or secured or unsecured status of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any objections to the amount, allowance, priority or classification of Claims or Interests;

2. Grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan for periods ending on or before the Effective Date;

3. Resolve any matters related to the assumption, assumption and assignment or rejection of any Executory Contract or Unexpired Lease to which any Debtor is a party or with respect to which any Debtor or Reorganized Debtor may be liable and to hear, determine and, if necessary, liquidate any Claims arising therefrom;

4. Ensure that distributions to Holders of Claims are accomplished pursuant to the provisions of the Plan;

5. Decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications Filed in the Bankruptcy Court involving any Debtor or any Reorganized Debtor that may be pending on the Effective Date or brought thereafter;

6. Enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases and other agreements or documents entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

7. Resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation or enforcement of the Plan or any contract, instrument, release or other agreement or document that is entered into or delivered pursuant to the Plan or any Entity's rights arising from or obligations incurred in connection with the Plan or such documents;

8. Modify the Plan before or after the Effective Date pursuant to section 1127 of the Bankruptcy Code; modify the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order; or remedy any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into, delivered or created in connection with the Plan, the Disclosure Statement or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan;

9. Hear and determine any matter, case, controversy, suit, dispute, or Causes of Action regarding the existence, nature and scope of the releases, injunctions, and exculpation provided under the Plan, and issue injunctions, enforce the injunctions contained in the Plan and the Confirmation Order, enter and implement other orders or take such other actions as may be necessary or appropriate to implement, enforce or restrain

interference by any Entity with respect to the consummation, implementation or enforcement of the Plan or the Confirmation Order, including the releases, injunctions, and exculpation provided under the Plan;

10. Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason or in any respect modified, stayed, reversed, revoked or vacated or distributions pursuant to the Plan are enjoined or stayed;

11. Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

12. Enforce, clarify or modify any orders previously entered by the Bankruptcy Court in the Chapter 11 Cases;

13. Enter a final decree closing the Chapter 11 Cases;

14. Determine matters concerning state, local and federal Taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code, including any Disputed Claims for Taxes;

15. Recover all assets of the Plan Debtors and their Estates, wherever located; and

16. Hear any other matter over which with the Bankruptcy Court has jurisdiction.

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter, including the matters set forth in Section X, the provisions of this Section X shall have no effect upon and shall not control, prohibit or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

XI. MISCELLANEOUS PROVISIONS

A. Modification of the Plan

Subject to the restrictions on modifications set forth in section 1127 of the Bankruptcy Code, the Plan Proponents reserve the right to alter, amend or modify the Plan before its substantial consummation; provided any such alterations, amendments or modifications are in form and substance reasonably acceptable to each of the Plan Proponents and each of the Requisite Consenting Noteholders. Prior to the Effective Date, the Plan Proponents (with the consent of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) may make appropriate technical adjustments and modifications to the Plan without further order or approval of the Bankruptcy Court. Notwithstanding the consent rights set forth in the two preceding sentences, the Luxco Group shall not have any consent rights with respect to any economic modifications to the terms of the Plan that do not affect the recoveries, in terms of value and form of consideration, to be afforded to Holders of the Luxco Notes. Holders of Claims that have accepted the Plan shall be deemed to have accepted the Plan, as amended, modified, or supplemented, if the proposed amendment, modification, or supplement does not materially and adversely change the treatment of the Claim of such Holder; provided, however, that any Holders of Claims who were deemed to accept the Plan because such Claims were Unimpaired shall continue to be deemed to accept the Plan only if, after giving effect to such amendment, modification, or supplement, such Claims continue to be Unimpaired.

B. Revocation of the Plan

Subject to the terms of the Plan Support Agreement, the Plan Proponents reserve the right to revoke or withdraw the Plan as to any or all of the Plan Debtors prior to the Confirmation Date or at the Confirmation Hearing. If the Plan Proponents revoke or withdraw the Plan as to any or all of the Plan Debtors, or if Confirmation as to any or all of the Plan Debtors does not occur, then the Plan shall be null and void in all respects with respect to such Plan Debtors, and nothing contained in the Plan shall: (1) prejudice in any manner the rights of any such Plan

Debtor(s) or any other party in interest with respect to such Plan Debtor(s); or (2) constitute an admission of any sort by any such Plan Debtor(s) or any other party in interest with respect to such Plan Debtor(s). The revocation or withdrawal of the Plan with respect to one or more Plan Debtors shall not require the re-solicitation of the Plan with respect to the remaining Debtors.

C. Conversion or Dismissal of Certain of the Chapter 11 Cases

Subject to the terms of the Plan Support Agreement, if the requisite Classes do not vote to accept this Plan or the Bankruptcy Court does not confirm this Plan, the Debtors reserve the right to have any Debtor's Chapter 11 Case dismissed or converted, or to liquidate or dissolve any Debtor under applicable non-bankruptcy procedure or chapter 7 of the Bankruptcy Code.

D. Inconsistency

In the event of any inconsistency among the Plan, the Disclosure Statement, or any exhibit or schedule to the Disclosure Statement, the provisions of the Plan shall govern.

E. Exhibits / Schedules

All exhibits and schedules to the Plan, including the Plan Supplement, are incorporated into and constitute a part of the Plan as if set forth herein.

F. Section 1145 Exemption

To the maximum extent provided by section 1145(a) of the Bankruptcy Code, the Reorganized NII Common Stock issued under the Plan shall be exempt from registration under the Securities Act and any state's securities law registration requirements and all rules and regulations promulgated thereunder.

G. Exemption from Transfer Taxes

Pursuant to section 1146(a) of the Bankruptcy Code, the issuance, transfer, or exchange of notes or equity securities under or in connection with the Plan, including the Reorganized NII Common Stock issued pursuant to the Plan, the creation of any mortgage, deed of trust or other security interest, the making or assignment of any lease or sublease, or the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with the Plan, including any merger agreements or agreements of consolidation, deeds, bills of sale or assignments executed in connection with any of the transactions contemplated under the Plan, shall not be subject to any stamp, real estate transfer, mortgage recording, or other similar tax.

H. Request for Expedited Determination of Taxes

Reorganized NII and any Reorganized Debtor may request an expedited determination under section 505(b) of the Bankruptcy Code with respect to tax returns filed, or to be filed, on behalf of the Plan Debtor for any and all taxable periods ending after the Petition Date through, and including, the Effective Date.

I. Severability

If prior to the entry of the Confirmation Order, any term or provision of the Plan is determined by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court may, at the request of the Plan Proponents (with the consent of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed), alter and interpret such term or provision to the extent necessary to render 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 so altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remaining terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination and shall

provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

J. Governing Law

Except to the extent that (1) the Bankruptcy Code or other federal law is applicable or (2) an exhibit or schedule to the Plan or the Disclosure Statement or any agreement entered into with respect to any of the Restructuring Transactions provides otherwise (in which case the governing law specified therein shall be applicable to such exhibit, schedule or agreement), the rights, duties, and obligations arising under the Plan 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 that would require application of the laws of another jurisdiction.

K. No Admissions

If the Effective Date does not occur, the Plan shall be null and void in all respects, and nothing contained in the Plan shall (1) constitute a waiver or release of any claims by or against, or any interests in, any of the Debtors or any other Entity, (2) prejudice in any manner the rights of any of the Debtors or any other Entity, or (3) constitute an admission of any sort by any of the Debtors or any other Entity.

L. Successors and Assigns

The rights, benefits and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such Entity.

M. Service of Documents

To be effective, any pleading, notice or other document required by the Plan or the Confirmation Order to be served on or delivered to counsel to the Debtors, the Reorganized Debtors, the Creditors' Committee, the Indenture Trustees, and each of the Requisite Consenting Noteholders must be sent by overnight delivery service, facsimile transmission, courier service or messenger to:

1. The Debtors and the Reorganized Debtors

JONES DAY
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Facsimile: (212) 755-7306
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Lisa Laukitis

- and –

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David G. Heiman
Carl E. Black

Attorneys for the Debtors and Reorganized Debtors

2. Creditors' Committee

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Facsimile: (212) 715-8000
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Adam C. Rogoff
Stephen D. Zide

Attorneys for the Creditors' Committee

3. The Indenture Trustees

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Facsimile: (612) 217-5651
Peter Finkel

- and -

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Jonathan Levine

Attorneys for the Indenture Trustees under the Capco 10% Note Indenture and the Capco 7.625% Note Indenture

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Diana Jacobs

-and-

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Ira H. Goldman

Attorneys for the Indenture Trustee under the Capco 8.875% Note Indenture

4. Capital Group

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5. Aurelius

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Daniel H. Golden
David H. Botter
Brad M. Kahn

Attorneys for Aurelius

6. Luxco Group

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Facsimile: (212) 446-6460
Paul M. Basta
Christopher Marcus

Counsel to the Ad Hoc Group of NII International Telecom Noteholders

7. DIP Agent

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Facsimile: (212) 556-2222
Michael C. Rupe

Counsel for the DIP Agent

8. Office of the U.S. Trustee

OFFICE OF THE UNITED STATES TRUSTEE
201 Varick Street, Room 1006
New York, New York 10014
Telephone: (212) 510-0500
Facsimile: (212) 668-2255
Susan D. Golden

XII. CONFIRMATION REQUEST

The Plan Proponents request Confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code.

Dated: April 2, 2015

Respectfully submitted,

NII Holdings, Inc., on its own behalf and on behalf of each affiliate Plan Debtor

By: /s/ Daniel E. Freiman
Name: Daniel E. Freiman
Title: Treasurer, Vice President – Corporate Development & Investor Relations of NII Holdings, Inc.

COUNSEL TO THE DEBTORS AND DEBTORS IN POSSESSION:

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COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS:

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EXHIBIT A

Registration Rights Agreement

Plan Exhibit A

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "Agreement") is made and entered into as of [_____], 2015, by and between NII Holdings, Inc., a Delaware corporation (the "Company"), and certain stockholders of the Company who were issued shares of Company Common Stock in the Plan, the 1145 Rights Offering and pursuant to the Backstop Commitment Agreement (each such party as identified on Schedule I hereto ("Initial Holders"), together with any person or entity who hereafter becomes a party to this Agreement pursuant to Section 8(f) of this Agreement, a "Holder" and collectively, the "Holders"). The Company and the Holders are referred to collectively herein as the "Parties."

IN CONSIDERATION of the mutual covenants and agreements set forth herein and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each Party, the Parties agree as follows:

1. **Definitions**. As used in this Agreement, the following terms shall have the respective meanings set forth in this Section 1:

"1145 Rights Offering" means the rights offering contemplated by the 1145 Rights Offering Procedures.

"1145 Rights Offering Procedures" means those certain procedures with respect to the 1145 Rights Offering approved by the United States Bankruptcy Court for the Southern District of New York on [__].

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, such Person as of the date on which, or at any time during the period for which, the determination of affiliation is being made (including any investment fund the primary investment advisor to which is such Person or an Affiliate thereof); provided, that for purposes of this Agreement, no Holder shall be deemed an Affiliate of the Company or any of its Subsidiaries. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person, whether through the ownership of voting securities, by contract or otherwise (it being understood that a director, officer or manager of any Person shall not be deemed to control such Person solely as a result of serving as one of multiple directors, officers or managers of such Person).

"Affiliated Holders" has the meaning set forth in Section 2(b)(i).

"Agreement" has the meaning set forth in the preamble.

"Alternative Transaction" means the sale of Registrable Securities constituting more than 1% of Company Common Stock then outstanding to one or more purchasers in a registered transaction without a prior marketing process by means of (i) a bought deal, (ii) a block trade, (iii) a sale by the Hedging Counterparty or by an Initiating Holder to a Hedging Counterparty in connection with a Hedging Transaction, (iv) a direct sale or (v) any other transaction that is registered pursuant to a Shelf Registration that is not a firm commitment underwritten offering.

"Aurelius" means, collectively, certain entities managed by Aurelius Capital Management, LP that have executed this Agreement.

"Automatic Shelf Registration Statement" means an "automatic shelf registration statement" as defined in Rule 405.

"Backstop Commitment Agreement" means that certain Backstop Commitment Agreement dated as of December 23, 2014 by and among NII Holdings, Inc., the other debtors that are party thereto and the backstop parties that are party thereto, as may be amended, modified or supplemented from time to time.

"beneficially owned", "beneficial ownership" and similar phrases have the same meanings as such terms have under Rule 13d-3 (or any successor rule then in effect) under the Exchange Act, except that in calculating the beneficial ownership of any Holder, such Holder shall be deemed to have beneficial ownership of all securities that such Holder has the right to acquire, whether such right is currently exercisable or is exercisable upon the occurrence of a subsequent event. For the avoidance of doubt, each Holder shall be deemed to beneficially own all of the shares of Company Common Stock held by any of its Affiliates.

"Board" means the board of directors of the Company.

"Business Day" means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by law to be closed in New York, New York.

"Capital Group" means, collectively, certain entities managed by Capital Research and Management Company that have executed this Agreement.

"Commission" means the Securities and Exchange Commission or any other federal agency then administering the Securities Act or Exchange Act.

"Company" has the meaning set forth in the preamble.

"Company Common Stock" means the shares of common stock, par value $0.001, of the Company.

"Company Notice" has the meaning set forth in Section 2(a)(iii).

"Demand Eligible Holder" has the meaning set forth in Section 2(b)(i).

"Demand Eligible Holder Request" has the meaning set forth in Section 2(b)(i).

"Demand Notice" has the meaning set forth in Section 2(b)(i).

"Demand Registration" has the meaning set forth in Section 2(b)(i).

"Demand Registration Statement" has the meaning set forth in Section 2(b)(i).

"Determination Date" has the meaning set forth in Section 2(a)(vii).

"Effective Date" means the effective date under the Plan.

"Effectiveness Period" has the meaning set forth in Section 2(b)(iv).

"Event" has the meaning set forth in Section 2(a)(x).

"Event Date" has the meaning set forth in Section 2(a)(x).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

"Family Member" shall mean, with respect to any natural Person, such Person's parents, spouse (but not including a former spouse or a spouse from whom such Person is legally separated) and descendants (whether or not adopted) and any trust, family limited partnership or limited liability company that is and remains solely for the benefit of such Person's spouse (but not including a former spouse or a spouse from whom such Person is legally separated) and/or descendants.

"Form S-1 Shelf" has the meaning set forth in Section 2(a)(i).

"Form S-3 Shelf" has the meaning set forth in Section 2(a)(i).

"Hedging Counterparty" means broker-dealer registered under Section 15(b) of the Exchange Act or an Affiliate thereof.

"Hedging Transaction" means any transaction involving a security linked to the Registrable Securities or any security that would be deemed to be a "derivative security" (as defined in Rule 16a-1(c) promulgated under the Exchange Act) with respect to the Registrable Securities or a transaction (even if not a security) which would (were it a security) be considered such a derivative security, or which transfers some or all of the economic risk of ownership of the Registrable Securities, including any forward contract, equity swap, put or call, put or call equivalent position, collar, non-recourse loan, sale of exchangeable security or similar transaction. For the avoidance of doubt the following transactions shall be deemed to be Hedging Transactions

(i) transactions by an Initiating Holder in which a Hedging Counterparty engages in short sales of Registrable Securities pursuant to a Prospectus and may use Registrable Securities to close out its short position;

(ii) transactions pursuant to an Initiating Holder sells short Registrable Securities pursuant to a Prospectus and delivers Registrable Securities to close out its short position;

(iii) transactions by an Initiating Holder in which the Initiating Holder delivers, in a transaction exempt from registration under the Securities Act, Registrable Securities to the Hedging Counterparty who will then publicly resell or otherwise transfer such Registrable Securities pursuant to a Prospectus or an exemption from registration under the Securities Act; and

(iv) a loan or pledge of Registrable Securities to a Hedging Counterparty who may then become a selling stockholder and sell the loaned shares or, in an event of default in the case of a pledge, sell the pledged shares, in each case, in a public transaction pursuant to a Prospectus.

"Holder" has the meaning set forth in the preamble. A Person shall cease to be a Holder hereunder at such time as it ceases to hold any Registrable Securities.

"Holders of a Majority of Included Registrable Securities" means (a) when Registrable Securities of Aurelius and Capital Group are both included in any Registration Statement (except for purposes of Sections 2(a)(vi) and 2(b)(vi)(B)), each of Aurelius and Capital Group and (b) when Registrable Securities of only one of Aurelius or Capital Group are included in any Registration Statement or for purposes of Section 2(a)(vi) and 2(b)(vi)(B), Holders of a majority of the Registrable Securities included in the Registration Statement or public offering.

"Indemnified Persons" has the meaning set forth in Section 5(a).

"Initial Holders" has the meaning set forth in the preamble.

"Initiating Holders" has the meaning set forth in Section 2(b)(i).

"Issuer Free Writing Prospectus" means an issuer free writing prospectus, as defined in Rule 433 promulgated under the Securities Act, relating to an offer of the Registrable Securities.

"Lockup Period" has the meaning set forth in Section 2(g).

"Losses" has the meaning set forth in Section 5(a).

"Maximum Offering Size" has the meaning set forth in Section 2(a)(iv).

"Other Registrable Securities" means (i) Company Common Stock, (ii) any securities issued or issuable with respect to, on account of or in exchange for Company Common Stock, whether by stock split, stock dividend, recapitalization, merger, consolidation or other reorganization, charter amendment or otherwise and (iii) any options, warrants or other rights to acquire, and any securities received as a dividend or distribution in respect of, any of the securities described in clauses (i) and (ii) above, in each case held by any other Person who has rights to participate in any offering of securities by the Company pursuant to a registration rights agreement or other similar arrangement with the Company or any direct or indirect parent of the Company relating to the Company Common Stock (which shall not include this Agreement).

"Parties" has the meaning set forth in the preamble.

"Permitted Assignee" shall mean any (a) Affiliate of any Holder who acquires Registrable Securities from such Holder or its Affiliates, or (b) other Person who acquires any Registrable Securities (in a transaction other than a Public Offering) of any Holder or Holders pursuant to Section 8(f) which together with any other Company Common Stock owned by such Person is equal to at least 3% of the outstanding shares of Company common stock and who is designated as a Permitted Assignee by such Holder in a written notice to Company; provided,

however, that the rights of any Person designated as a Permitted Assignee referred to in the foregoing clause (b) shall be limited if, and to the extent, provided in such written notice to the Company.

"Person" means any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organization, entity or division, or any government, governmental department or agency or political subdivision thereof.

"Piggyback Eligible Holders" has the meaning set forth in Section 2(c)(i).

"Piggyback Notice" has the meaning set forth in Section 2(c)(i).

"Piggyback Registration" has the meaning set forth in Section 2(c)(i).

"Piggyback Registration Statement" has the meaning set forth in Section 2(c)(i).

"Piggyback Request" has the meaning set forth in Section 2(c)(i).

"Plan" means the Plan of Reorganization of the Company and certain of its debtor affiliates under chapter 11 of Title 11 of the United States Code.

"Pro Rata Share" of a Holder means a fraction, the numerator of which is the number of Registrable Securities held by such Holder and the denominator of which is the total amount of outstanding Registrable Securities.

"Proceeding" means any action, claim, suit, proceeding or investigation (including a preliminary investigation or partial proceeding, such as a deposition) pending or known to the Company to be threatened.

"Prospectus" means the prospectus included in a Registration Statement (including a prospectus that includes any information previously omitted from a prospectus filed as part of an effective Registration Statement in reliance upon Rule 430A promulgated under the Securities Act), all amendments and supplements to the Prospectus, including post-effective amendments, all material incorporated by reference or deemed to be incorporated by reference in such Prospectus and any Issuer Free Writing Prospectus.

"Registrable Securities" means (i) any Company Common Stock, (ii) any securities issued or issuable with respect to, on account of or in exchange for Company Common Stock, whether by stock split, stock dividend, recapitalization, merger, consolidation or other reorganization, charter amendment or otherwise and (iii) any options, warrants or other rights to acquire, and any securities received as a dividend or distribution in respect of, any of the securities described in clauses (i) and (ii) above, in each case that are held by the Holders and their Affiliates or any transferee or assignee of any Holder or its Affiliates after giving effect to a transfer made in compliance with Section 8(f), all of which securities are subject to the rights provided herein until such rights terminate pursuant to the provisions of this Agreement. As to any particular Registrable Securities, such securities shall not be Registrable Securities when (i) a Registration Statement registering such Registrable Securities under the Securities Act has been declared effective and such Registrable Securities have been sold, transferred or otherwise

disposed of by the Holder thereof pursuant to such effective Registration Statement, (ii) such Registrable Securities are sold, transferred or otherwise disposed of pursuant to Rule 144, (iii) such securities are otherwise transferred and thereafter such securities may be resold without subsequent registration under the Securities Act, (iv) such securities cease to be outstanding or (v) such securities may be sold pursuant to Rule 144 without regard to volume or manner of sale limitations and all such securities held by a Holder and all of its Affiliates constitute less than 3% of the outstanding primary shares of Company Common Stock. For the avoidance of doubt, once a Holder and its Affiliates cease to hold Registrable Securities because their holdings fall below the 3% threshhold referenced above, such Holder and its Affiliates will not thereafter hold Registrable Securities as a result of their holdings thereafter exceeding such 3% threshold. For the avoidance of doubt, any Company Common Stock held by a Holder shall be Registrable Securities so long as the preceding sentence and clause (v) do not apply to such Company Common Stock.

"Registration Expenses" has the meaning set forth in Section 4.

"Registration Statement" means a registration statement of the Company filed with or to be filed with the Commission under the Securities Act and other applicable law, including an Automatic Shelf Registration Statement, and including any Prospectus, amendments and supplements to each such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in such registration statement.

"Representatives" means, with respect to any Person, such Person's directors, officers, members, partners, limited partners, general partners, shareholders, managers, management company, investment manager, affiliates, employees, agents, investment bankers, attorneys, accountants, advisors, financial advisor and other professionals of such Person, in each case, in such capacity, serving on or after the date of this Agreement.

"Rule 144" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Rule 158" means Rule 158 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Rule 405" means Rule 405 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Rule 424" means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Seasoned Issuer" means an issuer eligible to use Form S-3 under the Securities Act and who is not an "ineligible issuer" as defined in Rule 405.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations thereunder.

"Selling Expenses" means all underwriting fees, discounts, selling commissions and stock transfer taxes applicable to the sale of Registrable Securities and related legal and other fees of a Holder not included within the definition of Registration Expenses.

"Shelf Period" has the meaning set forth in Section 2(a)(i).

"Shelf Public Offering Requesting Holder" has the meaning set forth in Section 2(a)(ii).

"Shelf Registration" means the registration of an offering of Registrable Securities on a Form S-1 Shelf or a Form S-3 Shelf, as applicable, on a delayed or continuous basis under Rule 415 under the Securities Act, pursuant to Section 2(a)(i).

"Shelf Registration Statement" has the meaning set forth in Section 2(a)(i).

"Shelf Takedown Notice" has the meaning set forth in Section 2(a)(iii).

"Subsidiary" means, when used with respect to any Person, any corporation or other entity, whether incorporated or unincorporated, (a) of which such Person or any other Subsidiary of such Person is a general partner (excluding partnerships, the general partnership interests of which held by such Person or any Subsidiary of such Person do not have a majority of the voting interests in such partnership) or (b) at least a majority of the securities or other interests of which having by their terms ordinary voting power to elect a majority of the board of directors or others performing similar functions with respect to such corporation or other entity is directly or indirectly owned or controlled by such Person or by any one or more of its Subsidiaries, or by such Person and one or more of its Subsidiaries.

"Suspension Period" has the meaning set forth in Section 2(e).

"Ten Percent Holder" means a holder, who together with its Affiliates, beneficially owns 10% or more of the outstanding shares of Company Common Stock as of the date of determination. Any rights provided to a Ten Percent Holder under this Agreement shall apply and be available to a Ten Percent Holder only for so long as such holder is a Ten Percent Holder as of the date of determination.

"Trading Market" means the principal national securities exchange in the United States on which Registrable Securities are (or are to be) listed.

"Transaction Documents" means, collectively, this Agreement and any and all other agreements or instruments provided for in this Agreement to be executed and delivered by the Parties in connection with the transactions contemplated hereby.

"Underwritten Shelf Takedown" has the meaning set forth in Section 2(a)(ii).

"WKSI" means a "well known seasoned issuer" as defined under Rule 405 and which (i) is a "well-known seasoned issuer" under paragraph (1)(i)(A) of such definition or (ii) is

a "well-known seasoned issuer" under paragraph (1)(i)(B) of such definition and is also a Seasoned Issuer.

"WKSI Date" has the meaning set forth in Section 2(a)(viii).

Unless the context requires otherwise: (a) any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms; (b) references to Sections, paragraphs and clauses refer to Sections, paragraphs and clauses of this Agreement; (c) the terms "include," "includes," "including" or words of like import shall be deemed to be followed by the words "without limitation"; (d) the terms "hereof," "herein" or "hereunder" refer to this Agreement as a whole and not to any particular provision of this Agreement; (e) unless the context otherwise requires, the term "or" is not exclusive and shall have the inclusive meaning of "and/or"; (f) defined terms herein will apply equally to both the singular and plural forms and derivative forms of defined terms will have correlative meanings; (g) references to any law or statute shall include all rules and regulations and forms promulgated thereunder, and references to any law, rule, form or statute shall be construed as including any legal and statutory provisions, rules or forms consolidating, amending, succeeding or replacing the applicable law, rule, form or statute; (h) references to any Person include such Person's successors and permitted assigns; and (i) references to "days" are to calendar days unless otherwise indicated.

2. **Registration**.

(a) Shelf Registration.

(i) Filing of Shelf Registration Statement. As soon as reasonably practicable after the Effective Date, and in any event not later than twenty-one (21) days after the Effective Date, the Company shall file a Registration Statement for a Shelf Registration on Form S-3 covering the resale of all of the Registrable Securities held by the Initial Holders on a delayed or continuous basis (the "Form S-3 Shelf"). If the Company is not a Seasoned Issuer or WKSI at the time of filing, the Company shall file such Registration Statement for a Shelf Registration on Form S-1 (the "Form S-1 Shelf" and, together with the Form S-3 Shelf, the "Shelf Registration Statement"). In the event that the Company files such Shelf Registration Statement on a Form S-1 Shelf and thereafter becomes a Seasoned Issuer or WKSI, the Company shall use its commercially reasonable efforts to convert the Form S-1 Shelf to a Form S-3 Shelf (which shall be an Automatic Shelf Registration Statement if the Company is a WKSI) as soon as practicable after the Company becomes so eligible. Subject to the terms of this Agreement, including any applicable Suspension Period, the Company shall use its commercially reasonable efforts to cause the Shelf Registration Statement to be declared effective under the Securities Act as promptly as possible after the filing thereof, but in any event (x) no later than the fifteenth (15th) calendar day following the filing of the Shelf Registration Statement in the event of no "review" by the Commission, (y) no later than the forty-fifth (45th) calendar day following the filing of the Shelf Registration Statement in the event of "limited review" by the Commission, or (z) in the event of a "review" by the Commission, the seventy-fifth (75th) calendar day following the Effective Date, and shall use its commercially reasonable efforts to keep such Shelf Registration Statement continuously effective under the Securities Act until the date that all Registrable Securities covered by

such Registration Statement are no longer Registrable Securities, including, to the extent a Form S-1 Shelf was converted to a Form S-3 Shelf and the Company thereafter became ineligible to use Form S-3, by filing a Form S-1 Shelf not later than twenty (20) Business Days after the date of such ineligibility and using its commercially reasonable efforts to have such Registration Statement declared effective as promptly as practicable (but in no event more than thirty (30) days after the date of such filing) (the period during which the Company shall use its commercially reasonable efforts to keep the Shelf Registration Statement continuously effective under the Securities Act in accordance with this clause (i), the "Shelf Period"). The Company shall notify the Holders named in the Shelf Registration Statement via facsimile or by e-mail of the effectiveness of a Form S-1 Shelf on the same Business Day that the Company telephonically confirms effectiveness with the Commission. The Company shall file a final Prospectus with the Commission to the extent required by Rule 424. Failure to so notify the Holder within one (1) Business Day of such effectiveness or failure to file a final Prospectus as aforesaid shall be deemed an Event under Section 2(a)(x). The "Plan of Distribution" section of such Shelf Registration Statement shall provide for all permitted means of disposition of Registrable Securities, including firm-commitment underwritten public offerings, Alternative Transactions, agented transactions, sales directly into the market, purchases or sales by brokers and sales not involving a public offering.

(ii) Underwritten Shelf Takedown. At any time during the Shelf Period (subject to any Suspension Period), any one or more Initial Holders of Registrable Securities (such Holder, a "Shelf Public Offering Requesting Holder") may request to sell all or any portion of their Registrable Securities in an underwritten offering that is registered pursuant to the Shelf Registration Statement (each, an "Underwritten Shelf Takedown" which term shall not include an Alternative Transaction); provided, that, and subject to Section 2(a)(v) below, the Company shall not be obligated to effect more than six (6) underwritten Shelf Takedowns in any 12-month period for all Initial Holders and (y) any Underwritten Shelf Takedown if the aggregate proceeds expected to be received from the sale of the Registrable Securities requested to be sold in such Underwritten Shelf Takedown, in the good faith judgment of the managing underwriter(s) therefor, is less than $40 million.

(iii) Notice of Underwritten Shelf Takedown. All requests for Underwritten Shelf Takedowns shall be made by giving written notice to the Company (the "Shelf Takedown Notice"). Each Shelf Takedown Notice shall specify the class or series and the approximate number of Registrable Securities to be sold in the Underwritten Shelf Takedown and the expected price range (net of underwriting discounts and commissions) of such Underwritten Shelf Takedown. Subject to Section 2(i) below, within three (3) days after receipt of any Shelf Takedown Notice, the Company shall give written notice of such requested Underwritten Shelf Takedown (which notice shall state the material terms of such proposed Underwritten Shelf Takedown, to the extent known, as well as the identity of the Shelf Public Offering Requesting Holder) to all other Holders of Registrable Securities (the "Company Notice") and, subject to the provisions of Section 2(a)(iv) and Section 2(i) below, shall include in such Underwritten Shelf Takedown all Registrable Securities of the same class or series as the Registrable Securities originally requested to be sold by the Shelf Public Offering Requesting Holder

with respect to which the Company has received written requests for inclusion therein within five (5) Business Days after giving the Company Notice; provided, that any such Registrable Securities shall be sold subject to the same terms as are applicable to the Registrable Securities the Shelf Public Offering Requesting Holder is requesting to sell.

(iv) Priority of Registrable Shares. If the managing underwriters for such Underwritten Shelf Takedown advise the Company and the Holders of Registrable Securities proposed to be included in such Underwritten Shelf Takedown that in their reasonable view the number of Registrable Securities proposed to be included in such Underwritten Shelf Takedown exceeds the number of Registrable Securities which can be sold in an orderly manner in such offering within a price range acceptable to the Holders of a Majority of Included Registrable Securities requested to be included in the Underwritten Shelf Takedown (the "Maximum Offering Size"), then the Company shall so advise all Holders of Registrable Securities proposed to be included in such Underwritten Shelf Takedown, and shall include in such Underwritten Shelf Takedown the number of Registrable Securities which can be so sold in the following order of priority, up to the Maximum Offering Size: (A) first, the Registrable Securities requested to be included in such Underwritten Shelf Takedown, allocated, if necessary for the offering not to exceed the Maximum Offering Size, to give first priority to the inclusion of the Registrable Securities of the Shelf Public Offering Requesting Holders and, thereafter, pro rata among the remaining Holders of such Registrable Securities on the basis of the number of Registrable Securities requested to be included therein by each such Holder, (B) second, any securities requested to be included in such Underwritten Shelf Takedown by the Company, and (C) third, Other Registrable Securities requested to be included in such Underwritten Shelf Takedown to the extent permitted hereunder, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among the respective holders of such Other Registrable Securities on the basis of the number of securities requested to be included therein by each such holder.

(v) Timing of Underwritten Shelf Takedowns. The Company shall not be obligated to effect an Underwritten Shelf Takedown within sixty (60) days (or such shorter period specified in any applicable lock-up agreement entered into with underwriters) after the consummation of a previous Underwritten Shelf Takedown.

(vi) Selection of Bankers and Counsel. The Holders of a Majority of Included Registrable Securities requested to be included in an Underwritten Shelf Takedown shall have the right to select the investment banker(s) and manager(s) to administer the offering (which shall consist of one (1) or more reputable nationally recognized investment banks, subject to the Company's approval (which shall not be unreasonably withheld, conditioned or delayed)) and one (1) firm of counsel to represent all of the Holders (along with any reasonably necessary local counsel), in connection with such Underwritten Shelf Takedown; provided, that the Company shall select such investment banker(s), manager(s) and counsel (including local counsel) if such Holders of such Majority of Registrable Securities cannot so agree on the same within a reasonable time period.

(vii) Withdrawal from Registration. Any Holder whose Registrable Securities were to be included in any such registration pursuant to Section 2(a)(ii) may elect to withdraw any or all of its Registrable Securities therefrom, without prejudice to the rights of any such Holder or Holders to include Registrable Securities in any future registration (or registrations), by written notice to the Company delivered on or prior to the effective date of the relevant Underwritten Shelf Takedown.

(viii) WKSI Filing. Upon the Company first becoming a WKSI (the "WKSI Date"), (A) the Company shall give written notice to all of the Holders who hold Registrable Securities as promptly as practicable but in no event later than ten (10) Business Days thereafter, and such notice shall describe, in reasonable detail, the basis on which the Company has become a WKSI, and (B) the Company shall, in accordance with the following sentence, register, under an Automatic Shelf Registration Statement, the sale of all outstanding Registrable Securities in accordance with the terms of this Agreement. The Company shall use its commercially reasonable efforts to file such Automatic Shelf Registration Statement as promptly as practicable, but in no event later than twenty (20) days after the WKSI Date, and to cause such Automatic Shelf Registration Statement to remain effective thereafter until there are no longer any Registrable Securities; provided, that, the failure of the Company to remain a WKSI after the filing of such Automatic Shelf Registration Statement shall not be deemed to be a breach of its obligations hereunder. The Company shall give written notice of filing such Registration Statement to all of the Holders who hold Registrable Securities as promptly as practicable thereafter. At any time after the filing of an Automatic Shelf Registration Statement by the Company, if it is reasonably likely that the Company will no longer be a WKSI (the "Determination Date"), as promptly as practicable but in no event later than ten (10) days after such Determination Date, the Company shall (1) give written notice thereof to all of the Holders and (2) file a Form S-3 Shelf, unless the Company is not then eligible to use Form S-3, in which case it shall use Form S-1 Shelf (or a post-effective amendment converting the Automatic Shelf Registration Statement to an appropriate form), covering all Registrable Securities, and use its commercially reasonable efforts to have such Registration Statement declared effective as promptly as practicable (but in no event more than (x) the fifteenth (15th) calendar day following the filing of the Registration Statement in the event of no "review" by the Commission, (y) the forty-fifth (45th) calendar day following the filing of the Registration Statement in the event of "limited review" by the Commission, or (z) in the event of a "review" by the Commission, the seventy-fifth (75th) calendar day following filing of the Registration Statement) after the date the Automatic Shelf Registration Statement is no longer useable by the Holders to sell their Registrable Securities, and keep such Registration Statement continuously effective under the Securities Act until there are no longer any Registrable Securities.

(ix) Adding Holders to Registration Statement. After the Registration Statement with respect to a Shelf Registration is declared effective but subject to the Suspension Period, upon written request by one or more Holders (which written request shall specify the amount of such Holders' Registrable Securities to be registered), the Company shall, as promptly as practicable after receiving such request, (i) if it is a Seasoned Issuer or a WKSI, or if such Registration Statement is an Automatic Shelf

Registration Statement, file a prospectus supplement to include such Holders as selling stockholders in such Registration Statement or (ii) if it is not a Seasoned Issuer or a WKSI, file a post-effective amendment to the Registration Statement to include such Holders in such Shelf Registration and use commercially reasonable efforts to have such post-effective amendment declared effective.

(x) Liquidated Damages. If: (A) the Shelf Registration Statement is not filed on or prior to the date set forth in Section 2(a)(i), (B) the Company fails to file with the Commission a request for acceleration of the Shelf Registration Statement in accordance with Rule 461 promulgated by the Commission pursuant to the Securities Act, within five (5) Business Days after the date that the Company is notified (orally or in writing, whichever is earlier) by the Commission that such Registration Statement will not be "reviewed" or will not be subject to further review, (C) the Shelf Registration Statement registering for resale all of the Registrable Securities is not declared effective by the Commission by the fifteenth (15th) calendar day following the filing of the Shelf Registration Statement (or in the event of a "limited review" by the Commission, the forty-fifth (45th) day or in the event of a "review" by the Commission, the seventy-fifth (75th) calendar day following the Effective Date), or (D) after the effective date of the Shelf Registration Statement, (1) such Shelf Registration Statement ceases for any reason to remain continuously effective (other than in connection with a Suspension Period) as to all Registrable Securities included in such Shelf Registration Statement, or (2) the Holders are otherwise not permitted to utilize the Prospectus therein to resell such Registrable Securities, for more than fifteen (15) consecutive calendar days or more than an aggregate of thirty (30) calendar days (which need not be consecutive calendar days) during any 12-month period (any such failure or breach being referred to as an "Event", and for purposes of clauses (A) and (C), the date on which such Event occurs, and for purpose of clause (B) the date on which such five (5) Business Day period is exceeded, and for purpose of clause (D) the date on which such fifteen (15) or thirty (30) calendar day period, as applicable, is exceeded being referred to as "Event Date"), then, in addition to any other rights the Holders may have hereunder or under applicable law, on the first day of the month following an Event Date, and the first day of each month thereafter until such Event has been cured, the Company shall pay to each Holder an amount in cash, as partial liquidated damages and not as a penalty, equal to (x)(i) $66,666.67 for each day for the first 30 calendar days during which an Event has occurred and is continuing beyond one or more Event Dates (up to a maximum of $2,000,000 of aggregate liquidated damages pursuant to this clause (x)(i)) and (ii) $33,333,34 for each day after the first 30 calendar days during which an Event has occurred and is continuing beyond one or more Event Dates, in each case, multiplied by (y) such Holder's Pro Rata Share. The amount of liquidated damages shall apply on a daily pro rata basis for any portion of each relevant 30-day period elapsed prior to the cure of an Event and shall be payable on the first day of the month following such Event (or if that day is not a Business Day, the next Business Day). For the avoidance of doubt, only one amount of liquidated damages shall accrue regardless of the number of Events occurring or existing at the same time. If the Company fails to pay any partial liquidated damages pursuant to this Section in full within seven Business Days after the date they are payable, the Company shall pay interest thereon at a rate of 9% per annum (or such lesser maximum amount that is permitted to be paid by applicable law) to the Holder,

accruing daily from the date such partial liquidated damages are due until such amounts, plus all such interest thereon, are paid in full. Notwithstanding the foregoing, the aggregate amount of such liquidated damages payable by the Company under this Agreement shall not exceed $6,000,000.

(b) Demand Registration.

(i) Demand Registration Statement. Subject to the terms and conditions of this Agreement (including Section 2(b)(iii)), at any time and from time to time after the Effective Date, upon written notice to the Company (a "Demand Notice") delivered by a Holder who is at the time a Ten Percent Holder (the "Initiating Holder") at any time requesting that the Company effect the registration (a "Demand Registration") under the Securities Act (other than pursuant to a registration statement on Form S-4 or Form S-8 or any similar or successor form under the Securities Act) of any or all of the Registrable Securities held by such Holder, the Company shall promptly (but in any event, not later than five (5) Business Days following the Company's receipt of such Demand Notice) give written notice of the receipt of such Demand Notice to all other Holders that, to its knowledge, hold Registrable Securities (each, a "Demand Eligible Holder"). The Company shall promptly file the appropriate Registration Statement (the "Demand Registration Statement") and use its commercially reasonable efforts to effect, at the earliest practicable date, the registration under the Securities Act and under the applicable state securities laws of (1) the Registrable Securities which the Company has been so requested to register by the Initiating Holders in the Demand Notice, (2) all other Registrable Securities of the same class or series as those requested to be registered by the Initiating Holder which the Company has been requested to register by the Demand Eligible Holders by written request (the "Demand Eligible Holder Request") given to the Company within ten (10) Business Days after the giving of such written notice by the Company, and (3) any Registrable Securities to be offered and sold by the Company, in each case subject to Section 2(b)(v), all to the extent required to permit the disposition (in accordance with the intended methods of disposition) of the Registrable Securities to be so registered. The Holders' rights to request a Demand Registration set forth in this Section 2(b) shall not be exercisable at any time if the Company (i) (x) is not in violation of its obligations to file a Shelf Registration Statement pursuant to Section 2(a) or (y) has a currently effective Shelf Registration Statement covering all Registrable Securities in accordance with Section 2(a), and (ii) has otherwise complied with its obligations pursuant to this Agreement.

(ii) Demand Registration Using Form S-3. The Company shall effect any requested Demand Registration using Form S-3 whenever the Company is a Seasoned Issuer or a WKSI, and shall use an Automatic Shelf Registration Statement if it is a WKSI. Subject to the terms and conditions of this Agreement (including Section 2(b)(iii)), for so long as the Company remains a Seasoned Issuer or a WKSI, each Ten Percent Holder (other than the Initial Holders) shall have the right to two (2) Demand Registrations using Form S-3, which shall not constitute a Demand Registration for purposes of determining the number of Demand Registrations limited under Section 2(b)(iii) below.

(iii) Other Demand Registrations. The Company shall only be required to (1) effect two (2) Demand Registrations for Capital Group and one (1) Demand Registration for Aurelius in any six month period, and (2) comply with a request for a Demand Registration if the aggregate gross proceeds expected to be received from the sale of the Registrable Securities requested to be included in such Demand Registration exceeds $40 million.

(iv) Effectiveness of Demand Registration Statement. The Company shall use its commercially reasonable efforts to have the Demand Registration Statement declared effective by the Commission and keep the Demand Registration Statement continuously effective under the Securities Act for the period of time necessary for the underwriters or Holders to sell all the Registrable Securities covered by such Demand Registration Statement or such shorter period which will terminate when all Registrable Securities covered by such Demand Registration Statement have been sold pursuant thereto (including, if necessary, by filing with the Commission a post-effective amendment or a supplement to the Demand Registration Statement or the related Prospectus or any document incorporated therein by reference or by filing any other required document or otherwise supplementing or amending the Demand Registration Statement, if required by the rules, regulations or instructions applicable to the registration form used by the Company for such Demand Registration Statement or by the Securities Act, any state securities or "blue sky" laws, or any other rules and regulations thereunder) (the "Effectiveness Period"). A Demand Registration requested pursuant to this Section 2(b) shall not be deemed to have been effected (A) if the Registration Statement is withdrawn without becoming effective, (B) if the Registration Statement does not remain effective in compliance with the provisions of the Securities Act and the laws of any state or other jurisdiction applicable to the disposition of the Registrable Securities covered by such Registration Statement for the Effectiveness Period, (C) if, after it has become effective, such Registration Statement is subject to any stop order, injunction or other order or requirement of the Commission or other governmental or regulatory agency or court for any reason other than a violation of applicable law solely by any selling Holder and has not thereafter become effective, (D) in the event of an underwritten offering, if the conditions to closing specified in the underwriting agreement entered into in connection with such registration are not satisfied or waived other than by reason of some wrongful act or omission by an Initiating Holder (E) if the Company does not include in the applicable Registration Statement any Registrable Securities held by a Holder that is required by the terms hereof to be included in such Registration Statement, (F) if the Initiating Holders and Demand Eligible Holders have not been able to sell at least 75% of the Registrable Securities that they have requested to sell in the Demand Notice or Demand Eligible Holder Request or (G) if the number of Registrable Securities included on the applicable Registration Statement is reduced in accordance with Section 2(b)(v) such that less than 66-2/3% of the Registrable Securities of the Initiating Holders sought to be included in such registration are included.

(v) Priority of Registration. Notwithstanding any other provision of this Section 2(b), if (A) the Initiating Holders intend to distribute the Registrable Securities covered by a Demand Registration by means of an underwritten offering and (B) the managing underwriters advise the Company and the Initiating Holders that in their

reasonable view, the number of Registrable Securities proposed to be included in such offering (including Registrable Securities requested by Holders to be included in such offering and any securities that the Company or any other Person proposes to be included that are not Registrable Securities) exceeds the Maximum Offering Size, then the Company shall so advise all Initiating Holders and Demand Eligible Holders with Registrable Securities proposed to be included in such underwritten offering, and shall include in such offering the number of Registrable Securities which can be so sold in the following order of priority, up to the Maximum Offering Size: (1) first, the Registrable Securities requested to be included in such underwritten offering by the Initiating Holders and the Demand Eligible Holders, allocated, if necessary for the offering not to exceed the Maximum Offering Size, to give first priority to the inclusion of the Registrable Securities of the Initiating Holders and, thereafter, pro rata among the Demand Eligible Holders on the basis of the number of Registrable Securities requested to be included therein by each such Demand Eligible Holder, (2) second, any securities proposed to be registered by the Company, and (3) third, Other Registrable Securities requested to be included in such underwritten offering to the extent permitted hereunder, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among the respective holders of such Other Registrable Securities on the basis of the number of securities requested to be included therein by each such holder.

(vi) Underwritten Demand Registration. The determination of whether any offering of Registrable Securities pursuant to a Demand Registration will be an underwritten offering shall be made in the sole discretion of the Holders of a Majority of Included Registrable Securities included in such underwritten offering, and such Holders of a Majority of Included Registrable Securities shall have the right to (A) determine the plan of distribution, including the price at which the Registrable Securities are to be sold and the underwriting commissions, discounts and fees, and (B) select the investment banker(s) and manager(s) to administer the offering (which shall consist of one (1) or more reputable nationally recognized investment banks, subject to the Company's approval (which shall not be unreasonably withheld, conditioned or delayed)) and one (1) firm of counsel to represent all of the Holders (along with any reasonably necessary local counsel), in connection with such Demand Registration; provided, that the Company shall select such investment banker(s), manager(s) and counsel (including local counsel) if the Holders of such Majority of Registrable Securities cannot so agree on the same within a reasonable time period.

(vii) Withdrawal of Registrable Securities. Any Holder whose Registrable Securities were to be included in any such registration pursuant to Section 2(b) may elect to withdraw any or all of its Registrable Securities therefrom, without prejudice to the rights of any such Holder or Holders to include Registrable Securities in any future registration (or registrations), by written notice to the Company delivered on or prior to the effective date of the relevant Demand Registration Statement.

(c) Piggyback Registration.

(i) Registration Statement on behalf of the Company. If at any time the Company proposes to file a Registration Statement, other than pursuant to a Shelf

Registration under Section 2(a) or any Demand Registration under Section 2(b), for an offering of Registrable Securities for cash (whether in connection with a public offering of Company Common Stock by the Company, a public offering of Company Common Stock by stockholders other than Holders, or both, but excluding an offering relating solely to an employee benefit plan, an offering relating to a transaction on Form S-4, a rights offering or an offering on any form of Registration Statement that does not permit secondary sales) (a "Piggyback Registration Statement"), the Company shall give prompt written notice (the "Piggyback Notice") to all Holders that, to its knowledge, hold Registrable Securities (collectively, the "Piggyback Eligible Holders") of the Company's intention to file a Piggyback Registration Statement reasonably in advance of (and in any event at least ten (10) Business Days before) the anticipated filing date of such Piggyback Registration Statement. The Piggyback Notice shall offer the Piggyback Eligible Holders the opportunity to include for registration in such Piggyback Registration Statement the number of Registrable Securities of the same class and series as those proposed to be registered as they may request, subject to Section 2(c)(ii) (a "Piggyback Registration"). Subject to Section 2(c)(ii), the Company shall use its commercially reasonable efforts to include in each such Piggyback Registration such Registrable Securities for which the Company has received written requests (each, a "Piggyback Request") from Piggyback Eligible Holders within five (5) Business Days after giving the Piggyback Notice. If a Piggyback Eligible Holder decides not to include all of its Registrable Securities in any Piggyback Registration Statement thereafter filed by the Company, such Piggyback Eligible Holder shall nevertheless continue to have the right to include any Registrable Securities in any subsequent Piggyback Registration Statements or Registration Statements as may be filed by the Company with respect to offerings of Registrable Securities, all upon the terms and conditions set forth herein. The Company shall use its commercially reasonable efforts to effect the registration under the Securities Act of all Registrable Securities which the Company has been so requested to register pursuant to the Piggyback Requests, to the extent required to permit the disposition of the Registrable Securities so requested to be registered.

(ii) Priority of Registration. If the Piggyback Registration under which the Company gives notice pursuant to Section 2(c)(i) is an underwritten offering, and the managing underwriter or managing underwriters of such offering advise the Company and the Piggyback Eligible Holders that, in their reasonable view the amount of securities requested to be included in such registration (including Registrable Securities requested by the Piggyback Eligible Holders to be included in such offering and any securities that the Company or any other Person proposes to be included that are not Registrable Securities) exceeds the Maximum Offering Size (which, for the purposes of a Piggyback Registration shall be within a price range acceptable to the Company), then the Company shall so advise all Piggyback Eligible Holders with Registrable Securities proposed to be included in such Piggyback Registration, and shall include in such offering the number which can be so sold in the following order of priority, up to the Maximum Offering Size: (A) in the case of a Company initiated registration, (1) first, the securities that the Company proposes to sell up to the Maximum Offering Size, (2) second, the Registrable Securities requested to be included in such Piggyback Registration, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among the Piggyback Eligible Holders on the basis of the number of Registrable Securities

requested to be included therein by each Piggyback Eligible Holder, and (3) third, Other Registrable Securities requested to be included in such Piggyback Registration, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among the holders thereof on the basis of the number of securities requested to be included therein by each such holder and (B) in the case of a non-Company initiated registration, (1) first, the securities requested to be included in such offering by the holders of the Company's securities initiating such registration, up to the Maximum Offering Size, (2) second, the Registrable Securities requested to be included in such Piggyback Registration, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among the Piggyback Eligible Holders on the basis of the number of Registrable Securities requested to be included therein by each Piggyback Eligible Holder, (3) third, any securities requested to be included in such Piggyback Registration by the Company, and (4) fourth, Other Registrable Securities requested to be included in such offering to the extent permitted hereunder, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among the respective holders of such Other Registrable Securities on the basis of the number of securities requested to be included therein by each such holder. All Piggyback Eligible Holders requesting to be included in the Piggyback Registration must sell their Registrable Securities to the underwriters selected as provided in Section 2(c)(iv) on the same terms and conditions as apply to the Company or the holder that initiated such registration. Promptly (and in any event within one (1) Business Day) following receipt of notification by the Company from the managing underwriter of a range of prices at which such Registrable Securities are likely to be sold, the Company shall so advise each Piggyback Eligible Holder requesting registration in such offering of such price. If any Piggyback Eligible Holder disapproves of the terms of any such underwriting (including the price offered by the underwriter(s) in such offering), such Piggyback Eligible Holder may elect to withdraw any or all of its Registrable Securities therefrom, without prejudice to the rights of any such Holder or Holders to include Registrable Securities in any future Piggyback Registration or other registration statement, by written notice to the Company and the managing underwriter(s) delivered on or prior to the effective date of such Piggyback Registration Statement. Any Registrable Securities withdrawn from such underwriting shall be excluded and withdrawn from the registration. For any Piggyback Eligible Holder that is a partnership, limited liability company, corporation or other entity, the partners, members, stockholders, Subsidiaries, parents and Affiliates of such Piggyback Eligible Holder, or the estates and Family Members of any such partners/members and retired partners/members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "Piggyback Eligible Holder," and any pro rata reduction with respect to such "Piggyback Eligible Holder" shall be based upon the aggregate amount of securities carrying registration rights owned by all entities and individuals included in such "Piggyback Eligible Holder," as defined in this sentence.

(iii) Withdrawal from Registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2(c) prior to the effective date of such Registration Statement, whether or not any Piggyback Eligible Holder has elected to include Registrable Securities in such Registration Statement, without prejudice, however, to the right of the Holders immediately to request that such registration be effected as a registration under Section 2(b) to the extent permitted

thereunder and subject to the terms set forth therein. The registration expenses of such withdrawn registration shall be borne by the Company in accordance with Section 4 hereof.

(iv) Selection of Bankers and Counsel. If a Piggyback Registration pursuant to this Section 2(c) involves an underwritten offering, the Company shall have the right, in consultation with the Holders of a Majority of Included Registrable Securities included in such underwritten offering, to (A) determine the plan of distribution, including the price at which the Registrable Securities are to be sold and the underwriting commissions, discounts and fees and (B) select the investment banker or bankers and managers to administer the offering, including the lead managing underwriter.

(v) Effect of Piggyback Registration. No registration effected under this Section 2(c) shall relieve the Company of its obligations to effect any registration of the offer and sale of Registrable Securities upon request under Section 2(a) or Section 2(b) hereof and no registration effected pursuant to this Section 2(c) shall be deemed to have been effected pursuant to Section 2(a) or Section 2(b) hereof.

(d) Notice Requirements. Any Demand Notice, Demand Eligible Holder Request, Piggyback Request or Shelf Takedown Notice shall (i) specify the maximum number or class or series of Registrable Securities intended to be offered and sold by the Holder making the request, (ii) express such Holder's bona fide intent to offer up to such maximum number of Registrable Securities for distribution, (iii) describe the nature or method of the proposed offer and sale of Registrable Securities (to the extent applicable), and (iv) contain the undertaking of such Holder to provide all such information and materials and take all action as may reasonably be required in order to permit the Company to comply with all applicable requirements in connection with the registration of such Registrable Securities.

(e) Suspension Period. Notwithstanding any other provision of this Section 2, the Company shall have the right but not the obligation to defer the filing of (but not the preparation of), or suspend the use by the Holders of, any Demand Registration or Shelf Registration for a period of up to forty-five (45) days (i) if the Company is subject to any of its customary suspension or blackout periods, for all or part of such period; (ii) upon issuance by the Commission of a stop order suspending the effectiveness of any Registration Statement with respect to Registrable Securities or the initiation of proceedings with respect to such Registration Statement under Section 8(d) or 8(e) of the Securities Act; (iii) if the Company believes that any such registration or offering (x) should not be undertaken because it would reasonably be expected to materially interfere with any material corporate development or plan or (y) would require the Company, under applicable securities laws and other laws, to make disclosure of material nonpublic information that would not otherwise be required to be disclosed at that time and the Company believes in good faith that such disclosures at that time would not be in the Company's best interests; provided that this exception (y) shall continue to apply only during the time that such material nonpublic information has not been disclosed and remains material; (iv) if the Company elects at such time to offer Company Common Stock or other equity securities of the Company to (x) fund a merger, third-party tender

offer or other business combination, acquisition of assets or similar transaction or (y) meet rating agency and other capital funding requirements; (v) if the Company is pursuing a primary underwritten offering of Company Common Stock pursuant to a registration statement; provided that the Investor shall have Piggyback Registration rights with respect to such primary underwritten offering in accordance with and subject to the restrictions set forth in Section 2(c); or (vi) if any other material development would materially and adversely interfere with any such Demand Registration or Shelf Registration (any such period, a "Suspension Period"); provided, however, that in such event, the Initiating Holders will be entitled to withdraw any request for a Demand Registration and, if such request is withdrawn, such Demand Registration will not count as a Demand Registration as the Company will pay all Registration Expenses in connection with such registration; and provided further, that in no event shall the Company declare a Suspension Period more than twice in any twelve (12) month period or for more than an aggregate of ninety (90) days in any twelve (12) month period. The Company shall give written notice to the Holders of its declaration of a Suspension Period and of the expiration of the relevant Suspension Period. If the filing of any Demand Registration or Shelf Registration is suspended pursuant to this Section 2(e), once the Suspension Period ends, the Initiating Holder may request a new Demand Registration or a new Shelf Registration (neither such request shall be counted as an additional Demand Registration for purposes of subclause (1) in the proviso of Section 2(b)(iii)).

(f) Required Information. The Company may require each Holder of Registrable Securities as to which any Registration Statement is being filed or sale is being effected to furnish to the Company such information regarding the distribution of such securities and such other information relating to such Holder and its ownership of Registrable Securities as the Company may from time to time reasonably request in writing (provided that such information shall be used only in connection with such registration) and the Company may exclude from such registration or sale the Registrable Securities of any such Holder who fails to furnish such information within a reasonable time after receiving such request. Each Holder agrees to furnish such information to the Company and to cooperate with the Company as reasonably necessary to enable the Company to comply with the provisions of this Agreement.

(g) Other Registration Rights Agreements. The Company has not entered into and, unless agreed in writing by each Holder on or after the date of this Agreement, will not enter into, any agreement that (i) is inconsistent with the rights granted to the Holders with respect to Registrable Securities in this Agreement or otherwise conflicts with the provisions hereof in any material respect or (ii) other than as set forth in this Agreement, would allow any holder of Company Common Stock to include Company Common Stock in any Registration Statement filed by the Company on a basis that is more favorable in any material respect to the rights granted to the Holders hereunder.

(h) Cessation of Registration Rights. All registration rights granted under this Section 2 shall continue to be applicable with respect to any Holder until such Holder no longer holds any Registrable Securities.

3. Alternative Transactions. Notwithstanding anything to the contrary contained herein, (A) no Holder shall be entitled to any piggyback right or to participate as a Demand Eligible Holder under this Section 2 in the event of an Alternative Transaction (including Alternative Transactions off of a Shelf Registration Statement or an Automatic Shelf Registration Statement, or in connection with the registration of Registrable Securities under an Automatic Shelf Registration Statement for purposes of effectuating an Alternative Transaction; provided, that, any registration with respect to an Alternative Transaction shall not constitute a Demand Registration for purposes of determining the number of Demand Registrations effected by the Company under Section 2(b)(ii) and (iii) above), (B) no Holder, other than an Affiliated Holder, shall be permitted to request or participate in an underwritten offering (including an Underwritten Shelf Takedown) that is an Alternative Transaction, (C) an Affiliated Holder effecting an underwritten offering (including an Underwritten Shelf Takedown) that is an Alternative Transaction shall provide prompt notice (but in no event later than twenty-four (24) hours consisting of Business Days prior to such Alternative Transaction) to the Company and any other Affiliated Holder setting forth the proposed timeline for such offering to permit participation by such other Affiliated Holder in such offering, and such other Affiliated Holder shall be entitled to participate in such offering so long as the participation of such other Affiliated Holder does not materially delay the proposed timeline of such Alternative Transaction specified in the notice.

4. **Registration Procedures.** The procedures to be followed by the Company and each participating Holder to register the sale of Registrable Securities pursuant to a Registration Statement in accordance with this Agreement, and the respective rights and obligations of the Company and such Holders with respect to the preparation, filing and effectiveness of such Registration Statement, are as follows:

(a) The Company will (i) prepare and file a Registration Statement or a prospectus supplement, as applicable, with the Commission (within the time period specified in Section 2(a) or Section 2(b), as applicable, in the case of a Shelf Registration, an Underwritten Shelf Takedown or a Demand Registration) which Registration Statement (A) shall be on a form selected by the Company for which the Company qualifies, (B) shall be available for the sale or exchange of the Registrable Securities in accordance with the intended method or methods of distribution, and (C) shall comply as to form in all material respects with the requirements of the applicable form and include and/or incorporate by reference all financial statements required by the Commission to be filed therewith, (ii) use its commercially reasonable efforts to cause such Registration Statement to become effective and remain effective for the periods provided under Section 2(a) or Section 2(b), as applicable, in the case of a Shelf Registration Statement or a Demand Registration Statement, (iii) use its commercially reasonable efforts to prevent the occurrence of any event that would cause a Registration Statement to contain a material misstatement or omission or to be not effective and usable for resale of the Registrable Securities registered pursuant thereto (during the period that such Registration Statement is required to be effective as provided under Section 2(a) or Section 2(b)), and (iv) cause each Registration Statement and the related Prospectus and any amendment or supplement thereto, as of the effective date of such Registration Statement, amendment or supplement (x) to comply in all material respects with any

requirements of the Securities Act and the rules and regulations of the Commission and (y) not to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. The Company will, (1) at least five (5) Business Days prior to the anticipated filing of a Registration Statement or any related Prospectus or any amendment or supplement thereto (including any documents incorporated by reference therein), or before using any Issuer Free Writing Prospectus, furnish to such Holders, the Holders' counsel and the managing underwriter or underwriters of an underwritten offering of Registrable Securities, if applicable, copies of all such documents proposed to be filed, (2) use its commercially reasonable efforts to address in each such document prior to being so filed with the Commission such comments as such Holder, its counsel or underwriter reasonably shall propose within three (3) Business Days of receipt of such copies by the Holders and (3) not file any Registration Statement or any related Prospectus or any amendment or supplement thereto containing information regarding a participating Holder to which a participating Holder objects.

(b) The Company will as promptly as reasonably practicable (i) prepare and file with the Commission such amendments, including post-effective amendments, and supplements to each Registration Statement and the Prospectus used in connection therewith as (A) may be reasonably requested by any Holder of Registrable Securities covered by such Registration Statement necessary to permit such Holder to sell in accordance with its intended method of distribution or (B) may be necessary under applicable law to keep such Registration Statement continuously effective with respect to the disposition of all Registrable Securities covered thereby for the periods provided under Section 2(a) or Section 2(b), as applicable, in accordance with the intended method of distribution and, subject to the limitations contained in this Agreement, prepare and file with the Commission such additional Registration Statements in order to register for resale under the Securities Act all of the Registrable Securities held by the Holders, (ii) cause the related Prospectus to be amended or supplemented by any required prospectus supplement, and as so supplemented or amended, to be filed pursuant to Rule 424, (iii) respond to any comments received from the Commission with respect to each Registration Statement or Prospectus or any amendment thereto, and (iv) as promptly as reasonably practicable, provide such Holders true and complete copies of all correspondence from and to the Commission relating to such Registration Statement or Prospectus other than any comments that the Company determines in good faith would result in the disclosure to such Holders of material non-public information concerning the Company that is not already in the possession of such Holder.

(c) The Company will comply in all material respects with the provisions of the Securities Act and the Exchange Act (including Regulation M under the Exchange Act) with respect to each Registration Statement and the disposition of all Registrable Securities covered by each Registration Statement.

(d) The Company will notify such Holders that, to its knowledge, hold Registrable Securities and the managing underwriter or underwriters of an underwritten offering of Registrable Securities, if applicable, as promptly as reasonably practicable: (i)(A) when a Registration Statement, any pre-effective amendment, any Prospectus or any prospectus

supplement or post-effective amendment to a Registration Statement or any free writing prospectus is proposed to be filed; (B) when the Commission notifies the Company whether there will be a "review" of such Registration Statement and whenever the Commission comments on such Registration Statement (in which case the Company shall provide true and complete copies thereof and all written responses thereto to each Holder, its counsel and each underwriter, if applicable, other than information which the Company determines in good faith would constitute material non-public information that is not already in the possession of such Holder); and (C) with respect to each Registration Statement or any post-effective amendment thereto, when the same has been declared effective; (ii) of any request by the Commission or any other federal or state governmental or regulatory authority for amendments or supplements to a Registration Statement or Prospectus or for additional information (whether before or after the effective date of the Registration Statement) or any other correspondence with the Commission or any such authority relating to, or which may affect, the Registration Statement; (iii) of the issuance by the Commission or any other governmental or regulatory authority of any stop order, injunction or other order or requirement suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation of any Proceedings for that purpose; (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any Proceeding for such purpose; (v) if, at any time, the representations and warranties of the Company in any applicable underwriting agreement or similar agreement cease to be true and correct in all material respects; or (vi) of the occurrence of any event that makes any statement made in such Registration Statement or Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or if, as a result of such event or the passage of time, such Registration Statement, Prospectus or other documents requires revisions so that, in the case of such Registration Statement or the Prospectus, as the case may be, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein (in the case of the Prospectus, in light of the circumstances under which they were made) not misleading, or when any Issuer Free Writing Prospectus includes information that may conflict with the information contained in the Registration Statement or Prospectus, or if, for any other reason, it shall be necessary during such time period to amend or supplement such Registration Statement or Prospectus in order to comply with the Securities Act, which shall correct such misstatement or omission or effect such compliance.

(e) The Company will use its commercially reasonable efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (i) any stop order or other order suspending the effectiveness of a Registration Statement or the use of any Prospectus, or (ii) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, at the earliest practicable moment, or if any such order or suspension is made effective during any Suspension Period, at the earliest practicable moment after the Suspension Period is over.

(f) During the Effectiveness Period or the Shelf Period, as applicable, the Company will furnish to each selling Holder and the managing underwriter or underwriters of an underwritten offering of Registrable Securities, if applicable, upon their request, without charge, at least one conformed copy of each Registration Statement and each amendment thereto and all exhibits to the extent requested by such selling Holder or underwriter (including those incorporated by reference) promptly after the filing of such documents with the Commission.

(g) The Company will promptly deliver to each selling Holder and the managing underwriter or underwriters of an underwritten offering of Registrable Securities, if applicable, without charge, as many copies of each Prospectus or Prospectuses (including each form of prospectus) and each amendment or supplement thereto as such selling Holder or underwriter may reasonably request in order to facilitate the disposition of the Registrable Securities by such selling Holder or underwriter. The Company consents to the use of such Prospectus and each amendment or supplement thereto by each of the selling Holders and any applicable underwriter in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any amendment or supplement thereto.

(h) The Company will use its commercially reasonable efforts to (i) register or qualify the Registrable Securities covered by a Registration Statement, no later than the time such Registration Statement is declared effective by the Commission, under all applicable securities laws (including the "blue sky" laws) of such jurisdictions each underwriter, if any, or any selling Holder shall reasonably request; (ii) keep each such registration or qualification effective during the period such Registration Statement is required to be kept effective under the terms of this Agreement and (iii) do any and all other acts and things which may be reasonably necessary or advisable to enable such underwriter, if any, and each selling Holder to consummate the disposition in each such jurisdictions of the Registrable Securities covered by such Registration Statement; provided, however, that the Company will not be required to (x) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph, (y) subject itself to taxation in any such jurisdiction or (z) consent to general service of process (other than service of process in connection with such registration or qualification or any sale of Registrable Securities in connection therewith) in any such jurisdiction.

(i) To the extent that the Company has certificated shares of Company Common Stock, the Company will cooperate with each Holder and the underwriter or managing underwriter of an underwritten offering of Registrable Securities, if applicable, to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be delivered to a transferee pursuant to a Registration Statement, which certificates shall be free of all restrictive legends indicating that the Registrable Securities are unregistered or unqualified for resale under the Securities Act, Exchange Act or other applicable securities laws, and to enable such Registrable Securities to be in such denominations and registered in such names as each Holder or the underwriter or managing underwriter of an underwritten offering of Registrable Securities, if any, may request in writing. In connection therewith, if required by the Company's transfer agent,

the Company will promptly, after the effective date of the Registration Statement, cause an opinion of counsel as to the effectiveness of the Registration Statement to be delivered to and maintained with such transfer agent, together with any other authorizations, certificates and directions required by the transfer agent which authorize and direct the transfer agent to issue such Registrable Securities without any such legend upon sale by the Holder or the underwriter or managing underwriter of an underwritten offering of Registrable Securities, if any, of such Registrable Securities under the Registration Statement.

(j) Upon the occurrence of any event contemplated by Section 3(d)(vi), as promptly as reasonably practicable, the Company will prepare a supplement or amendment, including a post-effective amendment, if required by applicable law, to the affected Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference or to the applicable Issuer Free Writing Prospectus, and file any other required document so that, as thereafter delivered, no Registration Statement nor any Prospectus will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of a Prospectus, in light of the circumstances under which they were made) not misleading and no Issuer Free Writing Prospectus will include information that conflicts with information contained in the Registration Statement or Prospectus, such that each selling Holder can resume disposition of such Registrable Securities covered by such Registration Statement or Prospectus.

(k) Selling Holders may distribute the Registrable Securities by means of an underwritten offering; provided that (i) such Holders provide to the Company a Shelf Takedown Notice or Demand Notice of their intention to distribute Registrable Securities by means of an underwritten offering, (ii) the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein, (iii) each Holder participating in such underwritten offering agrees to enter into customary agreements, including an underwriting agreement in customary form, and sell such Holder's Registrable Securities on the basis provided in any underwriting arrangements approved by the Holders entitled to select the managing underwriter or managing underwriters hereunder (provided that any such Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties, agreements and indemnities regarding such Holder, such Holder's title to the Registrable Securities, such Holder's intended method of distribution, the accuracy of information concerning such Holder as provided by or on behalf of such Holder, and any other representations required to be made by the Holder under applicable law, and the aggregate amount of the liability of such Holder in connection with such offering shall not exceed such Holder's net proceeds from the disposition of such Holder's Registrable Securities in such offering) and (iv) each Holder participating in such underwritten offering completes and executes all questionnaires, powers of attorney, custody agreements and other documents reasonably required under the terms of such underwriting arrangements. The Company hereby agrees with each Holder that, in connection with any underwritten offering in accordance with the terms

hereof, it will negotiate in good faith and execute all indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements, and will procure auditor "comfort" letters addressed to the underwriters in the offering from the Company's independent certified public accountants or independent auditors (and, if necessary, any other independent certified public accountants or independent auditors of any Subsidiary of the Company or any business acquired by the Company for which financial statements and financial data are, or are required to be, included in the Registration Statement) in customary form and covering such matters of the type customarily covered by comfort letters as the underwriters reasonably request, dated the date of execution of the underwriting agreement and brought down to the closing under the underwriting agreement.

(l) The Company will obtain for delivery to the underwriter or underwriters of an underwritten offering of Registrable Securities an opinion or opinions from counsel for the Company (including any local counsel reasonably requested by the underwriters) dated the most recent effective date of the Registration Statement or, in the event of an underwritten offering, the date of the closing under the underwriting agreement, in customary form, scope and substance, covering the matters customarily covered in opinions requested in sales of securities or underwritten offerings, which opinions shall be reasonably satisfactory to such underwriters and their counsel.

(m) For a reasonable period prior to the filing of any Registration Statement and throughout the Effectiveness Period or the Shelf Period, as applicable, the Company will make available upon reasonable notice at the Company's principal place of business or such other reasonable place for inspection by a representative appointed by the Holders of a Majority of Included Registrable Securities covered by the applicable Registration Statement, by any managing underwriter or managing underwriters selected in accordance with this Agreement and by any attorney, accountant or other agent retained by such Holders or underwriter, such financial and other information and books and records of the Company, and cause the officers, employees, counsel and independent certified public accountants of the Company to respond to such inquiries, as shall be reasonably necessary (and in the case of counsel, not violate an attorney-client privilege in such counsel's reasonable belief) to conduct a reasonable investigation within the meaning of Section 11 of the Securities Act.

(n) The Company will (i) provide and cause to be maintained a transfer agent and registrar for all Registrable Securities covered by the applicable Registration Statement from and after a date not later than the effective date of such Registration Statement and provide and enter into any reasonable agreements with a custodian for the Registrable Securities and (ii) not later than the effective date of the applicable Registration Statement, provide a CUSIP number for all Registrable Securities.

(o) The Company will cooperate with each Holder of Registrable Securities and each underwriter or agent participating in the disposition of Registrable Securities and their respective counsel in connection with any filings required to be made with FINRA and in performance of any due diligence investigations by any underwriter.

(p) The Company will use its commercially reasonable efforts to comply with all applicable rules and regulations of the Commission, the Trading Market, FINRA and any state securities authority, and make available to each Holder, as soon as reasonably practicable after the effective date of the Registration Statement, an earnings statement covering at least twelve (12) months which shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158.

(q) The Company will use its commercially reasonable efforts to ensure that any Issuer Free Writing Prospectus utilized in connection with any Prospectus complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby and, when taken together with the related Prospectus, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(r) In connection with any registration of Registrable Securities pursuant to this Agreement, the Company will take all commercially reasonable actions as are necessary or advisable in order to expedite or facilitate the disposition of Registrable Securities by such Holders, including using commercially reasonable efforts to cause appropriate officers and employees to be available, on a customary basis and upon reasonable advance notice, to meet with prospective investors in presentations, meetings and road shows; provided, however that the Company shall not be required to participate in any marketing effort that is longer than two business days or requires face to face meeting with investors more than once every ninety (90) days and no more than twice in a twelve month period.

(s) The Company shall use its commercially reasonable efforts to list the Company Common Stock and any other Registrable Securities of any class or series covered by a Registration Statement on the New York Stock Exchange or The Nasdaq Global Market or any successor national securities exchange. Following the listing of the Company Common Stock and any other Registrable Securities on the New York Stock Exchange or The Nasdaq Global Market or any successor national securities exchange, the Company will use its commercially reasonable efforts to maintain such listing until each Holder has sold all of its Registrable Securities.

(t) The Company shall, if such registration for an underwritten offering is pursuant to a Registration Statement on Form S-3 or any similar short-form registration, include in such Registration Statement such additional information for marketing purposes as the managing underwriter reasonably requests.

(u) The Company shall use its commercially reasonable efforts to cooperate in a timely manner with any reasonable and customary request of the Holders in respect of any Alternative Transaction, including entering into customary agreements with respect to such Alternative Transactions (and providing customary representations, warranties, covenants and indemnities in such agreements) as well as providing other reasonable

assistance in respect of such Alternative Transactions of the type applicable to a public offering subject to this Section 4, to the extent customary for such transactions..

5. **Registration Expenses.** The Company shall bear all reasonable Registration Expenses incident to the Parties' performance of or compliance with their respective obligations under this Agreement or otherwise in connection with any Demand Registration, Shelf Registration, Shelf Takedown Notice or Piggyback Registration (excluding any Selling Expenses), whether or not any Registrable Securities are sold pursuant to a Registration Statement.

"Registration Expenses" shall include, without limitation, (i) all registration, qualification and filing fees and expenses (including fees and expenses (A) of the Commission or FINRA, (B) incurred in connection with the listing of the Registrable Securities on the Trading Market, and (C) in compliance with applicable state securities or "Blue Sky" laws (including reasonable fees and disbursements of counsel for the underwriters in connection with blue sky qualifications of the Registrable Securities)); (ii) printing expenses (including expenses of printing certificates for the Company's shares and of printing prospectuses); (iii) analyst or investor presentation or road show expenses of the Company and the underwriters, if any; (iv) messenger, telephone and delivery expenses; (v) reasonable fees and disbursements of counsel (including any local counsel), auditors and accountants for the Company (including the expenses incurred in connection with "comfort letters" required by or incident to such performance and compliance); (vi) the reasonable fees and disbursements of underwriters to the extent customarily paid by issuers or sellers of securities (including, if applicable, the fees and expenses of any "qualified independent underwriter" (and its counsel) that is required to be retained in accordance with the rules and regulations of FINRA; (vii) fees and expenses of any special experts retained by the Company; (viii) Securities Act liability insurance, if the Company so desires such insurance; (ix) reasonable fees and disbursements of one counsel (along with any reasonably necessary local counsel) representing all Holders mutually agreed by Holders of a Majority of Included Registrable Securities participating in the related registration; provided that if Capital Group and Aurelius have Registrable Securities included in any registration, reasonable fees and disbursements of two counsel and (x) fees and expenses payable in connection with any ratings of the Registrable Securities, including expenses relating to any presentations to rating agencies. In addition, the Company shall be responsible for all of its expenses incurred in connection with the consummation of the transactions contemplated by this Agreement (including expenses payable to third parties and including all salaries and expenses of the Company's officers and employees performing legal or accounting duties), the expense of any annual audit and any underwriting fees, discounts, selling commissions and stock transfer taxes and related legal and other fees applicable to securities sold by the Company and in respect of which proceeds are received by the Company. Each Holder shall pay any Selling Expenses applicable to the sale or disposition of such Holder's Registrable Securities pursuant to any Demand Registration Statement or Piggyback Registration Statement, or pursuant to any Shelf Registration Statement under which such selling Holder's Registrable Securities were sold, in proportion to the amount of such selling Holder's shares of Registrable Securities sold in any offering under such Demand

Registration Statement, Piggyback Registration Statement or Shelf Registration Statement.

6. **Indemnification.**

(a) If requested by a participating Holder, the Company shall indemnify and hold harmless each underwriter, if any, engaged in connection with any registration referred to in Section 2 and provide representations, covenants, opinions and other assurances to such underwriter in form and substance reasonably satisfactory to such underwriter and the Company. Further, the Company shall indemnify and hold harmless each Holder, its partners, stockholders, equityholders, general partners, managers, and Affiliates and each of their respective officers and directors and any Person who controls any such Holder (within the meaning of the Securities Act) and any employee or Representative thereof (collectively, "Indemnified Persons"), to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, joint or several, costs (including reasonable costs of preparation and reasonable attorneys', accountants' and experts' fees) and expenses, judgments, fines, penalties, interest, settlements or other amounts arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, in which any Indemnified Person may be involved, or is threatened to be involved, as a party or otherwise, under the Securities Act or otherwise (collectively, "Losses"), as incurred, arising out of, based upon, resulting from or relating to (i) any untrue or alleged untrue statement of a material fact contained in any Registration Statement under which any Registrable Securities were registered, Prospectus (including in any preliminary prospectus (if used prior to the effective date of such Registration Statement)), or in any summary or final prospectus or free writing prospectus or in any amendment or supplement thereto or in any documents incorporated by reference in any of the foregoing or (ii) the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements made therein not misleading, or (iii) any violation or alleged violation by the Company or any of its Subsidiaries of any federal, state or common law rule or regulation relating to action or inaction in connection with any Company provided information in such registration, disclosure document or related document or report, and the Company will reimburse such Indemnified Person for any legal or other expenses reasonably incurred by it in connection with investigating or defending any such loss, claim, liability, action or proceeding; provided, however, that the Company shall not be liable to any Indemnified Person to the extent that any such Losses arise out of, are based upon or results from an untrue or alleged untrue statement or omission or alleged omission made in such Registration Statement, such preliminary, summary or final prospectus or free writing prospectus or such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by or on behalf of such Indemnified Person specifically for use in the preparation thereof.

(b) In connection with any Registration Statement filed by the Company pursuant to Section 2 hereof in which a Holder has registered for sale its Registrable Securities, each such selling Holder agrees (severally and not jointly) to indemnify and hold harmless, to the fullest extent permitted by law, the Company, its directors and officers, Affiliates, employees, agents and each Person who controls the Company (within the meaning of the

Securities Act or the Exchange Act) from and against any Losses resulting from (i) any untrue statement of a material fact in any Registration Statement under which such Registrable Securities were registered or sold under the Securities Act (including any final, preliminary or summary Prospectus contained therein or any amendment thereof or supplement thereto or any documents incorporated by reference therein) or (ii) any omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or omission is contained in any information furnished in writing by or on behalf of such selling Holder to the Company specifically for inclusion in such Registration Statement or Prospectus and has not been corrected in a subsequent writing prior to the sale of the Registrable Securities to the Indemnified Person asserting the claim. In no event shall the liability of any selling Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Holder under the sale of Registrable Securities giving rise to such indemnification obligation less any amounts paid by such Holder pursuant to Section 5(d) and any amounts paid by such Holder as a result of liabilities incurred under the underwriting agreement, if any, related to such sale.

(c) Any indemnified person shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that any delay or failure to so notify the indemnifying party shall not relieve the indemnifying party of its obligations hereunder except to the extent, if at all, that it is actually and materially prejudiced by reason of such delay or failure) and (ii) permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party; provided, however, that any indemnified person shall have the right to select and employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such indemnified person unless (A) the indemnifying party has agreed in writing to pay such fees or expenses, (B) the indemnifying party shall have failed to assume the defense of such claim within a reasonable time after receipt of notice of such claim from the indemnified person and employ counsel reasonably satisfactory to such indemnified person, (C) the indemnified party has reasonably concluded (based upon advice of its counsel) that there may be legal defenses available to it or other indemnified persons that are different from or in addition to those available to the indemnifying party, or (D) in the reasonable judgment of any such indemnified person (based upon advice of its counsel) a conflict of interest may exist between such indemnified person and the indemnifying party with respect to such claims (in which case, if the indemnified person notifies the indemnifying party in writing that such indemnified person elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such claim on behalf of such indemnified person). No action may be settled without the consent of the indemnifying party, provided that the consent of the indemnified party shall not be required if (A) such settlement includes an unconditional release of such indemnified party in form and substance satisfactory to such indemnified party from all liability on the claims that are the subject matter of such settlement; (B) such settlement provides for the payment by the indemnifying party of money as the sole relief for such action and (C) such settlement does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any indemnified party. It is understood that the indemnifying party or parties shall not, except as specifically set

forth in this Section 5(c), in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees, disbursements or other charges of more than one separate firm admitted to practice in such jurisdiction at any one time. Notwithstanding the provisions of this Section 5(c), no selling Holder shall be required to contribute any amount in excess of the net proceeds (after deducting the underwriters' discounts and commissions) received by such selling Holder in the offering. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. Each selling Holder's obligation to contribute pursuant to this Section 5(c) is several in the proportion that the proceeds of the offering received by such selling Holder bears to the total proceeds of the offering received by all such selling Holders and not joint.

The remedies provided for in this Section 5 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

7. **Facilitation of Sales Pursuant to Rule 144**. The Company shall use its commercially reasonable efforts to timely file the reports required to be filed by it under the Exchange Act or the Securities Act and the rules adopted by the Commission thereunder (including the reports under Sections 13 and 15(d) of the Exchange Act referred to in subparagraph (c)(1) of Rule 144), and shall take such further action as any Holder may reasonably request, all to the extent required from time to time to enable the Holders to sell Registrable Securities without registration under the Securities Act within the limitations of the exemption provided by Rule 144. Upon the written request of any Holder in connection with that Holder's sale pursuant to Rule 144, the Company shall deliver to such Holder a written statement as to whether it has complied with such requirements.

8. Miscellaneous.

(a) Remedies. In the event of a breach by the Company of any of its obligations under this Agreement, each Holder, in addition to being entitled to exercise all rights granted by law and under this Agreement, including recovery of damages, will be entitled to specific performance of its rights under this Agreement. The Company agrees that monetary damages would not provide adequate compensation for any losses incurred by reason of a breach by it of any of the provisions of this Agreement and further agrees that, in the event of any action for specific performance in respect of such breach, it shall waive the defense that a remedy at law would be adequate.

(b) Discontinued Disposition. Each Holder agrees by its acquisition of Registrable Securities that, upon receipt of a notice from the Company of the occurrence of any event of the kind described in clauses (ii) through (iv) and (vi) of Section 3(d) or the occurrence of a Suspension Period, such Holder will forthwith discontinue disposition of such Registrable Securities under the Registration Statement until such Holder's receipt of the copies of the supplemental Prospectus or amended Registration Statement or until it is advised in writing by the Company that the use of the applicable Prospectus may be resumed, and, in either case, has received copies of any additional or supplemental filings

that are incorporated or deemed to be incorporated by reference in such Prospectus or Registration Statement. The Company may provide appropriate stop orders to enforce the provisions of this Section 8(b). In the event the Company shall give any such notice, the period during which the applicable Registration Statement is required to be maintained effective shall be extended by the number of days during the period from and including the date of the giving of such notice to and including the date when each seller of Registrable Securities covered by such Registration Statement either receives the copies of the supplemented or amended Prospectus or is advised in writing by the Company that the use of the Prospectus may be resumed.

(c) Amendments. This Agreement may be amended with the consent of the Company and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company shall have obtained the written consent to such amendment, action or omission to act of each of the Holders.

(d) Waivers. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any Party to exercise any right hereunder in any manner impair the exercise of any such right.

(e) Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via facsimile or electronic mail as specified in this Section 8(e) prior to 5:00 p.m. (New York time) on a Business Day, (ii) the Business Day after the date of transmission, if such notice or communication is delivered via facsimile or electronic mail as specified in this Agreement later than 5:00 p.m. (New York time) on any date and earlier than 11:59 p.m. (New York time) on such date, (iii) the Business Day following the date of mailing, if sent by nationally recognized overnight courier service or (iv) upon actual receipt by the Party to whom such notice is required to be given. The address for such notices and communications shall be as follows:

If to the Company:

NII Holdings, Inc.
1875 Explorer Street, Suite 1000
Reston, Virginia 20190
Attention: Gary D. Begeman, Executive Vice President and General Counsel
Facsimile: (703) 390-7170
Email: gary.begeman@nii.com

with a copy (which shall not constitute notice) to:

Jones Day
222 East 21st Street
New York, New York 10017
Attention: J. Eric Maki
Facsimile: (212) 755-7306
Email: emaki@jonesday.com

If to any other Person who is then a Holder, to the address of such Holder as it appears on the signature pages hereto or such other address as may be designated in writing hereafter by such Person.

(f) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, executors, administrators, successors, legal representatives and Permitted Assignees, provided, that, all of the following additional conditions are satisfied: (i) the transfer was made in accordance with applicable securities laws; (ii) such Permitted Assignee agrees in writing to become subject to the terms of this Agreement; (iii) the Company is given written notice by such Holder of such transfer, stating the name and address of the Permitted Assignee. Nothing in this Section 8(f) shall affect any restrictions on transfer contained in any other contract by and among the Company and any of the Holders, or by and among any of the Holders. The Company may not assign its respective rights or obligations hereunder without the prior written consent of each Holder.

(g) Governing Law. This Agreement and all claims arising out of or based upon this Agreement or relating to the subject matter hereof shall be governed by and construed in accordance with the domestic substantive laws of the State of New York without giving effect to any choice or conflict of laws provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

(h) Submission to Jurisdiction. Each of the Parties, by its execution of this Agreement, (i) hereby irrevocably submits to the exclusive jurisdiction of the United States District Court for the Southern District of New York and the state courts sitting in the State of New York, County of New York for the purpose of any action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation arising out of or based upon this Agreement or relating to the subject matter hereof, (ii) hereby waives to the extent not prohibited by applicable law, and agrees not to assert, and agrees not to allow any of its Subsidiaries to assert, by way of motion, as a defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that any such proceeding brought in one of the above-named courts is improper, or that this Agreement or the subject matter hereof or thereof may not be enforced in or by such court and (iii) hereby agrees not to commence or maintain any action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation arising out of or based upon this Agreement or relating to the subject matter hereof or thereof other than before one of the above-named courts nor to make any

motion or take any other action seeking or intending to cause the transfer or removal of any such action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation to any court other than one of the above-named courts whether on the grounds of inconvenient forum or otherwise. Notwithstanding the foregoing, to the extent that any party hereto is or becomes a party in any litigation in connection with which it may assert indemnification rights set forth in this Agreement, the court in which such litigation is being heard shall be deemed to be included in clause (i) above. Notwithstanding the foregoing, any party to this Agreement may commence and maintain an action to enforce a judgment of any of the above-named courts in any court of competent jurisdiction. Each party hereto hereby consents to service of process in any such proceeding in any manner permitted by New York law, and agrees that service of process by registered or certified mail, return receipt requested, at its address specified pursuant to Section 8(e) hereof is reasonably calculated to give actual notice.

(i) Waiver of Venue. The Parties irrevocably and unconditionally waive, to the fullest extent permitted by applicable law, (i) any objection that they may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement in any court referred to in Section 8(h) and (ii) the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(j) Cumulative Remedies. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

(k) Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the Parties shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the Parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(l) Entire Agreement. This Agreement, together with each of the other Transaction Documents, constitutes the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior contracts or agreements with respect to the subject matter hereof and supersedes any and all prior or contemporaneous discussions, agreements and understandings, whether oral or written, that may have been made or entered into by or among any of the Parties or any of their respective Affiliates relating to the transactions contemplated hereby.

(m) Execution of Agreement. This Agreement may be executed and delivered (by facsimile, by electronic mail in portable document format (.pdf) or otherwise) in any number of counterparts, each of which, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same agreement.

(n) Determination of Ownership. In determining ownership of Company Common Stock hereunder for any purpose, the Company may rely solely on the records of the transfer agent for the Company's Company Common Stock from time to time, or, if no such transfer agent exists, the Company's stock ledger.

(o) Headings; Section References. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(p) No Recourse. Notwithstanding anything that may be expressed or implied in this Agreement, and notwithstanding the fact that certain of the Holders may be partnerships or limited liability companies, each Holder covenants, agrees and acknowledges that no recourse under this Agreement or any documents or instruments delivered in connection with this Agreement shall be had against any of the Company's or the Holder's former, current or future direct or indirect equity holders, controlling persons, stockholders, directors, officers, employees, agents, Affiliates, members, financing sources, managers, general or limited partners or assignees (each, a "Related Party" and collectively, the "Related Parties"), in each case other than the Company, the Holders or any of their respective assignees under this Agreement, whether by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any applicable law, it being expressly agreed and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any of the Related Parties, as such, for any obligation or liability of the Company or the Holders under this Agreement or any documents or instruments delivered in connection herewith for any claim based on, in respect of or by reason of such obligations or liabilities or their creation; provided, however, nothing in this Section 8(p) shall relieve or otherwise limit the liability of the Company or any Holder, as such, for any breach or violation of its obligations under this Agreement or such agreements, documents or instruments.

(q) Recapitalizations, Exchanges, etc. The provisions of this Agreement shall apply to the full extent set forth herein with respect to (a) the Company Common Stock, (b) any and all securities into which shares of Company Common Stock are converted, exchanged or substituted in any recapitalization or other capital reorganization by the Company and (c) any and all equity securities of the Company or any successor or assign of the Company (whether by merger, consolidation, sale of assets or otherwise) which may be issued in respect of, in conversion of, in exchange for or in substitution of, the Company Common Stock and shall be appropriately adjusted for any stock dividends, splits, reverse splits, combinations, recapitalizations and the like occurring after the date hereof. The Company shall cause any successor or assign (whether by merger, consolidation, sale of assets or otherwise) to assume the obligations of the Company under this Agreement or enter into a new registration rights agreement with the Holders on terms substantially the same as this Agreement as a condition of any such transaction.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first written above.

NII HOLDINGS, INC.

By: _____
Name:
Title:

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK,
SIGNATURE PAGES OF HOLDERS TO FOLLOW]*

SCHEDULE I

American High-Income Trust
The Bond Fund of America
Capital Income Builder
The Growth Fund of America
American Funds Global High-Income Opportunities Fund
The Income Fund of America
International Growth and Income Fund
American Funds Insurance Series – Asset Allocation Fund
American Funds Insurance Series – Bond Fund
American Funds Insurance Series – Global Bond Fund
American Funds Insurance Series – Global Growth and Income Fund
American Funds Insurance Series – High-Income Bond Fund
Capital World Bond Fund
SMALLCAP World Fund, Inc.
Capital Group Global High-Income Opportunities Trust (US)
Capital Group US High-Yield Fixed-Income Trust (US)
Sempra Energy Defined Benefit Master Trust
JNL/Capital Guardian Global Balanced Fund
Capital International Global High-Income Opportunities
Capital Group Strategic Opportunities Fund

ACP Master, Ltd.
Aurelius Capital Master, Ltd.
Aurelius Convergence Master, Ltd.
Aurelius Investment, LLC

EXHIBIT B

Revised NII Holdings Certificate of Incorporation

SECOND AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION

OF

NII HOLDINGS, INC.

(Amended and Restated as of , 2015)

NII Holdings, Inc., a corporation organized and existing under the laws of the State of Delaware, does hereby certify:

1. The name of the corporation is NII Holdings, Inc. (the "Corporation"). The original Certificate of Incorporation was filed with the Secretary of State of the State of Delaware (the "Secretary of State") on October 18, 2000 under the name of NII Acquisition Company. A Certificate of Merger was filed with the Secretary of State on November 28, 2000. A Certificate of Amendment was filed with the Secretary of State on December 21, 2001. A Restated Certificate of Incorporation was filed with the Secretary of State on November 12, 2002. Certificates of Amendment were filed with the Secretary of State on May 5, 2004 and on May 4, 2006. An Amended and Restated Certificate of Incorporation was filed with the Secretary of State on May 22, 2013.

2. The Second Amended and Restated Certificate of Incorporation (as amended from time to time, the "Certificate of Incorporation"), which both restates and further amends the provisions of the Corporation's Amended and Restated Certificate of Incorporation as hereinafter set forth, was duly adopted in accordance with the provisions of Sections 245 and 303 of the Delaware General Corporation Law on , 2015.

3. The text of the Amended and Restated Certificate of Incorporation is hereby amended and restated to read in its entirety as follows:

FIRST: The name of the Corporation is NII Holdings, Inc.

SECOND: The address of its registered office in the State of Delaware is Corporation Service Company, 2711 Centerville Road, Suite 400, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is Corporation Service Company.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law.

FOURTH: Authorized Shares.

The total authorized number of shares of all classes of capital stock which the Corporation has authority to issue is one hundred fifty million (150,000,000) shares, divided into two classes as follows:

One hundred forty million (140,000,000) shares of common stock, par value $0.001 per share (the "Common Stock"); and Ten million (10,000,000) shares of preferred stock, par value $0.001 per share (the "Preferred Stock").

A. Common Stock.

1. Voting Rights. Subject to any voting rights granted to Preferred Stock outstanding at the time, each share of Common Stock shall be entitled to one (1) vote per share, in person or by proxy, on all matters submitted to a vote of the stockholders of the Corporation on which the holders of the Common Stock are entitled to vote. Except as otherwise required in this Certificate of Incorporation, the Corporation's Bylaws or by applicable law, the holders of shares of Common Stock shall vote together as one class on all matters submitted to a vote of stockholders of the Corporation generally (or if any holders of shares of Preferred Stock are entitled to vote together with the holders of Common Stock, as a single class with such holders of shares of Preferred Stock, if any).

2. Dividends and Distributions. Subject to the preferences applicable to any Preferred Stock outstanding at any time, if any, the holders of shares of Common Stock shall be entitled to receive such dividends and other distributions in cash, property or shares of stock of the Corporation as may be declared thereon by the Corporation's Board of Directors from time to time out of assets or funds of the Corporation legally available therefor.

3. Liquidation. If the Corporation shall be liquidated (either partial or complete), dissolved or wound up, whether voluntarily or involuntarily, the holders of the Common Stock shall be entitled to share ratably in the net assets of the Corporation remaining after payment of all liquidation preferences, if any, applicable to any outstanding Preferred Stock.

B. Undesignated Preferred Stock.

Authority is hereby expressly granted to the Board of Directors from time to time to issue the Preferred Stock as preferred stock of one or more series and in connection with the creation of any such series to fix by the resolution or resolutions providing for the issue of shares thereof the designation, voting powers, preferences, and relative, participating, optional, or other special rights of such series, and the qualifications, limitations, or restrictions thereof. Any of the voting powers, designations, preferences, rights and qualifications, limitations or restrictions of any such series of stock may be made dependent upon facts ascertainable outside the resolution or resolutions providing for the issue of such stock adopted by the Board of Directors, provided that the manner in which such facts shall operate upon the voting powers, designations, preferences, rights and qualifications, limitations or restrictions of such series of stock is clearly and expressly set forth in the resolution or resolutions providing for the issue of such series adopted by the Board of Directors. Such authority of the Board of Directors with respect to each such series shall include, but not be limited to, the determination of the following:

(1) the distinctive designation of, and the number of shares comprising, such series, which number may be increased (except where otherwise provided by the Board of Directors in creating such series) or decreased (but not below the number of shares thereof then outstanding) from time to time by like action of the Board of Directors;

(2) the dividend rate or amount for such series, the conditions and dates upon which such dividends shall be payable, the relation which such dividends shall bear to the dividends payable on any other class or classes or any other series of any class or classes of stock, and whether such dividends shall be cumulative, and if so, from which date or dates for such series;

(3) whether or not the shares of such series shall be subject to redemption by the Corporation and the times, prices and other terms and conditions of such redemption;

(4) whether or not the shares of such series shall be subject to the operation of a sinking fund or purchase fund to be applied to the redemption or purchase of such shares and if such a fund be established, the amount thereof and the terms and provisions relative to the application thereof;

(5) whether or not the shares of such series shall be convertible into or exchangeable for shares of any other class or classes, or of any other series of any class or classes, of stock of the Corporation and if provision be made for conversion or exchange, the times, prices, rates, adjustments, and other terms and conditions of such conversion or exchange;

(6) whether or not the shares of such series shall have voting rights, in addition to the voting rights provided by law, and if they are to have such additional voting rights, the extent thereof;

(7) the rights of the shares of such series in the event of any liquidation, dissolution, or winding up of the Corporation or upon any distribution of its assets; and

(8) any other powers, preferences, and relative, participating, optional, or other special rights of the shares of such series, and the qualifications, limitations, or restrictions thereof, to the full extent now or hereafter permitted by law and not inconsistent with the provisions hereof.

C. Non-Voting Securities.

The Corporation shall not issue non-voting equity securities; provided, however, that the foregoing restriction shall (a) have no further force and effect beyond that required under Section 1123(a)(6) of Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"), (b) only have such force and effect for so long as Section 1123 of the Bankruptcy Code is in effect and applicable to the Corporation, and (c) in all events may be amended or eliminated in accordance with applicable law as from time to time may be in effect. The prohibition on the issuance of non-voting equity securities is included in this Certificate of Incorporation in compliance with Section 1123(a)(6) of the Bankruptcy Code (11 U.S.C. §1123(a)(6)).

FIFTH:

A. The number of directors constituting the Board of Directors shall be fixed from time to time by, or in the manner provided in, the Bylaws of the Corporation, but in no case may the number of directors be less than three.

B. Until the 2017 Annual Meeting, the directors shall be divided into two classes, designated as Class I and Class II. The initial term for the one director in Class I shall expire at the annual meeting of stockholders to be held in 2016 and thereafter at the annual meeting of stockholders to be held in 2017. The term for all of the other directors who shall be in Class II shall expire at the annual meeting of stockholders to be held in 2017. At the 2017 Annual Meeting of Stockholders, and each annual meeting of stockholders thereafter, each director shall be elected for a term expiring at the next annual meeting of stockholders and until such director's successor is elected and qualified, or such director's earlier resignation or removal. So long as the Board of Directors is divided into classes, any increase or decrease in the number of directors constituting the Board shall be apportioned among the classes so as to maintain at least one director in each class. Any director elected or appointed to fill a vacancy shall hold office for the remaining term of the class to which such director is assigned. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director. The Bylaws may contain any provision regarding classification of the Corporation's directors not inconsistent with the terms hereof. Until the 2017 Annual Meeting of Stockholders, the affirmative vote of holders of no less than seventy-five percent (75%) of the voting power of the outstanding Voting Stock, voting together as a single class, shall be required to alter, amend or repeal this Clause B.

SIXTH:

A. The Board of Directors is authorized to make, alter, amend or repeal the Bylaws of the Corporation (other than Sections 2.2 (Annual Meetings), 2.3 (Special Meetings), 2.5 (Quorum), 2.6 (Voting), 2.8 (Submission of Business for Consideration at Meetings of Stockholders), 2.9 (Action Without a Meeting), 3.1 (Number and Qualification), 3.2 (Election and Term), 3.3 (Nominations), 3.4 (Majority Voting in Director Elections); 3.5 (Vacancies); 3.6 (Removal), 8.7 (Beneficial Ownership) and Article IX of the Bylaws (as such provisions are designated in the Bylaws in effect on the date hereof) unless otherwise provided in any such provision, or any provision to the extent adopted, altered, amended or repealed pursuant to an action taken by stockholders, any successor provision to such provisions or any other alteration or amendment inconsistent with such sections). The stockholders acting by the affirmative vote of the holders of a majority of the voting power of the outstanding Voting Stock, voting together as a single class, are also authorized to make, alter, amend or repeal the Bylaws of the Corporation.

B. The Corporation shall not be governed by or subject to Section 203 of the Delaware General Corporation Law.

C. Subject to the rights of the holders of any series of Preferred Stock:

(1) any action required or permitted to be taken by the stockholders of the Company may be taken at a duly called annual or special meeting of stockholders of the Company or without a meeting by means of any consent in writing of such stockholders; and

(2) special meetings of stockholders of the Company may be called by the secretary upon the written request of the chairman of the Board or chief executive officer at any time and shall be called by the secretary upon the request in writing of not less than a majority of the Board of Directors, or of stockholders holding, beneficially or of record, not less than thirty-three percent (33%) of the Common Stock of the Corporation issued and outstanding and entitled to vote, where beneficial ownership for these purposes may be established by any method prescribed by Rule 14a-8(b)(2) under the Securities Exchange Act of 1934, as amended, or any successor provision (without giving effect to any minimum threshold or duration of ownership limitation therein).

At any annual meeting or special meeting of stockholders of the Company, only such business will be conducted or considered as has been brought before such meeting in the manner provided in the Bylaws of the Company. For the purposes of this Certificate of Incorporation, "Voting Stock" means stock of the Company of any class or series entitled to vote generally in the election of Directors.

SEVENTH:

A. To the fullest extent permitted by the Delaware General Corporation Law as it now exists and as it may hereafter be amended, no director shall be personally liable to the Corporation or any of its stockholders for monetary damages for breach of any fiduciary or other duty as a director, provided that this provision shall not eliminate or limit the liability of a director (1) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (2) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (3) under Section 174 of the Delaware General Corporation Law, or (4) for any transaction from which the director derived an improper personal benefit.

B. The rights and authority conferred in this Article SEVENTH shall not be exclusive of any other right that any person may otherwise have or hereafter acquire.

C. Neither the amendment, alteration or repeal of this Article SEVENTH, nor the adoption of any provision inconsistent with this Article SEVENTH, shall adversely affect any right or protection of a director of the Corporation existing at the time of such amendment, alteration or repeal with respect to acts or omissions occurring prior to such amendment, alteration, repeal or adoption.

D. Any person who was or is a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether by or in the right of the Corporation or otherwise (a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee, partner (limited or general) or agent of another corporation or of a partnership, joint venture, limited liability company, trust or other enterprise, including service with respect to an employee benefit plan, shall be (and shall be deemed to have a contractual right to be) indemnified and held harmless by the Corporation (and any successor to the Corporation by merger or otherwise) to the fullest extent authorized by, and subject to the conditions and (except as provided herein) procedures set forth in the Delaware General Corporation Law, as the same exists or may hereafter be amended (but any such amendment shall not be deemed to limit or prohibit the rights of indemnification hereunder for past acts or omissions of any

such person insofar as such amendment limits or prohibits the indemnification rights that said law permitted the Corporation to provide prior to such amendment), against all expenses, liabilities and losses (including attorneys' fees, judgments, fines, ERISA taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith; provided, however, that the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. Persons who are not directors or officers of the Corporation and are not serving at the request of the Corporation may be similarly indemnified in respect of such service to the extent authorized at any time by the Board of Directors of the Corporation. The indemnification conferred in this Clause D shall also include the right to advancement by the Corporation of any and all expenses (including attorneys' fees) incurred in the defense of or other involvement in any proceeding in advance of its final disposition; provided, however, that the advancement of expenses (including attorneys' fees) incurred by a person in advance of the final disposition of a proceeding shall be made only upon delivery to the Corporation of an undertaking by or on behalf of such person to repay all amounts so paid in advance if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Clause D.

IN WITNESS WHEREOF, the undersigned has executed this Second Amended and Restated Certificate of Incorporation this day of , 2015.

NII HOLDINGS, INC.

By: _____
Name: Gary D. Begeman
Office: Executive Vice President, General Counsel

EXHIBIT C

Revised NII Holdings Bylaws

NII HOLDINGS, INC.
FIFTH AMENDED AND RESTATED BYLAWS

ARTICLE I
OFFICES

Section 1.1 Registered Office. The registered office of NII Holdings, Inc. (the "Corporation") shall be in the City of Wilmington, County of New Castle, State of Delaware.

Section 1.2 Offices. The Corporation may also have offices at such other places both within and without the State of Delaware as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II
MEETINGS OF STOCKHOLDERS

Section 2.1 Time and Place.

(a) All meetings of the stockholders for shall be held at such time and place (if any) as designated by the Board of Directors, within or without the State of Delaware, and stated in the notice of the meeting provided in accordance with Section 2.4 hereof. Notwithstanding the foregoing, the Board may, in its sole discretion, determine that a meeting of stockholders will not be held at any place, but may instead be held by means of remote communications pursuant to Section 8.6. The Board may reschedule to an earlier or later date any previously scheduled annual or special meeting of stockholders (subject, in the case of a special meeting called pursuant to Section 2.3, to the requirements of therein).

(b) Except as otherwise set forth in these bylaws, every reference in these bylaws to a majority or other proportion of the entire capital stock of the Corporation necessary to take a particular action, refers to a majority or other proportion of the votes entitled to be cast with respect to a particular matter or action by all holders of the issued and outstanding capital stock of the Corporation that are entitled to vote on such matter or action.

Section 2.2 Annual Meetings. Annual meetings of stockholders shall be held in each year on such date (which date, other than for the 2016 annual meeting, shall be no later than 13 months after the date of the last annual meeting of stockholders) and at such time as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting, at which stockholders shall elect directors in accordance with Section 3.4 hereof, and transact such other business as may properly be brought before the meeting in accordance with Section 2.8 hereof.

Section 2.3 Special Meetings.

(a) Special meetings of the stockholders, unless otherwise prescribed by statute or by the Corporation's Second Amended and Restated Certificate of Incorporation (as amended from time to time, the "Certificate of Incorporation"), may be called by the secretary upon the written request of the chairman of the Board or chief executive officer at any time and shall be called by the secretary upon the request in

writing of not less than a majority of the Board of Directors, or of stockholders holding, beneficially or of record, not less than thirty-three percent (33%) of the common stock of the Corporation issued and outstanding and entitled to vote as of the record date (the "Requisite Percentage") referred to in this Section 2.3, subject to the following: In order for a special meeting requested by one or more stockholders (a "Stockholder Requested Special Meeting") to be called by the secretary, one or more written requests for a special meeting (each a "Special Meeting Request," and collectively, the "Special Meeting Requests") stating the purpose of the special meeting and the matters proposed to be acted upon thereat must be signed and dated by the Requisite Percentage of holders of common stock of the Corporation (or their duly authorized agents), must be delivered to the secretary at the principal executive offices of the Corporation and must set forth: (i) in the case of any director nominations proposed to be presented at such Stockholder Requested Special Meeting, the information required by Section 3.3(d); (ii) in the case of any matter (other than a director nomination) proposed to be conducted at such Stockholder Requested Special Meeting, the information required by Section 2.8(b); and (iii) an agreement by the requesting stockholder(s) to notify the secretary immediately in the case of any disposition prior to the record date for the Stockholder Requested Special Meeting of shares of Voting Stock owned of record and an acknowledgement that any such disposition shall be deemed a revocation of such Special Meeting Request to the extent of such disposition such that the number of shares disposed of shall not be included in determining whether the Requisite Percentage has been reached (except that for purposes of this Section 2.3, the term "Stockholder Requested Special Meeting" will be substituted for the term "annual meeting" in all places where it appears in Section 2.8(b)).

(b) In determining whether a special meeting of stockholders has been requested by the holders of shares representing in the aggregate at least the Requisite Percentage, multiple Special Meeting Requests delivered to the secretary will be considered together only if each such Special Meeting Request (A) identifies substantially the same purpose or purposes of the special meeting and substantially the same matters proposed to be acted on at the special meeting (in each case as determined in good faith by the Board), and (B) has been dated and delivered to the secretary within 60 days of the earliest dated of such Special Meeting Requests. Any requesting stockholder may revoke his, her or its Special Meeting Request at any time by written revocation delivered to the secretary at the principal executive offices of the Corporation; *provided*, *however*, that if following such revocation (or any deemed revocation pursuant to Section 2.3(a)(iii) above), the unrevoked valid Special Meeting Requests represent in the aggregate less than the Requisite Percentage there shall be no requirement to hold a special meeting. The first date on which unrevoked valid Special Meeting Requests constituting not less than the Requisite Percentage shall have been delivered to the secretary is referred to herein as the "Request Receipt Date."

(c) A Special Meeting Request shall not be valid: (i) if the Special Meeting Request relates to an item of business that is not a proper subject for stockholder action under applicable law; and (ii) an identical or substantially similar item as determined in good faith by the Board is included in the Corporation's notice as an item of business to be brought before a stockholder meeting that has been called but not yet held or that is called for a date within 75 days after the Request Receipt Date.

(d) The Corporation will provide the requesting stockholder(s) with notice of the record date(s) for the determination of stockholders (i) entitled to submit a Special Meeting Request and (ii) entitled to vote at the Stockholder Requested Special Meeting.

(e) A Stockholder Requested Special Meeting shall be held at such date and time as may be fixed by the Board; *provided*, *however*, that the Stockholder Requested Special Meeting shall be called for a date not less than 75 calendar days after the Request Receipt Date.

(f) No requesting stockholder will be entitled to have any matter proposed to be presented at a Stockholder Requested Meeting in any proxy statement or form of proxy that the Corporation may use in connection therewith solely as a result of such stockholder's compliance with the foregoing provisions of this Section 2.3.

(g) Business transacted at any Stockholder Requested Special Meeting shall be limited to (i) the purpose(s) stated in the valid Special Meeting Request(s) received from the Requisite Percentage of stockholders; and (ii) any additional matters that the Board determines to include in the Corporation's notice of the meeting. If none of the stockholders (owning beneficially or of record) who submitted the Special Meeting Request appears in person or by proxy to present the matters to be presented for consideration that were specified in the Stockholder Meeting Request, the Corporation need not present such matters for a vote at such meeting, notwithstanding that proxies in respect of such matter may have been solicited, obtained or delivered.

Section 2.4 Notice of Meetings. Notice of any annual or special meeting of the stockholders, stating the place (if any), date and hour of the meeting, as well as the record date for determining stockholders entitled to vote at the meeting (if such record date is different from the record date for determining stockholders entitled to notice of the meeting), and the means of remote communication (if any) by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, shall be given to each stockholder entitled to notice of such meeting not less than ten nor more than sixty days before the date of such meeting. Notice of special meetings of stockholders shall also include the purpose or purposes for which the meeting is called.

Section 2.5 Quorum. The holders of shares representing a majority of votes that may be cast by the entire capital stock of the Corporation issued and outstanding and entitled to vote thereat with respect to a particular matter, present in person or represented by proxy, shall constitute a quorum at all meetings with respect to each matter to be voted upon at a meeting of the stockholders for the transaction of business except as otherwise provided by the Delaware General Corporation Law (the "DGCL") or by the Certificate of Incorporation. If, however, such quorum is not present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present or represented.

Section 2.6 Voting. When a quorum is present at any meeting of stockholders, the affirmative vote of a majority of the votes properly cast on the matter (excluding any abstentions or broker non-votes) will be the act of the stockholders with respect to all matters other than the election of directors which will be elected in accordance with Section 3.4, or as otherwise provided in these bylaws, the Certificate of Incorporation, a Preferred Stock Designation, or by the DGCL.

Section 2.7 Conduct of Meetings. The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at such meeting by the

person presiding over the meeting. The Board of Directors may adopt by resolution such rules or regulations for the conduct of meetings of stockholders as it shall deem appropriate; provided that such rules or regulations shall be consistent with the Certificate of Incorporation and these bylaws. Unless otherwise specified in such rules or regulations, the chairman of the Board shall serve as the chair of any meeting of stockholders. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chair of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chair, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chair of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting, to stockholders (owning beneficially or of record) of the Corporation, their duly authorized and constituted proxies or such other persons as the chair shall permit; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; (v) limitations on the time allotted to questions or comments by participants and (vi) the adjournment of the meeting by the chair. Unless, and to the extent determined by the Board of Directors or the chair of the meeting, meetings of stockholders shall not be required to be held in accordance with rules of parliamentary procedure.

Section 2.8 Submission of Business for Consideration at Meetings of Stockholders.

(a) At an annual meeting of stockholders, only such business (other than the nomination of candidates for election as directors of the Corporation, which is governed by Section 3.3 hereof) will be conducted or considered as is properly brought before the annual meeting. To be properly brought before an annual meeting, business must be (i) specified in the notice of the annual meeting (or any supplement thereto) given by or at the direction of the Board of Directors in accordance with Section 2.4 hereof, (ii) otherwise properly brought before the annual meeting by the presiding officer or by or at the direction of a majority of the entire Board, or (iii) otherwise properly requested to be brought before the annual meeting by a stockholder of the Corporation in accordance with this Section 2.8. For purposes of these bylaws, “entire Board” refers to the total number of directors that the Corporation would have if there were no vacancies.

(b) For business to be properly requested by a stockholder to be brought before an annual meeting, (i) the stockholder must be the holder, beneficially or of record, of shares, (ii) the stockholder must be entitled to vote at such meeting (either directly or through a proxy or beneficial interest), and (iii) the stockholder must have given timely notice thereof in proper written form to the secretary of the Corporation. Except as otherwise provided by law, to be timely, a stockholder's notice must be delivered to or mailed and received by the secretary of the Corporation at the principal executive offices of the Corporation not less than 75 calendar days prior to the anniversary of the preceding year's annual meeting of stockholders; *provided*, *however*, that if there was no annual meeting in the preceding year or the date of the annual meeting is advanced more than 30 calendar days prior to, or delayed by more than 30 calendar days after the anniversary of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not later than the close of business on the later of the 45th calendar day prior to such annual meeting or the 10th calendar day following the day on which public disclosure of the date of such meeting is first made. In no event shall the public disclosure of an adjournment of an annual meeting commence a new time period for the giving of a stockholder's notice as described above. To be in proper written form, a stockholder's notice to the secretary of the Corporation must set forth (A) as to each matter the stockholder

proposes to bring before the annual meeting: (1) a description in reasonable detail of the business desired to be brought before the annual meeting; and (2) the text of the proposal or business (including the text of any resolutions proposed for consideration and, if the business includes a proposal to amend these bylaws or the Certificate of Incorporation, the language of the proposed amendment); and (B) as to each stockholder giving the notice and any Stockholder Associate (as defined below): (1) the name and address of the stockholder and the name and address of any Stockholder Associate; (2) a representation that at least one of these persons is a holder of record or beneficially of securities of the Corporation entitled to vote at the meeting and intends to remain so through the date of the meeting and to appear in person or by proxy at the meeting to present the business stated in the stockholder's notice; (3) the class, series and number of any securities of the Corporation that are owned of record or beneficially by any of these persons as of the date of the stockholder's notice; (4) a description of any material interests of any of these persons in the business proposed and of all agreements, arrangements and understandings between these persons and any other person (including their names) in connection with the proposal of the business by the stockholder; (5) a description of any proxy, contract, arrangement, understanding or relationship pursuant to which any of these persons has a right to vote any shares of any securities of the Corporation; (6) a description of any derivative positions related to any class or series of securities of the Corporation owned of record or beneficially by the stockholder or any Stockholder Associate; (7) a description of whether and the extent to which any hedging, swap or other transaction or series of transactions has been entered into by or on behalf of, or any other agreement, arrangement or understanding (including any short position or any borrowing or lending of securities) has been made, the effect or intent of which is to mitigate loss to, or manage risk of stock price changes for, or to increase the voting power of, the stockholder or any Stockholder Associate with respect to any securities of the Corporation; and (8) a representation that after the date of the stockholder's notice and until the date of the annual meeting, each of these persons will provide written notice to the secretary of the Corporation as soon as practicable following a change in the number of securities of the Corporation held as described in response to subclause (3) above that equals 1% or more of the then-outstanding shares of the Corporation, and/or entry, termination, amendment or modification of the agreements, arrangements or understandings described in response to subclause (6) above that results in a change that equals 1% or more of the then-outstanding shares of the Corporation or in the economic interests underlying those agreements, arrangements or understandings; and (C) a representation as to whether the stockholder giving notice and any Stockholder Associate intends, or intends to be part of a group that intends: (1) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal; and/or (2) otherwise to solicit proxies from stockholders in support of the proposal.

For purposes of this Section 2.8 and Section 3.3 hereof, (x) “public disclosure” means disclosure in a press release reported by the Dow Jones News Service, Associated Press, Reuters, Bloomberg or comparable national news service or in a document filed by the Corporation with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 (the “Exchange Act”) or furnished by the Corporation to its stockholders and (y) “Stockholder Associate” of any stockholder means (1) any person controlling, directly or indirectly, or acting in concert with, the stockholder; and (2) any beneficial owner of securities of the Corporation owned of record or beneficially by the stockholder. Notwithstanding the foregoing provisions of this Section 2.8, in order to include information with respect to a stockholder proposal in the Corporation's proxy statement and form of proxy for a meeting of stockholders, a stockholder must provide notice as required by, and otherwise comply with, all of the applicable requirements of Rule 14a-8 under the Exchange Act (or any comparable successor rule or regulation).

Nothing in this Section 2.8 will be deemed to affect any rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act (or any comparable successor rule or regulation).

(c) At a special meeting of stockholders, only such business may be conducted or considered as is properly brought before the meeting. To be properly brought before a special meeting (subject to Section 2.3(g) in the case of a Stockholder Requested Special Meeting), business must be (i) specified in the notice of the meeting (or any supplement thereto) given in accordance with these bylaws or (ii) otherwise properly brought before the meeting in accordance with these bylaws, by the presiding officer of the meeting or by or at the direction of a majority of the entire Board.

(d) The determination of whether any business sought to be brought before any annual or special meeting of stockholders is properly brought before such meeting in accordance with this Section 2.8 will be made by the presiding officer of such meeting.

Section 2.9 Action Without a Meeting. Unless otherwise restricted by the Certificate of Incorporation or these bylaws, any action required or permitted to be taken at any meeting of the stockholders may be taken without a meeting, if stockholders having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted consent in writing or by electronic transmission, provided that prompt notice must be given to all stockholders of the taking of corporate action without a meeting by less than unanimous written consent.

ARTICLE III
DIRECTORS

Section 3.1 Number and Qualification. The Board of Directors shall consist of at least three members, shall initially consist of seven members, and may be fixed from time to time for any period on or after the 2017 annual meeting of stockholders by (i) resolution of the Board of Directors at no more than nine members or (ii) stockholders holding a majority of the voting power of all of the shares of capital stock of the Corporation then entitled to vote generally in the election of directors, voting together as a single class. No decrease in the number of directors shall have the effect of shortening the term of any incumbent director. Directors need not be stockholders.

Section 3.2 Election and Term. Directors shall be elected for terms as set forth in the Certificate of Incorporation and in the manner provided in Section 3.4 hereof at the annual meeting of the stockholders.

Section 3.3 Nominations.

(a) Only persons who are nominated in accordance with the provisions of this Section 3.3 will be eligible for election as directors at a meeting of stockholders.

(b) Nominations of persons for election as directors may be made only at a meeting of stockholders (i) by or at the direction of the Board of Directors or a committee thereof or (ii) by any stockholder, beneficially or of record, at the time of giving the notice provided for in this Section 3.3, who is entitled to

vote for the election of directors at such annual meeting, and who makes the nomination pursuant to timely notice in proper written form to the secretary of the Corporation in compliance with the procedures set forth in this Section 3.3.

(c) Except as otherwise provided by law, to be timely, a stockholder's notice with respect to nominations of persons for election as directors of the Corporation must be delivered to or mailed and received by the secretary of the Corporation at the principal executive offices of the Corporation not less than 75 days prior to the anniversary of the date for the preceding year's annual meeting of stockholders; provided, however, that if there was no annual meeting in the preceding year or the date of the annual meeting is advanced more than 30 calendar days prior to, or delayed by more than 30 calendar days after the anniversary of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not later than the close of business on the later of the 45th calendar day prior to such annual meeting or the 10th calendar day following the day on which public disclosure of the date of such meeting is first made. In no event shall the public disclosure of an adjournment of an annual meeting commence a new time period for the giving of a stockholder's notice as described above.

(d) To be in proper written form, a stockholder's notice pursuant to this Section 3.3 must set forth or include:

(i) as to each person who is not an incumbent director of the Corporation whom the stockholder proposes to nominate for election as a director, (A) the name, age, business address and residence address of such person; (B) the principal occupation or employment of such person; (C) the class, series and number of securities of the Corporation that are owned of record or beneficially by such person; (D) the date or dates the securities were acquired; (E) any other information relating to such person that is required to be disclosed in solicitation for proxies or election of directors pursuant to Regulation 14A under the Exchange Act (or any comparable successor rule or regulation); and (F) a representation that such person meets the qualifications to serve as a director of the Corporation.

(ii) as to the stockholder giving the notice and any Stockholder Associate, (A) the name and address of the stockholder and the name and address of any Stockholder Associate; (B) a representation that at least one of these persons is a holder of record or beneficially of securities of the Corporation entitled to vote at the meeting and intends to remain so through the date of the meeting and to appear in person or by proxy at the meeting to nominate the person or persons specified in the stockholder's notice; (C) the class, series and number of securities of the Corporation that are owned of record or beneficially by each of these persons as of the date of the stockholder's notice; (D) a description of any material relationships, including legal, financial and/or compensatory, between the stockholder giving the notice and any Stockholder Associate, on one hand, and the proposed nominee(s), on the other hand; (E) a description of any derivative positions related to any class or series of securities of the Corporation owned of record or beneficially by the stockholder or any Stockholder Associate; (F) a description of whether and the extent to which any hedging, swap or other transaction or series of transactions has been entered into by or on behalf of, or any other agreement, arrangement or understanding (including any short position or any borrowing or lending of securities) has been made, the effect or intent of which is to mitigate loss to, or manage risk of stock price changes for, or to increase the voting power of, the stockholder or any Stockholder Associate with respect to any securities of the Corporation; and (G) a representation that after the date of the stockholder's notice and until the date of the annual meeting each of these persons will

provide written notice to the secretary of the Corporation as soon as practicable following a change in the number of securities of the Corporation held as described in response to subclause (C) above that equals 1% or more of the then-outstanding shares of the Corporation, and/or entry, termination, amendment or modification of the agreements, arrangements or understanding described in response to subclause (F) above that results in a change that equals 1% or more of the then-outstanding shares of the Corporation or in the economic interests underlying these agreements, arrangements or understanding;

(iii) a representation as to whether the stockholder giving notice and any Stockholder Associate intends, or intends to be part of a group that intends: (A) to deliver a proxy statement and/or form of proxy to stockholders; and/or (B) otherwise to solicit proxies from stockholders in support of the proposed nominee;

(iv) the director questionnaire (which is available from the secretary of the Corporation upon request) that is distributed to all directors of the Corporation; and

(v) a written consent of each proposed nominee to serve as a director of the Corporation, if elected.

(e) The determination of whether any nomination sought to be brought before any annual meeting of the stockholders is properly brought before such meeting in accordance with this Section 3.3 will be made by the presiding officer of such meeting.

Section 3.4 Majority Voting in Director Elections. Each director to be elected by stockholders shall be elected as such by the vote of the majority of the votes cast by stockholders for that director at a meeting for the election of directors at which a quorum is present, except that if the number of nominees exceeds the number of directors to be elected, the directors shall be elected by the vote of a plurality of the shares represented in person or by proxy at any such meeting. For purposes of this Section 3.4, a “majority of votes cast” shall mean that the number of shares voted “for” a director's election exceeds the number of votes cast “against” that director's election.

Section 3.5 Vacancies. In the case of any vacancy on the Board of Directors, including a vacancy created by an increase in the number of directors, the vacancy may be filled by the Board of Directors, acting by a majority of the remaining directors then in office, although less than a quorum, or by a sole remaining director or by stockholders acting by the affirmative vote of the holders of a majority of the voting power of all of the shares of capital stock of the Corporation then entitled to vote generally in the election of directors, voting together as a single class. Any director appointed to fill a vacancy shall be appointed until the next succeeding annual meeting of stockholders (or for the remainder of the term for the applicable class of directors for so long as the Board is divided into classes) and thereafter until such director's successor is elected and qualified or such director earlier resigns or is removed.

Section 3.6 Removal. Subject to the rights of holders of preferred stock (if any) with respect to any directors elected by the holders of such preferred stock, any director, or the entire Board of Directors, may be removed from office at any time, with or without cause (except that so long as the Board of Directors is divided into classes, directors may be removed only for cause), by the affirmative vote of the holders of a majority of the voting power of all of the shares of capital stock of the Corporation then entitled to vote

generally in the election of directors, voting together as a single class.

Section 3.7 General Powers. The business and affairs of the Corporation shall be managed by or under the direction of its Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by the DGCL or by the Certificate of Incorporation or by these bylaws directed or required to be exercised or done by the stockholders. The Board of Directors may adopt such special rules and regulations for the conduct of its meetings and the management of the affairs of the Corporation as the Board of Directors may deem proper, not inconsistent with law or these bylaws.

Section 3.8 Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time, on such date and at such place (if any), within or without the State of Delaware, as shall from time to time be determined by the Board of Directors.

Section 3.9 Special Meetings. Special meetings of the Board of Directors may be called by the chairman of the Board, the chief executive officer, or by the secretary upon the written request of two directors. Notice of the place (if any), date and time of each such special meeting shall be given to each director on one day's notice to each director, either personally, by mail, by telegram or by electronic transmission.

Section 3.10 Quorum. At all meetings of the Board of Directors, a majority of the directors then in office shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by the DGCL or by the Certificate of Incorporation. If a quorum is not present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum is present.

Section 3.11 Action Without Meeting. Unless otherwise restricted by the Certificate of Incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings, or, if the consent action is taken by electronic transmission, paper reproductions of such electronic transmission or transmissions, are filed with the minutes or proceedings of the Board or committee.

Section 3.12 Participation in Meetings by Remote Communication. Unless otherwise restricted by the Certificate of Incorporation or these bylaws, members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting in accordance with Section 8.6.

Section 3.13 Committees. There shall be such committees of the Board of Directors as the Board of Directors may, by resolution passed by a majority of the whole Board, designate. Each committee shall consist of one or more directors of the Corporation. The board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of such committee. Any such committee shall have such power and authority as may be conferred by a

resolution of the board of directors; provided, however, that no such committee shall have the power and authority of the board of directors with respect to amending the Certificate of Incorporation, adopting an agreement of merger or consolidation, recommending to the stockholders the sale, lease or exchange of all or substantially all of the Corporation's property and assets, recommending to the stockholders a dissolution of the Corporation or a revocation of a dissolution, amending the bylaws of the Corporation, or declaring a dividend or authorizing the issuance of stock (other than in connection with a stock option or other management equity incentive plan, which plan has been approved by the Corporation's board of directors). Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the board of directors.

Section 3.14 Committee Meetings, Procedures and Minutes. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

ARTICLE IV
NOTICES

Section 4.1 Notice. Whenever, under the provisions of the DGCL or of the Certificate of Incorporation or of these bylaws, notice is required to be given to any director or stockholder, it shall not be construed to mean personal notice, but such notice may be given in writing, by mail addressed to such director or stockholder at his address as it appears on the records of the Corporation with postage thereon prepaid and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Notice to directors and stockholders may also be given by facsimile, by telephone or by a form of electronic transmission consented to by the director or stockholder to whom the notice is given.

Section 4.2 Waiver. Whenever any notice is required to be given under the provisions of the DGCL or of the Certificate of Incorporation or of these bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, or a waiver by electronic transmission by the person entitled to the notice, in each case, whether before or after the time of the event for which the notice is given, shall be deemed equivalent to such notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

ARTICLE V
OFFICERS

Section 5.1 Generally. The officer positions in the Corporation shall consist of such as may from time to time be designated by the Board of Directors and the officers to fill same shall be chosen by the Board of Directors. Any number of offices may be held by the same person, unless the Certificate of Incorporation or these bylaws otherwise provide.

Section 5.2 Compensation. The compensation of all officers and agents of the Corporation that are also directors of the Corporation shall be fixed by the Board of Directors. The Board of Directors may delegate the power to fix the compensation of all other officers and agents of the Corporation to an officer of the Corporation.

Section 5.3 Succession. The officers of the Corporation shall hold office until their successors are chosen and qualified. Any officer elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the Board of Directors. Any vacancy occurring in any office of the Corporation shall be filled by the Board of Directors.

Section 5.4 Authority and Duties. The officers of the Corporation shall have such authority and shall perform such duties as are customarily incident to their respective offices, or as may be specified from time to time by the Board of Directors in a resolution which is not inconsistent with these bylaws, regardless of whether such authority and duties are customarily incident to such office.

ARTICLE VI
CAPITAL STOCK

Section 6.1 Certificates. The shares of capital stock of the Corporation shall be represented by certificates, provided that the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Notwithstanding the adoption of such a resolution by the Board of Directors, to the extent required by the DGCL, every holder of shares of stock in the Corporation represented by certificates, and upon request every holder of uncertificated shares, shall be entitled to have a certificate or certificates, signed by or in the name of the Corporation by the president or a vice-president and the secretary or an assistant secretary of the Corporation, certifying the number of shares owned by such holder in the Corporation. Any or all of the signatures on the certificates may be facsimiles.

Section 6.2 Transfer.

(a) Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer, the Corporation shall issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books or, if such shares may be represented in uncertificated form pursuant to a resolution adopted by the Board of Directors, record such transaction upon its books as an issuance of uncertificated shares to the person entitled thereto, unless such person requests a certificate or certificates, in which case such person shall be entitled to have a certificate or certificates in accordance with Section 6.1.

(b) Transfers of shares of stock represented by certificates shall be made upon the books of the Corporation only by the record holder of such stock, in person or by duly authorized attorney, upon the surrender of the certificate or certificates for the same number of shares, properly endorsed. Transfers of uncertificated shares of stock shall be made on the books of the Corporation upon receipt of proper transfer instructions from the registered owner of the uncertificated shares, an instruction from an approved source duly authorized by such owner or from an attorney lawfully constituted in writing. The Corporation is entitled for all purposes to treat the record holder as the owner of such stock, notwithstanding any knowledge of the Corporation to the contrary. The Board of Directors shall have the power to make all such rules and regulations, not inconsistent with the Certificate of Incorporation, these bylaws and the DGCL, as the Board

of Directors may deem appropriate concerning the issue, transfer and registration of certificates for stock of the Corporation. The Board of Directors may appoint one or more transfer agents or registrars of transfers or both, and may require all stock certificates to bear the signature of either or both.

ARTICLE VII
INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 7.1 Right to Indemnification. Each person who was or is a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether by or in the right of the Corporation or otherwise (a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee, partner (limited or general) or agent of another corporation or of a partnership, joint venture, limited liability company, trust or other enterprise, including service with respect to an employee benefit plan, shall be (and shall be deemed to have a contractual right to be) indemnified and held harmless by the Corporation (and any successor to the Corporation by merger or otherwise) to the fullest extent authorized by, and subject to the conditions and (except as provided herein) procedures set forth in the DGCL, as the same exists or may hereafter be amended (but any such amendment shall not be deemed to limit or prohibit the rights of indemnification hereunder for past acts or omissions of any such person insofar as such amendment limits or prohibits the indemnification rights that said law permitted the Corporation to provide prior to such amendment), against all expenses, liabilities and losses (including attorneys' fees, judgments, fines, ERISA taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith; provided, however, that the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. Persons who are not directors or officers of the Corporation and are not so serving at the request of the Corporation may be similarly indemnified in respect of such service to the extent authorized at any time by the Board of Directors of the Corporation. The indemnification conferred in this Section 7.1 shall also include the right to advancement by the Corporation of any and all expenses (including attorneys' fees) incurred in the defense of or other involvement in any such proceeding in advance of its final disposition; provided, however, that the advancement of expenses (including attorneys' fees) incurred by a person in advance of the final disposition of a proceeding shall be made only upon delivery to the Corporation of an undertaking by or on behalf of such person to repay all amounts so paid in advance if it shall ultimately be determined that such person is not entitled to be so indemnified under this Section 7.1.

Section 7.2 Non-Exclusivity of Rights. The rights to indemnification and advance payment of expenses provided by Section 7.1 hereof shall not be deemed exclusive of any other rights to which those seeking indemnification and advance payment of expenses may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office.

Section 7.3 Nature of Rights. The indemnification and advance payment of expenses and rights thereto provided by, or granted pursuant to, Section 7.1 hereof shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director, officer, employee, partner or

agent and shall inure to the benefit of the personal representatives, heirs, executors and administrators of such person.

Section 7.4 Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, partner (limited or general) or agent of another corporation or of a partnership, joint venture, limited liability company, trust or other enterprise, against any liability asserted against such person or incurred by such person in any such capacity, or arising out of such person's status as such, and related expenses, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of the DGCL.

ARTICLE VIII
GENERAL PROVISIONS

Section 8.1 Dividends. Dividends upon the capital stock of the Corporation, subject to the provisions of the Certificate of Incorporation, if any, may be declared by the Board of Directors at any regular or special meeting pursuant to law. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation.

Section 8.2 Reserves. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for such other purpose as the directors shall think conducive to the interests of the Corporation, and the directors may modify or abolish any such reserve in the manner in which it was created.

Section 8.3 Checks. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 8.4 Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

Section 8.5 Corporate Seal. The Board of Directors may adopt a corporate seal and use the same by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise..

Section 8.6 Meeting Attendance via Remote Communication Equipment.

(a) Stockholder Meetings. If authorized by the Board in its sole discretion, and subject to such guidelines and procedures as the Board may adopt, stockholders and proxyholders not physically present at a meeting of stockholders may, by means of remote communication:

(i) participate in a meeting of stockholders; and

(ii) be deemed present in person and vote at a meeting of stockholders, whether such meeting is to be held at a designated place or solely by means of remote communication, provided that (A) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxyholder, (B) the Corporation shall implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings, and (C) if any stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such votes or other action shall be maintained by the Corporation.

(b) Board Meetings. Unless otherwise restricted by applicable law, the Certificate of Incorporation or these bylaws, members of the Board or any committee thereof may participate in a meeting of the Board or any committee thereof by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

Section 8.7 Beneficial Ownership. Notwithstanding anything to the contrary in the Certificate of Incorporation or these bylaws to the extent permitted by law, any action required or permitted to be taken by the stockholders of the Company may be taken by any stockholder of record or by any beneficial owner of any Voting Stock for any period of time that has verified its holdings in accordance with any method prescribed by Rule 14a-8(b)(2) under the Exchange Act (without giving effect to any minimum threshold or duration of ownership limitation therein). For the purposes of these bylaws, "Voting Stock" means stock of the Company of any class or series entitled to vote generally in the election of Directors.

ARTICLE IX
AMENDMENTS

These bylaws may be altered, amended or repealed or new bylaws may be adopted by the Board of Directors (other than Sections (other than Sections 2.2 (Annual Meetings), 2.3 (Special Meetings), 2.5 (Quorum), 2.6 (Voting), 2.8 (Submission of Business for Consideration at Meetings of Stockholders), 2.9 (Action Without a Meeting), 3.1 (Number and Qualification), 3.2 (Election and Term), 3.3 (Nominations), 3.4 (Majority Voting in Director Elections); 3.5 (Vacancies); 3.6 (Removal), 8.7 (Beneficial Ownership) and this Article IX of these bylaws (as such provisions are designated in the Bylaws in effect as of ____, 2015) unless otherwise provided in any such provision, or any provision to the extent adopted, altered, amended or repealed pursuant to an action taken by stockholders, any successor provision to such provisions or any other alteration or amendment inconsistent with such sections) or by stockholders provided that any amendment proposed to be acted upon is approved by the affirmative vote of the holders of at least a majority of the common stock issued and outstanding and entitled to vote.

Effective as of , 2015

EXHIBIT A-2

First Amended Joint Plan of Reorganization Proposed by the Plan Debtors and Debtors in Possession and the Official Committee of Unsecured Creditors

(Blackline)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	:	Chapter 11
NII Holdings, Inc., et al.,[1]	:	Case No. 14-12611 (SCC)
Debtors.	:	(Jointly Administered)

FIRST AMENDED JOINT PLAN OF REORGANIZATION PROPOSED BY THE PLAN DEBTORS AND DEBTORS IN POSSESSION AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

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ATTORNEYS FOR THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS

Dated: ~~March 13~~April 2, 2015

[1] The Debtors in the jointly administered bankruptcy cases are comprised of the following fourteen entities (the last four digits of their respective U.S. taxpayer identification numbers follow in parentheses): NII Holdings, Inc. (1412); Nextel International (Services), Ltd. (6566); NII Capital Corp. (6843); NII Aviation, Inc. (6551); NII Funding Corp. (6265); NII Global Holdings, Inc. (1283); NII International Telecom S.C.A. (7498); NII International Holdings S.à r.l. (N/A); NII International Services S.à r.l. (6081); Airfone Holdings, LLC (1746); Nextel International (Uruguay), LLC (5939); McCaw International (Brazil), LLC (1850); NII Mercosur, LLC (4079); and NIU Holdings LLC (5902). The location of the Debtors' corporate headquarters and the Debtors' service address is: 1875 Explorer Street, Suite 800, Reston, VA 20190.

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Exhibit B – Revised NII Holdings Certificate of Incorporation

Exhibit C – Revised NII Holdings Bylaws

Exhibit D – New Directors of Reorganized NII Holdings

Exhibit E – Form of Management Incentive Plan

Exhibit F – Amendments to Operating Company Credit Agreements

Exhibit G – Executory Contracts and Unexpired Leases to be Assumed

Exhibit H – New NII-ATC Guaranty

Exhibit I – Retained Causes of Action

Exhibit ~~I~~J – New NII Exit Financing Facility (if obtained)

[1] The Exhibits not initially appended to the Plan will be Filed as part of the Plan Supplement. All Exhibits will be made available, free of charge, on the Document Website once they are filed. Copies of all Exhibits may be obtained from the Notice and Claims Agent by calling 1-844-224-1140 (toll-free). The Plan Proponents reserve the right to modify, amend, supplement, restate or withdraw any of the Exhibits after they are Filed and shall promptly make such changes available on the Document Website.

INTRODUCTION

NII Holdings, Inc., Nextel International (Services), Ltd., NII Capital Corp., NII Aviation, Inc., NII Funding Corp., NII Global Holdings, Inc., NII International Telecom S.C.A., NII International Holdings S.à r.l., NII International Services S.à r.l., Airfone Holdings, LLC, McCaw International (Brazil), LLC, NII Mercosur, LLC and NIU Holdings LLC, as debtors and debtors in possession (collectively, the "Plan Debtors"), and the Creditors' Committee (together with the Plan Debtors, the "Plan Proponents") propose this first amended joint plan of reorganization for the resolution of Claims against and Interests in each of the Plan Debtors pursuant to chapter 11 of the Bankruptcy Code. The Plan Debtors and the Creditors' Committee are the proponents of the Plan within the meaning of section 1129 of the Bankruptcy Code.

Reference is made to the Disclosure Statement, distributed contemporaneously herewith, for a discussion of the Plan Debtors' assets, liabilities, history, business, results of operations, historical financial information, projections of future operations and for a summary of the Plan and the distributions to be made thereunder.

Other agreements and documents supplementing the Plan are appended as Exhibits hereto and have been or will be Filed with the Bankruptcy Court. These supplemental agreements and documents are referenced in the Plan and the Disclosure Statement and will be available for review.

ALL CREDITORS ENTITLED TO VOTE ON THE PLAN ARE ENCOURAGED TO READ THE DISCLOSURE STATEMENT IN ITS ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. SUBJECT TO CERTAIN RESTRICTIONS AND REQUIREMENTS SET FORTH IN SECTION 1127 OF THE BANKRUPTCY CODE, IN BANKRUPTCY RULE 3019 AND IN THE PLAN, THE PLAN PROPONENTS RESERVE THE RIGHT TO ALTER, AMEND, MODIFY, REVOKE OR WITHDRAW THE PLAN PRIOR TO ITS SUBSTANTIAL CONSUMMATION.

I. DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME

A. Defined Terms

Capitalized terms used in the Plan and not otherwise defined shall have the meanings set forth below. Any term that is not defined in this Plan, 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.

1. **"Administrative Claim"** means a Claim against a Plan Debtor or its Estate arising on or after the Petition Date and prior to the Effective Date for a cost or expense of administration in the Chapter 11 Cases that is entitled to priority or superpriority under sections 364(c)(1), 503(b), 503(c), 507(b) or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date of preserving the Estates and operating the businesses of the Plan Debtors; (b) compensation for legal, financial advisory, accounting and other services and reimbursement of expenses awarded or allowed under sections 330(a) or 331 of the Bankruptcy Code, including Fee Claims; (c) all fees and charges assessed against the Estates under chapter 123 of title 28, United States Code, 28 U.S.C. §§ 1911-1930; and (d) all Intercompany Administrative Claims.

2. **"Administrative Claims Bar Date"** means the date that is thirty (30) days after the entry of the Confirmation Order.

3. **"Administrative Claims Objection Deadline"** means the date that is sixty (60) days after the Effective Date.

4. **"Affiliate"** has the meaning set forth in section 101(2) of the Bankruptcy Code.

5. **"Allowed"** means with respect to Claims: (a) any Claim (i) for which a Proof of Claim has been timely filed on or before the applicable Claims Bar Date (or that by the Bankruptcy Code or

Final Order is not or shall not be required to be filed) or (ii) that is listed in the Schedules as of the Effective Date as not disputed, not contingent and not unliquidated, and for which no Proof of Claim has been timely filed; provided that, in each case, any such Claim shall be considered Allowed only if and to the extent that no objection to the allowance thereof has been interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules or the Bankruptcy Court or such an objection has been interposed and the Claim has been thereafter Allowed by a Final Order; or (b) any Claim Allowed pursuant to the Plan, a Final Order of the Bankruptcy Court (including pursuant to any stipulation approved by the Bankruptcy Court) and any Stipulation of Amount and Nature of Claim; provided, further, that the Claims described in clauses (a) and (b) above shall not include any Claim on account of a right, option, warrant, right to convert or other right to purchase an Equity Interest. Claims allowed solely for the purpose of voting to accept or reject the Plan pursuant to an order of the Bankruptcy Court shall not be considered "Allowed Claims" hereunder.

6. **"Allowed Capco Note Claims Amount"** means $2,858,127,778.

7. **"Allowed Luxco Note Claims Amount"** means $1,694,882,000.

8. **"Allowed TG Claims Amount"** means $285,129,687.50.

~~9. **"Alternative Purchase Agreement"** means the purchase agreement entered into in connection with the Alternative Sale Transaction by the applicable Plan Debtor(s) and the counterparty(ies) thereto.~~

~~10. **"Alternative Sale Transaction"** means, if applicable, the sale transaction for the Purchased Assets, other than the sale transaction contemplated by the Stalking Horse Purchase Agreement, that is approved or is subject to the approval of the Bankruptcy Court.~~

~~11~~9. **"ATC"** shall mean, collectively, American Tower Corporation and the ATC Counterparties.

~~12~~10. **"ATC Counterparties"** means, collectively, (a) American Tower do Brasil – Cessão de Infraestruturas Ltda. and (b) MATC Digital S. de R.L. de C.V.

~~13~~11. **"Aurelius"** means, collectively, those Entities managed by Aurelius Capital Management, LP that have executed the Plan Support Agreement.

~~14~~12. **"Avoidance Claims"** means any and all Claims, obligations, suits, judgments, damages, debts, rights, remedies, causes of action, avoidance powers or rights, Liabilities of any nature whatsoever and legal or equitable remedies that could be asserted (a) against any of the Plan Debtors by or on behalf of any other Plan Debtor or any creditor thereof, (b) against NIU, as assigned to NIU Holdings LLC pursuant to the Mexico Sale Order, by or on behalf of any of the Plan Debtors or any creditor thereof or (c) against any direct or indirect non-Debtor subsidiary of NII Holdings by or on behalf of any of the Plan Debtors or any creditors thereof, in each case, including, without limitation, pursuant to chapter 5 of the Bankruptcy Code, and shall include the Identified Avoidance Claims.

~~15~~13. **"Ballot"** means the applicable form or forms of ballot(s) distributed to Holders of Claims entitled to vote on the Plan and on which the acceptance or rejection of the Plan is to be indicated.

~~16~~14. **"Bankruptcy Code"** means title 11 of the United States Code, as now in effect or hereafter amended, as applicable to these Chapter 11 Cases.

~~17~~15. **"Bankruptcy Court"** means the United States District Court having jurisdiction over the Chapter 11 Cases and, to the extent of any reference made pursuant to 28 U.S.C. § 157, the bankruptcy unit of such District Court.

~~18~~16. **"Bankruptcy Rules"** means, collectively, the Federal Rules of Bankruptcy Procedure and the local rules of the Bankruptcy Court, as now in effect or hereafter amended.

~~19~~17. **"Brazil Equipment Financing Agent"** shall have the meaning ascribed to the term "Administrative Agent" in the NII Brazil CDB Agreements.

~~20~~18. **"Business Day"** means any day, other than a Saturday, Sunday or "legal holiday" (as defined in Bankruptcy Rule 9006(a)).

~~21~~19. **"Capco"** means NII Capital Corp.

~~22~~20. **"Capco 7.625% Note Indenture"** means that Indenture dated as of March 29, 2011 among Capco (as issuer), each of the Capco Guarantors (as guarantors thereto) and Wilmington Savings Fund Society, FSB (as successor trustee) and all amendments, supplements or modifications thereto and extensions thereof.

~~23~~21. **"Capco 7.625% Notes"** means the 7.625% senior notes due 2021 in the aggregate principal amount of $1,450,000,000 issued pursuant to the Capco 7.625% Note Indenture.

~~24~~22. **"Capco 8.875% Note Indenture"** means that Indenture dated as of December 15, 2009 among Capco (as issuer), each of the Capco Guarantors (as guarantors thereto) and U.S. Bank National Association (as successor trustee) and all amendments, supplements or modifications thereto and extensions thereof.

~~25~~23. **"Capco 8.875% Notes"** means the 8.875% senior notes due 2019 in the aggregate principal amount of $500,000,000 issued pursuant to the Capco 8.875% Note Indenture.

~~26~~24. **"Capco 10% Note Indenture"** means that Indenture dated as of August 18, 2009 among Capco (as issuer), each of the Capco Guarantors (as guarantors thereto) and Wilmington Savings Fund Society, FSB (as successor trustee) and all amendments, supplements or modifications thereto and extensions thereof.

~~27~~25. **"Capco 10% Notes"** means the 10% senior notes due 2016 in the aggregate principal amount of $800,000,000 issued pursuant to the Capco 10% Note Indenture.

~~28~~26. **"Capco Cash Allocation"** means the amount of Cash equal to Total Distributable Cash less the sum of (i) the TG Claims Cash Allocation and (ii) the Luxco Notes Cash Allocation.

~~29~~27. **"Capco Debtor Group"** means the Debtor Group consisting of Capco.

~~30~~28. **"Capco Distributable Value Allocation"** means the amount equal to 29.61% multiplied by the Plan Distributable Value, which shall be in the form of (1) the Capco Stock Allocation, subject to dilution by any Management Incentive Plan Shares, and (2) the Capco Cash Allocation~~; provided that, in the event of an Overbid, the percentage used to calculate the Capco Distributable Value Allocation shall be recalculated by subtracting from 100% (x) the percentage used to calculate the TG Claims Distributable Value Allocation (as adjusted for any Net Overbid Proceeds) and (y) the percentage used to calculate the Luxco Notes Distributable Value Allocation (as adjusted for any Net Overbid Proceeds)~~.

~~31~~29. **"Capco Guarantors"** means NII Holdings, NIS, NII Aviation, Inc., NII Funding Corp. and NII Global Holdings, Inc.

~~32~~30. **"Capco Guarantors Debtor Group"** means the Debtor Group consisting of NIS, NII Aviation, Inc., NII Funding Corp. and NII Global Holdings, Inc.

~~33~~31. **"Capco Indentures"** means, collectively, the Capco 10% Note Indenture, the Capco 8.875% Note Indenture and the Capco 7.625% Note Indenture.

~~34~~32. **"Capco Intercompany Note"** means that certain promissory note dated August 31, 2011 issued by Luxco to Capco in the original principal amount of $644,000,000.

~~35~~33. **"Capco Note Claims"** means any Claim against Capco or any of the Capco Guarantors under or evidenced by the Capco 7.625% Note Indenture, the Capco 7.625% Notes, the Capco 8.875% Note Indenture, the Capco 8.875% Notes, the Capco 10% Note Indenture or the Capco 10% Notes, including Claims related to any obligations of any Capco Guarantors with respect to any of the foregoing.

~~36~~34. **"Capco Notes"** means, collectively, the Capco 7.625% Notes, the Capco 8.875% Notes and the Capco 10% Notes.

~~37~~35. **"Capco Stock Allocation"** means the number of shares of Reorganized NII Common Stock equal to the Initial Share Pool multiplied by the Capco Stock Allocation Percentage.

~~38~~36. **"Capco Stock Allocation Percentage"** means the result, expressed as a percentage, of subtracting from 100% (x) the TG Claims Stock Allocation Percentage and (y) the Luxco Notes Stock Allocation Percentage.

~~39~~37. **"Capital Group"** means, collectively, those Entities managed by Capital Research and Management Company that have executed the Plan Support Agreement.

~~40~~38. **"Cash"** means the lawful currency of the United States of America and equivalents thereof.

~~41~~39. **"CDB Amended Guarantee"** means the Parent Guaranty dated September 25, 2013 by NII Holdings in favor of the Brazil Equipment Financing Agent, as amended in accordance with that certain Amendment to Parent Guaranty dated December 5, 2014 between NII Holdings and the Brazil Equipment Financing Agent.

~~42~~40. **"CDB Documents"** means, collectively, the (a) CDB Guarantee, (b) CDB Loan Subordination Agreement and (c) CDB Shareholder Undertaking Agreement.

~~43~~41. **"CDB Documents Claims"** means any Claim against NII Holdings under or evidenced by any of the CDB Documents, including any obligations of NII Holdings with respect thereto.

~~44~~42. **"CDB Guarantee"** means the Parent Guaranty dated September 25, 2013 by NII Holdings in favor of the Brazil Equipment Financing Agent.

~~45~~43. **"CDB Loan Subordination Agreement"** means the Loan Subordination Agreement dated December 12, 2013 between Luxco and the Brazil Equipment Financing Agent.

~~46~~44. **"CDB Shareholder Undertaking Agreement"** means the Shareholder Undertaking Agreement dated April 20, 2012 between NII Holdings and the Brazil Equipment Financing Agent, in each case, as amended, supplemented or modified from time to time.

~~47~~45. **"Chapter 11 Cases"** means the cases commenced under chapter 11 of the Bankruptcy Code by the Debtors in the Bankruptcy Court.

~~48~~46. **"Claim"** means a claim, as such term is defined in section 101(5) of the Bankruptcy Code, against a Plan Debtor.

~~49~~47. **"Claims Bar Date"** means, as applicable, the Administrative Claims Bar Date and any other date or dates to be established by an Order of the Bankruptcy Court by which Proofs of Claim must be filed, including the general bar date of December 23, 2014 as set forth in the *Order, Pursuant to Sections 105, 501 and 503 of the Bankruptcy Code, Bankruptcy Rules 2002 and 3003(c)(3) and Local Bankruptcy Rule 3003-1, Establishing Bar Dates for Filing Proofs of Claim and Approving Form and Manner of Notice Thereof* [Docket No. 218].

~~50~~48. **"Class"** means a class of Claims or Interests, as described in Section II.

~~51~~49. **"Confirmation"** means the entry of the Confirmation Order on the docket of the Bankruptcy Court.

~~52~~50. **"Confirmation Date"** means the date on which the Bankruptcy Court enters the Confirmation Order on its docket, within the meaning of Bankruptcy Rules 5003 and 9021.

~~53~~51. **"Confirmation Hearing"** means the hearing held by the Bankruptcy Court to consider Confirmation of the Plan, as such hearing may be continued from time to time.

~~54~~52. **"Confirmation Order"** means the order of the Bankruptcy Court, which shall be in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders, confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

~~55~~53. **"Consenting Noteholders"** shall mean Aurelius, Capital Group, the members of the Luxco Group and any transferee of the Prepetition Notes that becomes a party to the Plan Support Agreement in accordance with section 3.04 thereof.

~~56~~54. **"Convenience Claims"** means General Unsecured Claims against any of the Plan Debtors that otherwise would be classified in Classes 8A, 8B or 8C, but, with respect to each such Claim, either (a) the aggregate amount of such Claim is equal to or less than $~~[_____]~~20,000 or (b) the aggregate amount of such Claim is reduced to $~~[_____]~~20,000 pursuant to an election by the Holder of a Claim made on the Ballot provided for voting on the Plan by the Voting Deadline; provided, however, that where any portion(s) of a single Claim has been transferred to a transferee, (a) the amount of all such portions will be aggregated to determine whether a Claim qualifies as a Convenience Claim and for purposes of the Convenience Claim election and (b) unless all transferees make the Convenience Claim election on the applicable Ballots, the Convenience Claim election will not be recognized for such Claim.

~~57~~55. **"Creditors' Committee"** shall mean the official committee of unsecured creditors appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code.

~~58~~56. **"Debtor Group"** has the meaning given to it in Section II.B.1 ~~of the Plan~~.

~~59~~57. **"Debtors"** means, collectively, NII Holdings, NIS, Capco, NII Aviation, Inc., NII Funding Corp., NII Global Holdings, Inc., Luxco, NII International Holdings S.à r.l., NII International Services S.à r.l., the Transferred Guarantors, NII Mercosur, LLC and NIU Holdings LLC.

~~60~~58. **"DIP Agent"** means Credit Suisse AG, Cayman Islands Branch, in its capacity as administrative agent and collateral agent under the DIP Credit Agreement.

~~61~~59. **"DIP Claims"** means any Claim of the DIP Agent or the DIP Lenders against a ~~Plan~~ Debtor under or evidenced by (a) the DIP Credit Agreement and (b) the DIP Order.

~~62~~60. **"DIP Credit Agreement"** means that certain Debtor-in-Possession Credit and Security Agreement, dated as of ~~[DATE]~~March 23, 2015 (as the same may have been subsequently modified, amended, supplemented or otherwise revised from time to time, and together with all instruments, documents

and agreements related thereto) among Luxco (as borrower), the Guarantors (as defined in the DIP Credit Agreement), the DIP Agent and the DIP Lenders party thereto.

~~63~~61. **"DIP Lenders"** means, collectively, those entities identified as "Lenders" in the DIP Credit Agreement and their respective permitted successors and assigns (solely in their capacity as "~~DIP~~ Lenders" under the DIP Credit Agreement).

~~64~~62. **"DIP Order"** means ~~an order of the Bankruptcy Court (a) authorizing the Debtors to obtain postpetition financing pursuant to the DIP Credit Agreement and (b) providing related relief.~~the *Order, Pursuant to 11 U.S.C. §§ 105, 362, 363 and 364, Rules 4001 and 9014 of the Federal Rules of Bankruptcy Procedure and Rule 4001-2 of the Local Bankruptcy Rules for the Southern District of New York: (A) Authorizing Debtors to Obtain Postpetition Financing and (B) Granting Related Relief*, entered on March 23, 2015 [Docket No. 573], as such order may be amended from time to time.

~~65~~63. **"Disclosure Statement"** means the Disclosure Statement for the First Amended Joint Plan of Reorganization Proposed by the Plan Debtors and Debtors in Possession and the Official Committee of Unsecured Creditors, of even date herewith (including all exhibits and schedules thereto or referenced therein), that has been prepared and distributed by the Plan Proponents, pursuant to section 1125(g) of the Bankruptcy Code, as the same may be amended, modified or supplemented, and which is in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

~~66~~64. **"Disclosure Statement Order"** means an order entered by the Bankruptcy Court, which shall be a Final Order and which shall be in form and substance reasonably satisfactory to the Plan Proponents and each of the Requisite Consenting Noteholders, approving, among other things, the Disclosure Statement as containing adequate information pursuant to section 1125 of the Bankruptcy Code, authorizing solicitation of the Disclosure Statement and the Plan and approving related solicitation materials.

~~67~~65. **"Disputed Claim"** means any portion of a Claim (a) that is neither an Allowed Claim nor a disallowed Claim, (b) that is listed as disputed, contingent or unliquidated on the Schedules or that is otherwise subject to an objection or (c) 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 Plan Debtors have, or any party in interest entitled to do so 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.

~~68~~66. **"Distribution Record Date"** means the date for determining which Holders of Allowed Claims or Interests are eligible to receive distributions hereunder, which, unless otherwise specified, shall be ~~(a)~~ the Voting Deadline ~~or (b) the Effective Date in the case of~~; provided, however, that the Distribution Record Date shall not apply to Holders of Allowed Luxco Note Claims, Allowed Capco Note Claims and Allowed Transferred Guarantor Claims.

~~69~~67. **"Document Website"** means the internet site address https://cases.primeclerk.com/nii at which all of the exhibits and schedules to the Plan and the Disclosure Statement will be available to any party in interest and the public, free of charge.

~~70~~68. **"DTC"** means The Depository Trust Company.

~~71~~69. **"Effective Date"** means the day selected by the Plan Debtors that is a Business Day as soon as reasonably practicable after the Confirmation Date on which all conditions to the Effective Date in Section VII.B shall have been satisfied or waived in accordance with Section VII.C and, if a stay of the Confirmation Order is in effect, such stay shall have expired, dissolved, or been lifted.

~~72~~70. **"Entity"** means an individual, firm, corporation, partnership, limited liability company, association, joint stock company, joint venture, estate, trust, unincorporated organization or government or any political subdivision thereof, or other person or entity.

~~73~~71. **"Estate"** means, as to each Plan Debtor, the estate created for such Plan Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

~~74~~72. **"Executory Contract"** or **"Unexpired Lease"** means a contract or lease to which a Plan Debtor is a party that is subject to assumption, assumption and assignment or rejection under section 365 of the Bankruptcy Code, including any modifications, amendments, addenda or supplements thereto or restatements thereof.

~~75~~73. **"Exhibit"** means an exhibit attached to this Plan or included in the Plan Supplement.

~~76~~74. **"Fee Claim"** means a Claim under sections 328, 330(a), 331, 503 or 1103 of the Bankruptcy Code for compensation of a Professional or other Entity for services rendered or expenses incurred in the Chapter 11 Cases, other than a Requisite Consenting Noteholder Professional Fee Claim.

~~77~~75. **"Fee Order"** means any order establishing procedures for interim compensation and reimbursement of expenses of Professionals that may be entered by the Bankruptcy Court.

~~78~~76. **"File," "Filed"** or **"Filing"** means file, filed or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases.

~~79~~77. **"Final Order"** means an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction, as entered on the docket in the Chapter 11 Cases or the docket of any other court of competent jurisdiction, that has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari or move for a new trial, reargument or rehearing has expired, and no appeal or petition for certiorari or other proceedings for a new trial, reargument or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been timely filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument or rehearing shall have been denied or resulted in no modification of such order.

~~80~~78. **"General Unsecured Claim"** means any Claim that is not an Administrative Claim, Priority Claim, Priority Tax Claim, Secured Claim, Sale-Leaseback Guaranty Claim, CDB Documents Claim, Capco Note Claim, Luxco Note Claim, Transferred Guarantor Claim, Section 510 Claim, Prepetition Intercompany Claim or a Non-Debtor Affiliate Claim.

~~81~~79. **"Holder"** means an Entity holding a Claim or Interest, as the context requires.

~~82~~80. **"Holdings Debtor Group"** means the Debtor Group consisting of NII Holdings.

~~83~~81. **"Holdings Sale-Leaseback Guarantees"** means (a) that certain Guaranty of Obligations, dated March 23, 2005, by NII Holdings in favor of MATC Celular, S. de R.L. de C.V. (n/k/a MATC Digital S. de R.L. de C.V.), (b) that certain Guaranty of Obligations, dated March 22, 2005, by NII Holdings in favor of American Tower do Brasil – Cessão de Infraestruturas Ltda., and all amendments, supplements or modifications of any of the foregoing and extensions thereof and (c) any other guarantees given by NII Holdings in favor of ATC or any of its affiliates, in each case, as amended, supplemented or modified from time to time.

~~84~~82. **"Identified Avoidance Claims"** means all potential Avoidance Claims related to or arising from (a) the guarantees by NII Holdings of the Luxco Notes; (b) the subordination of the right of Capco to payment under the terms of the Capco Intercompany Note to the payment of the Luxco Notes, (c) the release and/or transfer of approximately $614 million of receivables that were owed to NII Holdings by Nextel Telecomunicações Ltda. and transferred to Luxco on or about February 28, 2013, (d) the release and/or transfer of approximately $48 million owed to NII Holdings, NIS and NII Funding Corp. from McCaw International (Brazil), LLC and (e) the release by NIS and NII Holdings of approximately $93 million in intercompany receivables owed to them by Nextel del Peru S.A.

~~85~~83. **"Impaired"** means, when used in reference to a Claim or an Interest, a Claim or an Interest that is impaired within the meaning of section 1124 of the Bankruptcy Code.

~~86~~84. **"Indenture Trustees"** means (a) Wilmington Trust, National Association, (b) Wilmington Savings Fund Society, FSB or (c) U.S. Bank National Association.

~~87~~85. **"Initial Share Pool"** means 100,000,000 shares of Reorganized NII Common Stock issued and outstanding as of the Effective Date and distributed to Holders of Allowed Transferred Guarantor Claims, Allowed Luxco Note Claims and Allowed Capco Note Claims.

~~88~~86. **"Intercompany Administrative Claim"** means any Allowed Claim (a) of any Plan Debtor against another Plan Debtor or (b) of any Plan Debtor against NIU, as assigned to NIU Holdings LLC pursuant to the Mexico Sale Order, (c) of any Non-Debtor Affiliate against a Plan Debtor or (d) of any Non-Debtor Affiliate against NIU, as assigned to NIU Holdings LLC pursuant to the Mexico Sale Order, in each case, arising from and after the Petition Date through and including the Effective Date.

~~89~~87. **"Interest"** means the rights of the Holders of the common stock, membership interests or partnership interests issued by a Plan Debtor and outstanding immediately prior to the Petition Date, and any options, warrants or other rights with respect thereto, or any other instruments evidencing an ownership interest in a Plan Debtor and the rights of any Entity to purchase or demand the issuance of any of the foregoing, including: (a) redemption, conversion, exchange, voting, participation and dividend rights (including any rights in respect of accrued and unpaid dividends); (b) liquidation preferences; and (c) stock options and warrants.

~~90~~88. **"Liabilities"** means any and all Claims, obligations, suits, judgments, damages, demands, debts, rights, Recovery Actions, causes of action and liabilities, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, arising in law, equity or otherwise, that are based in whole or in part on any act, event, injury, omission, transaction or agreement.

~~91~~89. **"Luxco"** means NII International Telecom S.C.A.

~~92~~90. **"Luxco 7.875% Note Indenture"** means that Indenture dated as of May 23, 2013 among Luxco (as issuer), NII Holdings (as guarantor), and Wilmington Trust, National Association (as trustee) and all amendments, supplements or modifications thereto and extensions thereof.

~~93~~91. **"Luxco 7.875% Notes"** means the 7.785% senior notes due 2019 in the aggregate principal amount of $700,000,000 issued pursuant to the Luxco 7.875% Note Indenture.

~~94~~92. **"Luxco 11.375% Note Indenture"** means that Indenture dated as of February 19, 2013 among Luxco (as issuer), NII Holdings (as guarantor), and Wilmington Trust, National Association (as trustee) and all amendments, supplements or modifications thereto and extensions thereof.

~~95~~93. **"Luxco 11.375% Notes"** means the 11.375% senior notes due 2019 in the aggregate principal amount of $900,000,000 issued pursuant to the Luxco 11.375% Note Indenture.

~~96~~94. **"Luxco Group"** means that certain ad hoc group of Holders of Luxco Note Claims represented by Kirkland & Ellis LLP that have executed the Plan Support Agreement.

~~97~~95. **"Luxco Indentures"** means, collectively, the Luxco 11.375% Note Indenture and Luxco 7.875% Note Indenture.

~~98~~96. **"Luxco Note Claims"** means any Claim against Luxco or NII Holdings under or evidenced by the Luxco 7.875% Note Indentures, the Luxco 7.875% Notes, the Luxco 11.375% Note Indenture or the Luxco 11.375% Notes, including any obligations of NII Holdings with respect to any of the foregoing.

~~99~~97. **"Luxco Notes"** means, collectively, the Luxco 7.875% Notes and the Luxco 11.375% Notes.

~~100~~98. **"Luxco Notes Cash Allocation"** means an amount of Cash equal to the Total Distributable Cash multiplied by the percentage used to calculate the Luxco Notes Distributable Value Allocation.

~~101~~99. **"Luxco Notes Distributable Value Allocation"** means the amount equal to 60.25% multiplied by the Plan Distributable Value, which shall be in the form of (1) the Luxco Notes Stock Allocation, subject to dilution by any Management Incentive Plan Shares, and (2) the Luxco Notes Cash Allocation~~;~~ ~~provided that, in the event of an Overbid, the percentage used to calculate the Luxco Notes Distributable Value Allocation shall be recalculated by dividing (x) the Allowed Luxco Note Claims Amount by (y) the Plan Distributable Value (as adjusted for any Net Overbid Proceeds).~~.

~~102~~100. **"Luxco Notes Stock Allocation"** means the number of shares of Reorganized NII Common Stock equal to the Initial Share Pool multiplied by the Luxco Stock Allocation Percentage.

~~103~~101. **"Luxco Stock Allocation Percentage"** means the result, expressed as a percentage, of dividing (x) the Allowed Luxco Note Claims Amount less the Luxco Notes Cash Allocation by (y) the Plan Distributable Value ~~(as adjusted for any Net Overbid Proceeds)~~ less Total Distributable Cash.

~~104~~102. **"Luxco Sale-Leaseback Guarantee"** means that certain Guaranty and Subordination Agreement, dated December 6, 2013, among American Tower do Brasil – Cessão de Infraestruturas Ltda., American Tower do Brasil II – Cessao de Infraestruturas Ltda., and Luxco.

~~105~~103. **"Luxembourg Debtor Group"** means the Debtor Group consisting of Luxco, NII International Holdings S.à r.l. and NII International Services S.à r.l.

~~106~~104. **"Management Incentive Plan"** means an incentive plan for the management of Reorganized NII to be implemented by the New Board on or promptly following the Effective Date pursuant to which Reorganized NII may distribute to certain members of the management of Reorganized NII (a) restricted stock for up to 2.5% of Reorganized NII Common Stock or (b) options to purchase up to 2.5% of Reorganized NII Common Stock, in each case, on a fully diluted basis; provided that the vesting, apportionment, granting, and any applicable exercise price shall be determined by the New Board.

~~107~~105. **"Management Incentive Plan Shares"** means any shares of Reorganized NII Common Stock issued as a result of the exercise of options, restricted stock or other securities granted pursuant to the Management Incentive Plan.

~~108. "Maximum Convenience Class Payment" means $[_____].~~

~~109~~106. **"Mexico Sale Documents"** means ~~the documents necessary to effectuate the Mexico Sale Transaction, including (a) the Stalking Horse~~(a) the Purchase Agreement ~~or any Alternative~~and all ancillary documents and agreements (including the Transition Services Agreement and Escrow Agreement (each as defined in the Mexico Sale Order)) to the Purchase Agreement, each as amended, modified or supplemented from time to time, (b) the Mexico Sale Order and (c) ~~any ancillary~~all other documents ~~related~~necessary to effectuate the Mexico Sale Transaction.

~~110~~107. **"Mexico Sale Order"** means ~~an order of the Bankruptcy Court approving the Mexico Sale Transaction.~~the *Order: (I) Approving Purchase and Sale Agreement; (II) Authorizing the Sale of All of the Membership Interests of Nextel International (Uruguay) LLC Free and Clear of Interests; (III) Approving the Transfer and Novation of the Liabilities of Nextel International (Uruguay) LLC, Enjoining the Enforcement of Such Liabilities and Dismissing Its Chapter 11 Case and (IV) Granting Certain Related Relief*, entered on March 23, 2015 [Docket No. 575], as such order may be amended from time to time.

~~111~~108. **"Mexico Sale Transaction"** means that transaction or series of transactions pursuant to ~~a~~the Purchase Agreement effecting the sale of the Purchased Assets in accordance with the Mexico Sale Order.

~~112. "Net Overbid Proceeds" means the amount equal to the incremental proceeds (calculated as the difference between the proceeds received in connection with the new estimated purchase price provided by the Alternative Sale Transaction over the proceeds receivable in connection with the Estimated Purchase Price pursuant to the Stalking Horse Purchase Agreement) provided to the Debtors by the Overbid (if in a form other than cash, the value of which shall be determined by agreement of the Plan Proponents and each of the Requisite Consenting Noteholders, or absent such agreement, by order of the Bankruptcy Court) after deducting (i) any breakup fee or expense reimbursement afforded to the Stalking Horse Bidder, if applicable, and (ii) if proceeds from the Overbid are received after April 30, 2015, any negative cash flow before financing at NII Mexico for the period commencing on April 30, 2015 and terminating on the date on which the proceeds of an Overbid are received by the applicable Debtor(s).~~

~~113~~109. **"New Board"** means the initial board of directors of Reorganized NII Holdings composed of individuals as set forth in Section III.F.2 ~~hereof~~.

~~114~~110. **"New NII-ATC Guaranty"** shall mean a form of guaranty by Luxco, as reorganized under the Plan, or its legal successor, in form and substance reasonably acceptable to ATC, the Plan Proponents and each of the Requisite Consenting Noteholders, and a copy of which shall be included in the Plan Supplement.

~~115~~111. **"New NII Exit Financing Documents"** means, collectively, the definitive documents, statements and filings that evidence the New NII Exit Financing Facility, if obtained.

~~116~~112. **"New NII Exit Financing Facility"** means a financing facility or debt issuance, if obtained, that is entered into or issued by one or more of the Reorganized Debtors on the Effective Date.

~~117~~113. **"New Securities and Documents"** means the Reorganized NII Common Stock, New NII Exit Financing Documents (if the New NII Exit Financing Facility is obtained), and any and all other securities, notes, stock, instruments, certificates, and other documents or agreements required to be issued, executed or delivered pursuant to or in connection with this Plan.

~~118~~114. **"NII Brazil CDB Agreements"** means, collectively, (a) that certain Credit Agreement (Sinosure), dated as of April 20, 2012, among Nextel Telecomunicações Ltda. (as borrower), the guarantors party thereto, and China Development Bank Corporation (as lender and administrative agent) and (b) that certain Credit Agreement (non-Sinosure), dated as of April 20, 2012, among Nextel Telecomunicações Ltda. (as borrower), the guarantors party thereto, and China Development Bank Corporation (as lender and administrative agent), in each case, as amended, restated, amended and restated, supplemented or otherwise modified from time to time.

~~119~~115. **"NII Holdings"** means NII Holdings, Inc.

~~120~~116. **"NII Interests"** means any Interests in NII Holdings.

~~121~~117. **"NII Mexico"** means Comunicaciones Nextel de México, S.A. de C.V. and its direct and indirect subsidiaries.

~~122~~118. **"NIS"** means Nextel International (Services), Ltd.

~~123~~119. **"NIU"** means Nextel International (Uruguay), LLC.

~~124~~120. **"Non-Debtor Affiliate"** means any direct or indirect subsidiary of NII Holdings that is not a Debtor.

~~125~~121. **"Non-Debtor Affiliate Claim"** means any Claim held by a Non-Debtor Affiliate against (a) a Plan Debtor or (b) NIU, as assigned to NIU Holdings LLC pursuant to the Mexico Sale Order, in each case, that arose prior to the Petition Date.

~~126~~122. **"Notice and Claims Agent"** means Prime Clerk LLC, in its capacity as noticing, claims and solicitation agent for the Debtors.

~~127~~123. **"Operating Company Credit Agreements"** means, collectively, the NII Brazil CDB Agreements and the Other Brazilian Credit Agreements.

~~128~~124. **"Ordinary Course Professionals Order"** means any order entered by the Bankruptcy Court authorizing the Debtors to retain, employ and pay professionals and service providers, as specified in such order, which are not materially involved in the administration of the Chapter 11 Cases.

~~129~~125. **"Other Brazilian Credit Agreements"** means (a) that certain Cédula de Crédito Bancário no. 307.001.181, dated as of October 31, 2012, between Nextel Telecomunicações Ltda. and Banco do Brasil, S.A., and (b) that certain Cédula de Crédito Bancário, dated as of December 8, 2011, Nextel Telecomunicações Ltda. (as borrower), Nextel Telecomunicações S.A. (as guarantor), and Caixa Econômica Federal (as lender), in each case, as amended, restated, amended and restated, supplemented or otherwise modified from time to time.

~~130. "Overbid" means the highest or best offer for the Purchased Assets other than the offer set forth in the Stalking Horse Purchase Agreement as of March 19, 2015, as determined by the Debtors, after consultation with the Creditors' Committee.~~

~~131~~126. **"Petition Date"** means (i) September 15, 2014 for NII Holdings; NIS; Capco; NII Aviation, Inc.; NII Funding Corp.; NII Global Holdings, Inc.; Luxco; NII International Holdings S.à r.l.; and NII International Services S.à r.l.; (ii) October 8, 2014 for Airfone Holdings, LLC; McCaw International (Brazil), LLC; and NII Mercosur, LLC; and (iii) January 25, 2015 for NIU Holdings LLC.

~~132~~127. **"Plan"** means this first amended joint plan of reorganization for the Plan Debtors, and all Exhibits attached hereto or referenced herein, supplements, appendices, schedules, and the Plan Supplement, as the same may be amended, modified or supplemented.

~~133~~128. **"Plan Debtors"** means, collectively, NII Holdings, Inc., Nextel International (Services), Ltd., NII Capital Corp., NII Aviation, Inc., NII Funding Corp., NII Global Holdings, Inc., NII International Telecom S.C.A., NII International Holdings S.à r.l., NII International Services S.à r.l., Airfone Holdings, LLC, McCaw International (Brazil), LLC, NII Mercosur, LLC and NIU Holdings LLC.

~~134~~129. **"Plan Distributable Value"** means $2.813 billion~~, subject to adjustment in the event of the Debtors' acceptance of an Overbid, whereby Plan Distributable Value shall be increased by the Net Overbid Proceeds~~.

~~135~~130. **"Plan Documents"** means the Plan, the Disclosure Statement, the Confirmation Order, the Mexico Sale Documents and any other documents or agreements Filed with the Bankruptcy Court by the Debtors that are necessary to implement the Plan, including any appendices, amendments, modifications, supplements, exhibits and schedules relating to the Plan or the Disclosure Statement, including: (a) any term sheet and/or commitment letter for any proposed postpetition or exit financing facility; (b) the operative documents for any proposed postpetition financing or exit financing, including the DIP Credit Agreement, the DIP Order and the New NII Exit Financing Documents (if any); (c) any documents disclosing the identity of the members of the board of directors of any of the Reorganized Debtors and the nature of any compensation for any "insider" under the Bankruptcy Code who is proposed to be employed or retained by any of the Reorganized

Debtors; (d) any list of material Executory Contracts and Unexpired Leases to be assumed, assumed and assigned, or rejected; (e) a list of any material retained causes of action; and (f) the Registration Rights Agreement, each of which shall (i) be in form and substance reasonably acceptable to the Plan Proponents, Aurelius, and Capital Group, and (ii) solely with respect to the Plan, the Disclosure Statement, the materials for solicitation of the Plan and Disclosure Statement, the motion to approve the Disclosure Statement, the Disclosure Statement Order, the Confirmation Order, any term sheet and/or commitment letter relating to the DIP Credit Agreement be in form and substance reasonably acceptable to the Luxco Group, and with respect to all other documents, be subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; provided, however, the Debtors shall consult with the Luxco Group regarding a proposed New NII Exit Financing Facility and the negotiation of the terms thereof and the final terms and conditions of such New NII Exit Financing Facility shall be subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; provided, further, that if Aurelius or Capital Group participates in the New NII Exit Financing Facility, such financing shall be on terms and conditions reasonably acceptable to each of the Plan Proponents and each of the Requisite Consenting Noteholders.

~~136~~131. **"Plan Proponents"** means, collectively, the Plan Debtors and the Creditors' Committee.

~~137~~132. **"Plan Supplement"** means the compilation of documents and forms of documents as amended from time to time that constitute Exhibits to the Plan Filed with the Bankruptcy Court no later than seven days before the earlier of the (a) Voting Deadline and (b) deadline for objections to Confirmation of this Plan (or such later date as may be approved by the Bankruptcy Court), including, without limitation, the following: (a) New NII-ATC Guaranty; (b) revised NII Holdings certificate of incorporation (or comparable constituent document); (c) revised NII Holdings bylaws (or comparable constituent document); (d) term sheet, credit agreement or indenture, as applicable, for the New NII Exit Financing Facility (if obtained); (e) list of the new directors of NII Holdings; (f) form of Management Incentive Plan; (g) list of Executory Contracts and Unexpired Leases to be assumed by the Plan Debtors; (h) list of retained causes of action (if any); and (i) copies, or a summary of material terms of, any amendments to the Operating Company Credit Agreements.

~~138~~133. **"Plan Support Agreement"** means that certain Plan Support Agreement, dated March 5, 2015, among the Plan Debtors, the Creditors' Committee and the Consenting Noteholders, pursuant to which the parties agreed to support, and (as applicable) vote in favor of, this Plan, appended as Exhibit A to the *Notice of Filing Plan Support Agreement and Plan Term Sheet* [Docket No. 506], as such agreement may be amended from time to time.

~~139~~134. **"Plan Support Agreement Order"** means an order of the Bankruptcy Court (a) authorizing and approving the Plan Debtors' entry into the Plan Support Agreement and performance of their obligations thereunder and (b) providing related relief.

~~140~~135. **"Plan Term Sheet"** means that certain Plan Term Sheet, dated March 5, 2015, attached as Exhibit ~~A~~1 to the Plan Support Agreement.

~~141~~136. **"Prepetition Indentures"** means, collectively, the (a) Capco Indentures and (b) the Luxco Indentures.

~~142~~137. **"Prepetition Intercompany Claim"** means any Claim of (a) any Plan Debtor against any other Plan Debtor, (b) of any Plan Debtor against NIU, as assigned to NIU Holdings LLC pursuant to the Mexico Sale Order, or (c) of any Plan Debtor against any Non-Debtor Affiliate, in each case, that arose prior to the Petition Date.

~~143~~138. **"Prepetition Note Claims"** means, collectively, the Luxco Note Claims and the Capco Note Claims.

~~144~~139. **"Prepetition Notes"** means, collectively, the Capco Notes and the Luxco Notes.

~~145~~140. **"Priority Claim"** means a Claim that is entitled to priority in payment pursuant to section 507(a) of the Bankruptcy Code that is not an Administrative Claim, DIP Claim or a Priority Tax Claim.

~~146~~141. **"Priority Tax Claim"** means a Claim that is entitled to priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code.

~~147. "Pro Rata" means~~

~~a~~142. **"Pro Rata"** means when used with reference to a distribution of Plan Distributable Value to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C or 6E, proportionately so that with respect to a particular Allowed Claim in any such Class, the ratio of (w) the amount of Plan Distributable Value distributed on account of such Claim to (x) the Allowed amount of such Claim is the same as the ratio of (y) Plan Distributable Value distributed on account of all Allowed Claims in such applicable Class to (z) the amount of all Allowed Claims in such applicable Class~~; and~~.

~~b. when used with reference to a distribution of Cash to Holders of Allowed Convenience Claims in Classes 9A, 9B or 9C, proportionately so that with respect to a particular Allowed Claim in any such Class, the ratio of (w) the portion of the Maximum Convenience Class Payment distributed on account of such Claim to (x) the Allowed amount of such Claim is the same as the ratio of (y) the Maximum Convenience Class Payment to (z) the amount of all Allowed Convenience Claims.~~

~~148~~143. **"Professional"** means any professional employed in the Chapter 11 Cases pursuant to sections 327, 328, 363 or 1103 of the Bankruptcy Code or any professional or other Entity seeking compensation or reimbursement of expenses in connection with the Chapter 11 Cases pursuant to section 503(b)(4) of the Bankruptcy Code.

~~149~~144. **"Proof of Claim"** means a proof of claim filed with the Bankruptcy Court or the Notice and Claims Agent in connection with the Chapter 11 Cases.

~~150~~145. **"Purchase Agreement"** means~~, as applicable, (a) the Stalking Horse Purchase Agreement or (b) the Alternative Purchase Agreement.~~ that certain Purchase and Sale Agreement (collectively with all exhibits and schedules thereto) dated January 26, 2015, by and between New Cingular Wireless Services, Inc., NIHD Telecom Holdings B.V., NIU Holdings LLC, NIU, Comunicaciones Nextel de México, S.A. de C.V., Luxco, NII International Holdings S.à r.l., NII Global Holdings, Inc., Capco and NII Holdings, as amended, modified or supplemented from time to time.

~~151~~146. **"Purchased Assets"** means 100% of the membership interests of NIU and any other assets that are the subject of the Purchase Agreement.

~~152~~147. **"Recharacterization Claims"** means any and all Claims, obligations, suits, judgments, damages, debts, rights, remedies, causes of action, avoidance powers or rights, liabilities of any nature whatsoever, and legal or equitable remedies that could be asserted (a) against any of the Plan Debtors by or on behalf of any other Plan Debtor, Non-Debtor Affiliate or their creditors derivatively, (b) against NIU by or on behalf of any other Plan Debtor, Non-Debtor Affiliate or their creditors derivatively or (c) against any Non-Debtor Affiliate by or on behalf of any of the Plan Debtors or their creditors derivatively, in each case, seeking the recharacterization as equity of debt obligations owing (i) to or from a Plan Debtor and another Plan Debtor, (ii) to or from NIU and another Plan Debtor, or (iii) from a Non-Debtor Affiliate to a Plan Debtor or NIU.

~~153~~148. **"Recovery Actions"** means, collectively and individually, preference actions, fraudulent conveyance actions and other claims or causes of action under sections 510, 544, 547, 548, 549 and 550 of the Bankruptcy Code and other similar state law claims and causes of action, except the Avoidance Claims and the Recharacterization Claims.

~~154~~149. **"Registration Rights Agreement"** means that certain registration rights agreement between the Reorganized Debtors and the holders of Reorganized NII Common Stock, a copy of which is attached hereto as Exhibit A.

~~155~~150. **"Reinstated"** means, unless the Plan specifies a particular method pursuant to which a Claim or Interest shall be Reinstated, (a) leaving unaltered the legal, equitable and contractual rights to which a Claim or Interest so as to render such Claim or Interest Unimpaired; or (b) notwithstanding any contractual provisions or applicable law that entitles the Holder of a Claim or Interest to demand or receive accelerated payment of such Claim or Interest after the occurrence of a default, (i) curing any such default that occurred before or after the commencement of the applicable Chapter 11 Case, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) of the Bankruptcy Code expressly does not require to be cured; (ii) reinstating the maturity of a Claim or Interest as such maturity existed before such default; (iii) compensating the Holder of a Claim or Interest for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law; (iv) if such Claim arises from any failure to perform a nonmonetary obligation, other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A) of the Bankruptcy Code, compensating the Holder of such Claim for any actual pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable or contractual rights to which a Claim or Interest entitles the Holder of such Claim or Interest.

~~156~~151. **"Released Parties"** means, collectively and individually, the Plan Proponents, the members of the Creditors' Committee, the Indenture Trustees, the Consenting Noteholders, the DIP Agent, the DIP Lenders, and the Representatives of each of the foregoing (solely in their capacities as such).

~~157~~152. **"Reorganized"** means, (a) when used in reference to a particular Plan Debtor (except NII Holdings), such Plan Debtor on and after the Effective Date, and (b) when used in reference to the Plan Debtors collectively, then all of the Plan Debtors on and after the Effective Date (including Reorganized NII).

~~158~~153. **"Reorganized NII"** means NII Holdings, on and after the Effective Date, or its legal successor under the Plan on and after the Effective Date.

~~159~~154. **"Reorganized NII Common Stock"** means the shares of common stock of Reorganized NII, $0.001 par value per share, authorized pursuant to the certificate of incorporation of Reorganized NII, to be initially authorized pursuant to the Plan as of the Effective Date, including such shares to be issued pursuant to the Plan.

~~160~~155. **"Representatives"** means, with respect to any Entity, any successor, predecessor, officer, director, partner, limited partner, general partner, shareholder, manager, management company, investment manager, affiliate, employee, agent, attorney, advisor, investment banker, financial advisor, accountant or other Professional of such Entity or any of the foregoing and any committee of which such Entity is a member, in each case, in such capacity, serving on or after the Petition Date.

~~161~~156. **"Requisite Consenting Noteholders"** means, collectively, each of (a) Aurelius, (b) Capital Group and (c) the Luxco Group, provided that the Luxco Group shall exercise its rights as a Requisite Consenting Noteholder through approval by members of the Luxco Group holding a majority in principal amount of the Prepetition Notes held by the Luxco Group in the aggregate.

~~162~~157. **"Requisite Consenting Noteholders Professionals"** shall mean the following in their respective capacity as counsel or financial advisor to one or more of the Requisite Consenting Noteholders: (a) Akin Gump Strauss Hauer & Feld LLP, (b) Paul, Weiss, Rifkind, Wharton & Garrison LLP, (c) Blackstone

Advisory Partners, L.P., (d) Houlihan Lokey Capital, Inc., (e) Robbins, Russell, Englert, Orseck, Untereiner & Sauber LLP, (f) Kirkland & Ellis LLP, and (g) Millstein & Co. LP.

~~163~~158. **"Requisite Consenting Noteholders Professionals Fees/Expenses"** shall mean all unpaid fees and expenses incurred pursuant to engagement letters (as such letters have been amended) with the Debtors and, if no engagement letter is in effect, all reasonable and documented fees and expenses of the Requisite Consenting Noteholders Professionals incurred prior to the Effective Date in connection with the Debtors' restructuring; provided that the reasonable and documented fees and expenses payable by the Debtors of (i) Robbins, Russell, Englert, Orseck, Untereiner & Sauber LLP shall not exceed $150,000, (ii) Kirkland & Ellis LLP shall not exceed $4,500,000, (iii) Millstein & Co. LP shall not exceed $4,000,000, (iv) Blackstone Advisory Partners, L.P., solely with respect to its restructuring and discretionary fees, shall not exceed $3,000,000, and (v) Houlihan Lokey Capital, Inc., solely with respect to its restructuring fee, shall not exceed $7,000,000.

~~164~~159. **"Restructuring Transactions"** means, collectively, those mergers, consolidations, restructurings, dispositions, liquidations or dissolutions that the Plan Debtors determine to be necessary or appropriate to effect a corporate restructuring of their business or otherwise to simplify the overall corporate structure of the Reorganized Debtors, as described in greater detail in Section III.C.

~~165~~160. **"Retained Cash Amount"** means an amount of Cash, not to exceed $515,000,000, retained by the Plan Debtors or their subsidiaries to fund their operations, to repay the DIP Claims and to fund payments required pursuant to the Plan.

~~166~~161. **"Sale-Leaseback Guaranty Claims"** means any Claim arising under or evidenced by either the Luxco Sale-Leaseback Guarantee or any of the Holdings Sale-Leaseback Guarantees.

~~167~~162. **"Schedules"** means, collectively, the (a) schedules of assets, Liabilities and Executory Contracts and Unexpired Leases and (b) statements of financial affairs, as each may be amended and supplemented from time to time, Filed by the Debtors pursuant to section 521 of the Bankruptcy Code.

~~168~~163. **"Section 510 Claim"** means any Claim against a Debtor arising from rescission of a purchase or sale of a security of the Debtors or an Affiliate, for damages arising from the purchase or sale of such a security, or for reimbursement or contribution allowed under section 502 of the Bankruptcy Code on account of such a Claim and any other claim subject to subordination under section 510 of the Bankruptcy Code.

~~169~~164. **"Secured Claim"** means a Claim, including a Secured Tax Claim, that is secured by a lien on property in which an Estate has an interest or that is subject to a valid right of setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Claim Holder's interest in such Estate's interest in such property or to the extent of the amount subject to such valid right of setoff, as applicable, as determined pursuant to section 506 of the Bankruptcy Code.

~~170~~165. **"Secured Tax Claim"** means a Secured Claim arising out of a Plan Debtor's liability for any Tax.

~~171~~166. **"Securities Act"** means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

~~172~~167. **"Severance Plan"** means the NII Holdings Severance Plan, as amended and restated effective February 27, 2013.

~~173. "Stalking Horse Bidder" means New Cingular Wireless Services, Inc. or its permitted successors or assigns pursuant to the Stalking Horse Purchase Agreement.~~

~~174.~~ ~~"Stalking Horse Purchase Agreement" that certain Purchase and Sale Agreement dated January 26, 2015 by and between New Cingular Wireless Services, Inc. and NIU Holdings LLC, as amended, modified or supplemented from time to time.~~

~~175~~168. **"Stipulation of Amount and Nature of Claim"** means a stipulation or other agreement between the applicable Plan Debtor or Reorganized Debtor and a Holder of a Claim or Interest establishing the allowed amount or nature of such Claim or Interest that is (a) entered into in accordance with any Claim settlement procedures established by order of the Bankruptcy Court in these Chapter 11 Cases, (b) expressly permitted by the Plan or (c) approved by order of the Bankruptcy Court.

~~176~~169. **"Subsidiary Debtor"** means any Debtor other than NII Holdings.

~~177~~170. **"Subsidiary Debtor Equity Interests"** means, as to a particular Subsidiary Debtor, any Interests in such Debtor.

~~178~~171. **"Tax"** means: (a) any net income, alternative or add-on minimum, gross income, gross receipts, sales, use, ad valorem, value added, transfer, franchise, profits, license, property, environmental or other tax, assessment or charge of any kind whatsoever (together in each instance with any interest, penalty, addition to tax or additional amount) imposed by any federal, state, local or foreign taxing authority; or (b) any liability for payment of any amounts of the foregoing types as a result of being a member of an affiliated, consolidated, combined or unitary group, or being a party to any agreement or arrangement whereby liability for payment of any such amounts is determined by reference to the liability of any other Entity.

~~179~~172. **"TG Claims Cash Allocation"** means an amount of Cash equal to the lesser of (A) the product of (x) 52.38% and (y) the result of Total Distributable Cash less the Luxco Notes Cash Allocation and (B) the Allowed TG Claims Amount.

~~180~~173. **"TG Claims Distributable Value Allocation"** means the amount equal to 10.14% multiplied by the Plan Distributable Value, which shall be in the form of (1) the TG Claims Stock Allocation, subject to dilution by any Management Incentive Plan Shares, and (2) the TG Claims Cash Allocation~~; provided that, in the event of an Overbid, the percentage used to calculate the TG Claims Distributable Value Allocation shall be recalculated by dividing (x) the Allowed TG Claims Amount by (y) the Plan Distributable Value (as adjusted for any Net Overbid Proceeds).~~.

~~181~~174. **"TG Claims Stock Allocation"** means the number of shares of Reorganized NII Common Stock equal to the Initial Share Pool multiplied by the TG Claims Stock Allocation Percentage.

~~182~~175. **"TG Claims Stock Allocation Percentage"** means the result, expressed as a percentage, of dividing (x) the Allowed TG Claims Amount less the TG Claims Cash Allocation by (y) the Plan Distributable Value ~~(as adjusted for any Net Overbid Proceeds)~~ less Total Distributable Cash.

~~183~~176. **"Total Distributable Cash"** means an amount of Cash equal to (i) the Estimated Purchase Price (as defined in the Purchase Agreement) less (ii) the Escrow Amount (as defined in the Purchase Agreement) less (iii) the Retained Cash Amount ~~plus (iv) any Net Overbid Proceeds (if in a form other than Cash, only to the extent distributed under the Plan)~~.

~~184~~177. **"Transferred Guarantor Claims"** means any and all Claims, obligations, suits, judgments, damages, debts, rights, remedies, causes of action, avoidance powers or rights, liabilities of any nature whatsoever, and legal or equitable remedies against any Entity arising from or related to any alleged default under the Capco 8.875% Note Indenture or the Capco 10% Note Indenture, or any event giving rise to the right to declare such a default, including, but not limited to, (a) the alleged defaults described in the purported notice of default under the Capco 8.875% Note Indenture dated March 19, 2014 delivered by Cede & Co. to NII Holdings and Capco, (b) the transfer of certain direct or indirect equity interests in the Transferred Guarantors from NII Global Holdings, Inc. to Nextel International Holdings S.à r.l. on or about December 30, 2009 and the transfer of certain direct or indirect equity interests in NII Mercosur, LLC from NII Global

Holdings, Inc. to Nextel International Holdings S.à r.l. on or about May 28, 2010, and (c) the purported release of guarantees of the Transferred Guarantors and NII Mercosur, LLC under the Capco 8.875% Note Indenture and the Capco 10% Note Indenture that occurred on or around December 30, 2009 and on or about May 28, 2010.

~~185~~178. **"Transferred Guarantors Debtor Group"** means the Debtor Group consisting of Airfone Holdings, LLC, NIU Holdings LLC (including, as assignee of Claims against NIU pursuant to the Mexico Sale Order), McCaw International (Brazil), LLC and NII Mercosur, LLC.

~~186~~179. **"Transferred Guarantors"** means, collectively, Airfone Holdings, LLC, McCaw International (Brazil), LLC and NIU (including, as applicable, NIU Holdings LLC as assignee of Claims against NIU pursuant to the Mexico Sale Order).

~~187~~180. **"Unimpaired"** means, when used in reference to a Claim or an Interest, a Claim or an Interest that is not Impaired within the meaning of section 1124 of the Bankruptcy Code.

~~188~~181. **"U.S. Trustee"** means the United States Trustee appointed under section 581 of title 28 of the United States Code to serve in the Southern District of New York.

~~189~~182. **"Voting Deadline"** means 4:00 p.m. (Eastern time) on [DATE], 2015, which is the deadline for submitting Ballots to accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code.

B. Rules of Interpretation and Computation of Time

1. Rules of Interpretation

For purposes of the Plan, unless otherwise provided herein: (a) whenever it is appropriate from the context, each term, whether stated in the singular or the plural, includes both the singular and the plural; (b) unless otherwise provided in the Plan, any reference in the Plan to a contract, instrument, release or other agreement or document 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; (c) any reference in the 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 pursuant to the Plan, Confirmation Order or otherwise; (d) any reference to an Entity as a Holder of a Claim or Interest includes that Entity's successors, assigns and affiliates; (e) all references in the Plan to Sections, Articles and Exhibits are references to Sections, Articles and Exhibits of or to the Plan; (f) the words "herein," "hereunder" and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan; (g) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (h) subject to the provisions of any contract, articles or certificates of incorporation, bylaws, codes of regulation, similar constituent documents, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, federal law, including the Bankruptcy Code and the Bankruptcy Rules; and (i) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply to the extent not inconsistent with any other provision of this Section I.B.1.

2. Computation of Time

In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

3. Reference to Monetary Figures

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

II. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

All Claims and Interests, except Administrative Claims and Priority Tax Claims, are placed in the Classes set forth below. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims, as described in Section II.A, are not classified herein. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any remainder of the Claim or Interest qualifies within the description of such other Classes.

A. Unclassified Claims

1. Administrative Claims

a. Administrative Claims in General

Except as specified in this Section II.A.1, and subject to Section II.A.1.d and subject to the bar date provisions herein, unless otherwise agreed by the Holder of an Administrative Claim and the applicable Reorganized Debtor, each Holder of an Allowed Administrative Claim shall receive, in full satisfaction of its Administrative Claim, Cash equal to the Allowed amount of such Administrative Claim on either (i) the latest to occur of (A) the Effective Date (or as soon thereafter as practicable), (B) the date such Claim becomes an Allowed Administrative Claim and (C) such other date as may be agreed upon by the Reorganized Debtors and the Holder of such Claim or (ii) on such other date as the Bankruptcy Court may order.

b. Statutory Fees

All fees payable pursuant to 28 U.S.C. § 1930 after the Effective Date shall be paid by the applicable Reorganized Debtor in accordance therewith until the earlier of the conversion or dismissal of the applicable Chapter 11 Case under section 1112 of the Bankruptcy Code or the closing of the applicable Chapter 11 Case pursuant to section 350(a) of the Bankruptcy Code.

c. Ordinary Course Postpetition Administrative Liabilities

Administrative Claims based on liabilities incurred by a Plan Debtor in the ordinary course of its business, including Administrative Claims arising from or with respect to the sale of goods or provision of services on or after the Petition Date, Administrative Claims of governmental units for Taxes (including Tax audit Claims related to Tax years or portions thereof ending after the Petition Date), Administrative Claims arising under Executory Contracts and Unexpired Leases and all Intercompany Administrative Claims, shall be paid by the applicable Reorganized Debtor, pursuant to the terms and conditions of the particular transaction giving rise to those Administrative Claims, without further action by the Holders of such Administrative Claims or further approval by the Bankruptcy Court. Holders of the foregoing Claims shall not be required to File or serve any request for payment of such Administrative Claims.

d. Requisite Consenting Noteholders Professionals Fees/Expenses

Pursuant ~~to the Plan Term Sheet, the Debtors shall have sought authorization to pay in full in Cash the reasonable and documented fees and expenses of Akin Gump Strauss Hauer & Feld LLP, Paul, Weiss, Rifkind, Wharton & Garrison LLP and Kirkland & Ellis LLP (a) incurred through the date of the DIP Order, such payment to be made to Akin Gump Strauss Hauer & Feld LLP and Kirkland & Ellis LLP expeditiously after entry of the DIP Order and receipt of the relevant invoices for such fees and expenses and to Paul, Weiss, Rifkind, Wharton & Garrison LLP on the Effective Date following the receipt of invoices for such fees and~~

~~expenses and (b) incurred from the date of the DIP Order through the Effective Date, such payment to be made to Akin Gump Strauss Hauer & Feld LLP, Paul, Weiss, Rifkind, Wharton & Garrison LLP and Kirkland & Ellis LLP on the Effective Date, in each case, subject to the limitations set forth in Section I.A.163. Additionally, pursuant~~ to the Plan Support Agreement, the Debtors ~~shall~~ have sought to obtain authorization pursuant to the Plan Support Agreement Order to pay in full in Cash the Requisite Consenting Noteholders Professionals Fees/Expenses, ~~including the reasonable and documented fees and expenses of Houlihan Lokey Capital, Inc., Millstein & Co. LP and Blackstone Advisory Partners, L.P., including any restructuring fees, with such payment to be made on the Effective Date~~subject to the limitations set forth in Section I.A.158. To the extent the Requisite Consenting Noteholders Professionals Fees/Expenses are not paid in full in Cash pursuant to ~~the DIP Order and/or~~ the Plan Support Agreement Order, in light of the substantial contribution that each of the Requisite Consenting Noteholders and their respective Requisite Consenting Noteholders Professionals have made to the Chapter 11 Cases resulting in an actual and demonstrable benefit to the Estates and all creditors, the Requisite Consenting Noteholders Professionals Fees/Expenses shall constitute Allowed Administrative Claims and shall be paid in full in Cash, subject to the limitations set forth in Section I.A.~~163~~158.

e. Professional Compensation

Professionals or other Entities asserting a Fee Claim for services rendered before the Effective Date must File and serve on the Reorganized Debtors and such other Entities who are designated by the Bankruptcy Rules, the Fee Order, the Confirmation Order or other order of the Bankruptcy Court an application for final allowance of such Fee Claim no later than sixty (60) days after the Effective Date; provided, however, that any party who may receive compensation or reimbursement of expenses pursuant to the Ordinary Course Professionals Order may continue to receive such compensation and reimbursement of expenses for services rendered before the Effective Date pursuant to the Ordinary Course Professionals Order without further Bankruptcy Court review or approval (except as provided in the Ordinary Course Professionals Order); provided, further, however, that the Requisite Consenting Noteholders Professionals will not be required to seek allowance of their fees or expenses. Objections to any Fee Claim must be Filed and served on the Reorganized Debtors and the requesting party no later than ninety (90) days after the Effective Date. To the extent necessary, the Confirmation Order shall amend and supersede any previously entered order of the Bankruptcy Court regarding the payment of Fee Claims.

f. Post-Effective Date Professionals' Fees and Expenses

Except as otherwise specifically provided in the Plan, on and after the Effective Date, the Reorganized Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented fees and expenses of the Professionals or other fees and expenses incurred by the Reorganized Debtors on or after the Effective Date, in each case, related to implementation and consummation of the Plan. Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code or any order of the Bankruptcy Court entered before the Effective Date governing the retention of, or compensation for services rendered by, Professionals after the Effective Date shall terminate, and the Reorganized Debtors may employ or pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

g. Claims Under the DIP Credit Agreement

Upon consummation of the Mexico Sale Transaction, Allowed DIP Claims shall be paid in Cash in an amount equal to the full amount of those Claims in accordance with the DIP Credit Agreement and to the extent such Allowed DIP Claims have not been otherwise paid pursuant to a separate order(s) of the Bankruptcy Court.

h. Bar Dates for Administrative Claims

Except as otherwise provided herein, requests for payment of Administrative Claims (other than DIP Claims, Fee Claims, Requisite Consenting Noteholder Professionals Fees/Expenses, Claims described in paragraph 47 of the Mexico Sale Order and Administrative Claims based on Liabilities incurred by a Plan

Debtor in the ordinary course of its business as described in Section II.A.1.c) must be Filed and served on the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped and enjoined from asserting such Administrative Claims against the Plan Debtors or their property and such Administrative Claims shall be deemed discharged as of the Effective Date. Objections to such requests, if any, must be Filed and served on the Reorganized Debtors and the requesting party no later than the Administrative Claims Objection Deadline.

2. Payment of Priority Tax Claims

a. Priority Tax Claims

Pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, unless otherwise agreed by the Holder of a Priority Tax Claim and the Plan Proponents (with the consent of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed), each Holder of an Allowed Priority Tax Claim shall receive, in full satisfaction of its Allowed Priority Tax Claim that is due and payable on or before the Effective Date, on account of and in full and complete settlement, release and discharge of such Claim, Cash equal to the amount of such Allowed Priority Tax Claim on the later of: (i) the Effective Date (or as soon as reasonably practicable thereafter); and (ii) the date such Priority Tax Claim becomes an Allowed Priority Tax Claim, or as soon as practicable thereafter; provided, however, that all Allowed Priority Tax Claims that are not due and payable on or before the Effective Date shall be paid in the ordinary course of business by the Reorganized Debtors as they become due.

b. Other Provisions Concerning Treatment of Priority Tax Claims

Notwithstanding Section II.A.2.a, any Claim on account of any penalty arising with respect to or in connection with an Allowed Priority Tax Claim that does not compensate the Holder for actual pecuniary loss shall be treated as a General Unsecured Claim, and the Holder (other than as the Holder of a General Unsecured Claim) may not assess or attempt to collect such penalty from the Reorganized Debtors or their respective property.

B. Classification of Claims and Interests

1. General

Pursuant to sections 1122 and 1123 of the Bankruptcy Code, Claims and Interests are classified for voting and distribution pursuant to this Plan, as set forth herein. A Claim or Interest shall be deemed classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and shall be deemed classified in a different Class to the extent that any remainder of such Claim or Interest qualifies within the description of such other Class. Holders of Allowed Claims may assert such Claims against each Plan Debtor obligated with respect to such Claim, and such Claims shall be entitled to share in the recovery provided for the applicable Class of Claims against each obligated Plan Debtor based upon the full Allowed amount of the Claim. Notwithstanding the foregoing, and except as otherwise specifically provided for herein, the Confirmation Order or other order of the Bankruptcy Court, or required by applicable bankruptcy law, in no event shall the aggregate value of all property received or retained under the Plan on account of an Allowed Claim exceed 100% of the underlying Allowed Claim.

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for the purposes of Confirmation by acceptance of the Plan by an Impaired Class of Claims; provided, however, that in the event no Holder of a Claim with respect to a specific Class for a particular Plan Debtor timely submits a Ballot in compliance with the Disclosure Statement Order indicating acceptance or rejection of this Plan, such Class will be deemed to have accepted this Plan. The Plan Proponents may seek Confirmation of this Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests.

For administrative convenience, the Plan organizes the Plan Debtors into five (5) groups and assigns a letter to each such group (each, a "Debtor Group") and a number to each of the Classes of Claims against or Interests in the Plan Debtors in such Debtor Group. Notwithstanding this organizing principle, Claims against or Interests in a Debtor belonging to a Debtor Group consisting of more than one Debtor shall be deemed to be classified in a single Class of Claims against or Interests in such Debtor for all purposes under the Bankruptcy Code, including voting. To the extent a Holder has a Claim that may be asserted against more than one Plan Debtor in a Debtor Group, the vote of such Holder in connection with such Claims shall be counted as a vote of such Claim against each Plan Debtor in such Debtor Group against which such Holder has a Claim. For consistency, similarly designated Classes of Claims and Interests are assigned the same number across each of the Debtor Groups. Any non-sequential enumeration of the Classes is intentional to maintain consistency. Claims against and Interests in the Debtor(s) in an applicable Debtor Group are classified in up to 13 separate Classes as follows:

Letter	Debtor Group
A	**Holdings Debtor Group** NII Holdings, Inc.
B	**Capco Debtor Group** NII Capital Corp.
C	**Capco Guarantors Debtor Group** Nextel International (Services), Ltd. NII Aviation, Inc. NII Funding Corp. NII Global Holdings, Inc.
D	**Luxembourg Debtor Group** Nextel International Holdings S.à r.l. Nextel International Services S.à r.l. NII International Telecom S.C.A.
E	**Transferred Guarantors Debtor Group** NII Mercosur, LLC Airfone Holdings, LLC NIU Holdings LLC[2] McCaw International (Brazil), LLC

Number	Designation
1	Priority Claims
2	Secured Claims
3	Sale-Leaseback Guaranty Claims
4	Luxco Note Claims
5	Capco Note Claims
6	Transferred Guarantor Claims
7	CDB Documents Claims
8	General Unsecured Claims
9	Convenience Claims
10	Section 510 Claims
11	Non-Debtor Affiliate Claims
12	NII Interests
13	Subsidiary Debtor Equity Interests

2. Identification of Classes of Claims Against and Interests in the Plan Debtors

The following table designates the Classes of Claims against and Interests in the Plan Debtors and specifies which Classes are (a) Impaired or Unimpaired by this Plan, (b) entitled to vote to accept or reject this Plan in accordance with section 1126 of the Bankruptcy Code or (c) deemed to accept or reject this Plan.

[2] As assignee of Claims asserted against NIU and assigned to NIU Holdings LLC pursuant to the Mexico Sale Order.

Class(es)	Designation	Impairment	Entitled to Vote
1A – 1E	Priority Claims	Unimpaired	Deemed to Accept
2A – 2E	Secured Claims	Unimpaired	Deemed to Accept
3A, 3D	Sale-Leaseback Guaranty Claims	Impaired	Entitled to Vote
4A, 4D	Luxco Note Claims	Impaired	Entitled to Vote
5A – 5C	Capco Note Claims	Impaired	Entitled to Vote
6E	Transferred Guarantor Claims	Impaired	Entitled to Vote
7A	CDB Documents Claims	Impaired	Entitled to Vote
8A – 8E	General Unsecured Claims	Impaired	Entitled to Vote ~~Entitled to Vote (8A-8D and 8E against NII Holdings LLC) / Deemed to Reject (8E against McCaw International (Brazil), LLC, Airfone Holding, LLC and NII Mercosur, LLC)~~
9A – 9C	Convenience Claims	Unimpaired	Deemed to Accept
10A – 10E	Section 510 Claims	Impaired	Deemed to Reject
11A – 11E	Non-Debtor Affiliate Claims	Unimpaired	Deemed to Accept
12A	NII Interests	Impaired	Deemed to Reject
13B – 13E	Subsidiary Debtor Equity Interests	Unimpaired	Deemed to Accept

C. Treatment of Claims

1. Priority Claims (Classes 1A through 1E)

a. *Classification:* Classes 1A, 1B, 1C, 1D and 1E consist of all Priority Claims against the respective Plan Debtors.

b. *Treatment:* On the later of (a) the Effective Date and (b) the date on which such Priority Claim becomes an Allowed Priority Claim, unless otherwise agreed to by the Plan Proponents (with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) and the Holder of an Allowed Priority Claim (in which event such other agreement will govern), each Holder of an Allowed Priority Claim against a Plan Debtor shall receive on account and in full and complete settlement, release and discharge of such Claim, at the Plan Debtors' election (following consultation with the Creditors' Committee and with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed), (i) Cash in the amount of such Allowed Priority Claim in accordance with section 1129(a)(9) of the Bankruptcy Code and/or (ii) such other treatment required to render such Claim unimpaired pursuant to section 1124 of the Bankruptcy Code. All Allowed Priority Claims against the Plan Debtors that are not due and payable on or before the Effective Date shall be paid by the Reorganized Debtors when such Claims become due and payable in the ordinary course of business in accordance with the terms thereof.

c. *Voting:* Claims in Classes 1A, 1B, 1C, 1D and 1E are Unimpaired. Each Holder of an Allowed Claim in Class 1A, 1B, 1C, 1D or 1E shall be deemed to have accepted the Plan and is, therefore, not entitled to vote.

2. Secured Claims (Classes 2A through 2E)

a. *Classification:* Classes 2A, 2B, 2C, 2D and 2E consist of all Secured Claims against the respective Plan Debtors.

b. *Treatment:* Unless otherwise agreed by the Holder of a Secured Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, each Holder of a Secured Claim shall receive the following treatment at the option of the Plan Proponents (with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed): (i) such Allowed Secured Claim shall be Reinstated; (ii) payment in full (in Cash) of any such Allowed Secured Claim; (iii) satisfaction of any such Allowed Secured Claim by delivering the collateral securing any such Allowed Secured Claim and paying any interest required to be paid under section 506(b) of the Bankruptcy Code; or (iv) providing such Holders with such treatment in accordance with section 1129(b) of the Bankruptcy Code as may be determined by the Bankruptcy Court.

c. *Voting:* Claims in Classes 2A, 2B, 2C, 2D and 2E are Unimpaired. Each Holder of an Allowed Claim in Class 2A, 2B, 2C, 2D or 2E shall be deemed to have accepted the Plan and is, therefore, not entitled to vote.

3. Sale-Leaseback Guaranty Claims (Classes 3A and 3D)

a. *Classification:* Classes 3A and 3D consist of all Sale-Leaseback Guaranty Claims.

b. *Treatment:* Unless otherwise agreed by the Holder of a Sale-Leaseback Guaranty Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, the Luxco Sale-Leaseback Guarantee and each of the Holdings Sale-Leaseback Guarantees shall be extinguished and each Holder of an Allowed Sale-Leaseback Guaranty Claim shall receive, subject to the terms of this Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim the New NII-ATC Guaranty.

c. *Voting:* Claims in Classes 3A and 3D are Impaired. Each Holder of an Allowed Claim in Class 3A or 3D is entitled to vote.

4. Luxco Note Claims (Class 4A and 4D)

a. *Allowance:* On the Effective Date, the Luxco Note Claims for principal and interest obligations under the Luxco Notes and Luxco Indentures shall be deemed Allowed Claims under the Plan in their entirety in the amount of the Allowed Luxco Note Claims Amount against each of NII Holdings and Luxco, and not subject to challenge, reduction, recharacterization, defense, offset or counterclaims.

b. *Classification:* Classes 4A and 4D consist of all Luxco Note Claims.

c. *Treatment:* Unless otherwise agreed by the Holder of a Luxco Note Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed:

(A) to each Holder of an Allowed Luxco Note Claim in Classes 4A and 4D, subject to the terms of this Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata ~~Share~~share of the Luxco Notes Distributable Value Allocation (i.e., the amount equal to 60.25% multiplied by the Plan Distributable Value~~) (subject to downward adjustment based on the receipt of Net Overbid Proceeds (if any))~~), and with respect to specific distributions on account of Claims in each of Class 4A and Class 4D shall be comprised of:

i. with respect to each Holder of an Allowed Luxco Note Claim in Class 4D, its Pro Rata ~~Share~~share of the Luxco Notes Distributable Value Allocation; and

ii. having satisfied such Claims in full as a result of distributions to Holders of Class 4D Claims, no further distribution with respect to each Holder of an Allowed Luxco Note Claim in Class 4A; and

(B) an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustee under the Luxco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise its contractual lien rights prior to distribution).

d. *Voting:* Claims in Classes 4A and 4D are Impaired. Each Holder of an Allowed Claim in Class 4A or 4D is entitled to vote.

5. Capco Note Claims (Classes 5A, 5B and 5C)

a. *Allowance:* On the Effective Date, the Capco Note Claims for principal and interest obligations under the Capco Notes and the Capco Indentures, as applicable, shall be deemed Allowed Claims under the Plan in their entirety in the amount of the Allowed Capco Note Claims Amount against each of NII Holdings, NIS, Capco, NII Aviation, Inc., NII Funding Corp., and NII Global Holdings, Inc., and not subject to challenge, reduction, recharacterization, defense, offset or counterclaims.

b. *Classification:* Classes 5A, 5B and 5C consist of all Capco Note Claims.

c. *Treatment:* Unless otherwise agreed by the Holder of a Capco Note Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed:

(A) to each Holder of an Allowed Capco Note Claim in Classes 5A, 5B and 5C, subject to the terms of this Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata ~~Share~~share of the Capco Distributable Value Allocation (i.e., the amount equal to 29.61% multiplied by the Plan Distributable Value~~) (subject to upward adjustment based on the receipt of Net Overbid Proceeds (if any)~~), and with respect to specific distributions on account of Claims in each of Class 5A, 5B and 5C shall be comprised of:

i. with respect to each Holder of an Allowed Capco Note Claim in Class 5A, its Pro Rata ~~Share~~share of 19.34% of the Capco Distributable Value Allocation;

ii. with respect to each Holder of an Allowed Capco Note Claim in Class 5B, its Pro Rata ~~Share~~share of 69.22% of the Capco Distributable Value Allocation; and

iii. with respect to each Holder of an Allowed Capco Note Claim in Class 5C, its Pro Rata ~~Share~~share of 11.44% of the Capco Distributable Value Allocation; and

(B) an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustees under the Capco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise their contractual lien rights prior to distribution).

d. *Voting:* Claims in Classes 5A, 5B, and 5C are Impaired. Each Holder of an Allowed Claim in Class 5A, 5B, and 5C is entitled to vote.

6. Transferred Guarantor Claims (Class 6E)

a. *Allowance:* On the Effective Date, the Transferred Guarantor Claims shall be deemed Allowed Claims under the Plan in their entirety in the amount of the Allowed TG Claims Amount against each of NII Mercosur, LLC, Airfone Holdings, LLC, NIU Holdings LLC and McCaw International (Brazil), LLC, and not subject to challenge, reduction, recharacterization, defense, offset or counterclaims.

b. *Classification:* Class 6E consists of all Transferred Guarantor Claims.

c. *Treatment:* Unless otherwise agreed by the Holder of a Transferred Guarantor Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed to each Holder of an Allowed Transferred Guarantor Claim in Class 6E, subject to the terms of this Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata ~~Share~~share of the TG Claims Distributable Value Allocation (i.e., the amount equal to 10.14% multiplied by the Plan Distributable Value) ~~(subject to downward adjustment based on the receipt of Net Overbid Proceeds (if any))~~.

d. *Voting:* Claims in Class 6E are Impaired. Each Holder of an Allowed Claim in Class 6E is entitled to vote.

7. CDB Documents Claims (Class 7A)

a. *Classification:* Class 7A consists of all CDB Documents Claims.

b. *Treatment:* Unless otherwise agreed by the Holder of a CDB Documents Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, each Holder of an Allowed CDB Documents Claim, subject to the terms of this Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, shall receive the CDB Amended Guarantee.

c. *Voting:* Claims in Class 7A are Impaired. Each Holder of an Allowed Claim in Class 7A is entitled to vote.

8. General Unsecured Claims (Classes 8A through 8E)

a. *Classification:* Classes 8A, 8B, 8C, 8D and 8E consist of all General Unsecured Claims.

b. *Treatment:* Unless otherwise agreed by the Holder of a General Unsecured Claim and the applicable Debtor and the Creditors' Committee and each of the Requisite Consenting Noteholders, on the Effective Date, each Holder of an Allowed General Unsecured Claim in Classes 8A, 8B, 8C, 8D and 8E ~~against NIU Holdings LLC~~ shall receive, subject to the terms of this Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, a distribution equal to the following:

(A) with respect to each Holder of an Allowed General Unsecured Claim in Class 8A, Cash in an amount equal to 5.64% of its Allowed General Unsecured Claim against Holdings;

(B) with respect to each Holder of an Allowed General Unsecured Claim in Class 8B, Cash in an amount equal to 20.18% of its Allowed General Unsecured Claim against Capco~~, provided that, in the event of an Overbid, such percentage shall equal the result, expressed as a percentage, of dividing (x) the Capco Distributable Value Allocation on account of the Capco Note Claims against Capco after accounting for such Net Overbid Proceeds by (y) the amount of the Allowed Class 5B Claims;~~;

(C) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NIS, Cash in an amount equal to 4.51% of its Allowed General Unsecured Claim;

(D) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Aviation, Inc., Cash in an amount equal to 0.15% of its Allowed General Unsecured Claim;

(E) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Funding Corp., Cash in an amount equal to 0.24% of its Allowed General Unsecured Claim;

(F) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Global Holdings, Inc., Cash in an amount equal to 0.18% of its Allowed General Unsecured Claim;

(G) with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Holdings S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Holdings S.à r.l.;

(H) with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Services S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Services S.à r.l.;

(I) with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against Luxco, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against Luxco;

(J) with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against NIU Holdings LLC, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NIU Holdings LLC;

(K) with respect to each Holder of an Allowed General Unsecured Claim ~~against McCaw International (Brazil), LLC~~ in Class 8E~~, such Holder shall receive no distribution on account of its Allowed General Unsecured Claim~~ against McCaw International (Brazil), LLC, ~~and such Claims shall be extinguished on the Effective Date;~~its share of the property available for distribution of McCaw International (Brazil), LLC ratably with all other Allowed unsecured Claims against McCaw International (Brazil), LLC;

(L) with respect to each Holder of an Allowed General Unsecured Claim ~~against Airfone Holdings, LLC~~ in Class 8E~~, such Holder shall receive no distribution on account of its Allowed General Unsecured Claim~~ against Airfone Holdings, LLC, ~~and such Claims shall be extinguished on the Effective Date~~its share of the property available for distribution of Airfone Holdings, LLC ratably with all other Allowed unsecured Claims against Airfone Holdings, LLC; and

(M) with respect to each Holder of an Allowed General Unsecured Claim ~~against NII Mercosur, LLC~~ in Class 8E~~, such Holder shall receive no distribution on account of its Allowed General Unsecured Claim~~ against NII Mercosur, LLC, ~~and such Claims shall be extinguished on the Effective Date~~its share of the property available for distribution of NII Mercosur, LLC ratably with all other Allowed unsecured Claims against NII Mercosur, LLC.

c. *Voting:* Claims in Classes 8A, 8B, 8C, 8D and 8E are Impaired. Each Holder of an Allowed Claim in Class 8A, 8B, 8C ~~or~~, 8D or ~~in Class~~ 8E ~~against NIU Holdings LLC~~ is entitled to vote. ~~Each Holder of an Allowed Claim in Class 8E against Airfone Holdings, LLC, McCaw~~

~~International (Brazil), LLC or NII Mercosur, LLC shall be deemed to have rejected the Plan and, therefore, is not entitled to vote.~~

9. Convenience Claims (Classes 9A, 9B and 9C)

a. *Classification:* Classes 9A, 9B and 9C consist of all Convenience Claims.

b. *Treatment:* Unless otherwise agreed by the Holder of a Convenience Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, each Holder of an Allowed Convenience Claim shall receive, subject to the terms of this Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, Cash equal to the amount of such Allowed Claim (as reduced, if applicable, pursuant to an election by the Holder thereof in accordance with Section I.A.~~56); provided, however, that if the amount of the Convenience Claims exceeds the Maximum Convenience Class Payment, each Holder of an Allowed Convenience Claim shall receive its Pro Rata share of the Maximum Convenience Class Payment; provided, further, however, that notwithstanding anything herein to the contrary, each Holder of an Allowed Convenience Claim shall receive a percentage recovery on account of its Allowed Claim against a Plan Debtor that is not less than the percentage recovery received by Holders of Allowed General Unsecured Claims against the applicable Plan Debtor but in no event shall any such percentage recovery exceed 100.0%.~~54).

c. *Voting:* Claims in Classes 9A, 9B and 9C are Unimpaired. Each Holder of an Allowed Claim in Class 9A, 9B and 9C shall be deemed to have accepted the Plan and, therefore, is not entitled to vote.

10. Section 510 Claims (Classes 10A through 10E)

a. *Classification:* Classes 10A, 10B, 10C, 10D and 10E consist of all Section 510 Claims.

b. *Treatment:* No property shall be distributed to or retained by the Holders of Section 510 Claims, and such Claims shall be extinguished on the Effective Date. Holders of Section 510 Claims shall not receive any distribution pursuant to the Plan.

c. *Voting:* Claims in Classes 10A, 10B, 10C, 10D and 10E are Impaired. Each Holder of an Allowed Claim in Class 10A, 10B, 10C, 10D or 10E shall be deemed to have rejected the Plan and, therefore, is not entitled to vote.

11. Non-Debtor Affiliate Claims (Classes 11A through 11E)

a. *Classification:* Classes 11A, 11B, 11C, 11D and 11E consist of all Non-Debtor Affiliate Claims.

b. *Treatment:* On the Effective Date, all Non-Debtor Affiliate Claims shall be Reinstated.

c. *Voting:* Claims in Classes 11A, 11B, 11C, 11D and 11E are Unimpaired. Each Holder of an Allowed Claim in Class 11A, 11B, 11C, 11D or 11E shall be deemed to have accepted the Plan and, therefore, is not entitled to vote.

12. NII Interests (Class 12A)

a. *Classification:* Class 12A consists of all NII Interests.

b. *Treatment:* On the Effective Date, all NII Interests shall be cancelled and extinguished. Holders of NII Interests shall not receive any distribution pursuant to the Plan.

c. *Voting:* Interests in Class 12A are Impaired. Each Holder of an Allowed Interest in Class 12A shall be deemed to have rejected the Plan and, therefore, is not entitled to vote.

13. Subsidiary Debtor Equity Interests (Classes 13B through 13E)

a. *Classification:* Classes 13B, 13C, 13D and 13E consist of all Subsidiary Debtor Equity Interests.

b. *Treatment:* On the Effective Date, all Subsidiary Debtor Equity Interests shall not receive any distribution pursuant to the Plan and shall be Reinstated, subject to Section III.C.1.

c. *Voting:* Interests in Classes 13B, 13C, 13D and 13E are Unimpaired. Each Holder of an Allowed Interest in Class 13B, 13C, 13D or 13E shall be deemed to have accepted the Plan and, therefore, is not entitled to vote.

D. Special Provision Regarding Prepetition Intercompany Claims, Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims

Any and all Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims (including any such Claims against or in favor of NIU to which NIU Holdings LLC shall succeed pursuant to the Mexico Sale Order) shall be settled and compromised pursuant to Section III.H.2 ~~of the Plan~~. Distributions on account of the Allowed Claims resulting from such settlement and compromise shall be effected through the distributions to Holders of Allowed Claims pursuant to this Plan. Notwithstanding the foregoing, Prepetition Intercompany Claims may be deemed settled, cancelled, extinguished or otherwise Reinstated, in whole or in part, as of the Effective Date, in each case, at the discretion of the Plan Debtors or Reorganized Debtors, with the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed; provided, however, that such treatment shall not affect or be deemed to affect or modify (1) the settlement and compromise of the Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims pursuant to the terms of this Plan or (2) the releases contained in this Plan.

E. Special Provision Governing Unimpaired Claims

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Plan Debtors' or the Reorganized Debtors' rights regarding any Unimpaired Claim, including all rights regarding legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claim.

F. Postpetition Interest on Claims

Except as required by applicable bankruptcy law, postpetition interest shall not accrue or be payable on account of any Claim; provided, however, in connection with the settlement and compromise of the Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims set forth herein, certain Holders of the Luxco Note Claims relinquished their right to assert additional claims for postpetition interest on their Luxco Note Claims.

G. Insurance

Notwithstanding anything to the contrary herein, if any Allowed Claim is covered by an insurance policy, such Claim shall first be paid from proceeds of such insurance policy, with the balance, if any, treated in accordance with the provisions of the Plan governing the Class applicable to such Claim.

III. MEANS OF IMPLEMENTATION

A. Issuance of Reorganized NII Common Stock

On the Effective Date, 150,000,000 shares of Reorganized NII Common Stock shall be authorized, and Reorganized NII shall issue 100,000,000 shares of Reorganized NII Common Stock pursuant to the Plan, including the distribution of shares of Reorganized NII Common Stock to holders of Claims in Classes 4D, 5A, 5B, 5C, and 6E pursuant to the Plan. The issuance of up to an additional ~~5,000,000~~5,263,158 shares of Reorganized NII Common Stock by Reorganized NII, including restricted stock, options, stock appreciation rights or other equity awards, if any, in connection with the Management Incentive Plan, shall be authorized without the need for further corporate action and without any further action by the Holders of Claims or Interests. Any shares not necessary to satisfy obligations under the Plan shall have the status of authorized but not issued shares of Reorganized NII.

Each distribution and issuance of the Reorganized NII Common Stock under the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

On the Effective Date, each of the applicable Reorganized Debtors will be authorized to and shall issue or execute and deliver, as applicable, the Reorganized NII Common Stock and the New Securities and Documents, 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 Entity.

As soon as reasonably practicable after the Effective Date, but no later than sixty (60) days after the Effective Date, Reorganized NII shall use commercially reasonable efforts to cause the Reorganized NII Common Stock to be listed for trading on the New York Stock Exchange or the Global or Global Select markets of the NASDAQ Stock Market.

The issuance or execution and delivery of the New Securities and Documents, as applicable, and the distribution thereof under this Plan shall be exempt from registration under applicable securities laws pursuant to section 1145(a) of the Bankruptcy Code and/or any other applicable exemptions. Without limiting the effect of section 1145 of the Bankruptcy Code, all documents, agreements, and instruments entered into and delivered on or as of the Effective Date contemplated by or in furtherance of this Plan shall become and shall remain effective and binding in accordance with their respective terms and conditions upon the parties thereto, 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 Entity (other than as expressly required by such applicable agreement).

On the Effective Date, Reorganized NII and certain recipients of the Reorganized NII Common Stock shall be deemed to have entered into the Registration Rights Agreement, which provides, among other things, that parties who, together with their affiliates, receive 10% or more of the Reorganized NII Common Stock issued under the Plan will have registration rights pursuant to the terms of the Registration Rights Agreement.

B. Continued Corporate Existence and Vesting of Assets in the Reorganized Debtors

Except as otherwise provided herein (including with respect to the Restructuring Transactions described in Section III.C.1): (1) as of the Effective Date, Reorganized NII shall exist as a separate corporate entity, with all corporate powers in accordance with the laws of the state of Delaware and the certificates of incorporation and bylaws, appended hereto as Exhibit B and Exhibit C, respectively; (2) subject to the Restructuring Transactions, each of the Plan Debtors shall, as a Reorganized Debtor, continue to exist after the Effective Date as a separate legal entity, with all of the powers of such a legal entity under applicable law and without prejudice to any right to alter or terminate such existence (whether by merger, conversion, dissolution or otherwise) under applicable law; and (3) on the Effective Date, all property of the Estate of a Plan Debtor, and any property acquired by a Plan Debtor or Reorganized Debtor under the Plan, shall vest, subject to the

Restructuring Transactions, in the applicable Reorganized Debtors, free and clear of all Claims, liens, charges, other encumbrances, Interests and other interests. On and after the Effective Date, each Reorganized Debtor may operate its business and may use, acquire and dispose of property and compromise or settle any claims without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan or the Confirmation Order. Without limiting the foregoing, each Reorganized Debtor may pay the charges that it incurs on or after the Effective Date for appropriate Professionals' fees, disbursements, expenses or related support services (including fees relating to the preparation of Professional fee applications) without application to, or the approval of, the Bankruptcy Court.

C. Restructuring Transactions

1. Restructuring Transactions Generally

On or after the Confirmation Date, the applicable Plan Debtors or Reorganized Debtors may enter into such Restructuring Transactions and may take such actions as the applicable Plan Debtors or Reorganized Debtors may determine to be necessary or appropriate to effect, in accordance with applicable non-bankruptcy law, a corporate restructuring of their respective businesses or simplify the overall corporate structure of the Reorganized Debtors, all to the extent not inconsistent with any other terms of the Plan, and subject to the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed. Unless otherwise provided by the terms of a Restructuring Transaction, all such Restructuring Transactions will be deemed to occur on the Effective Date and may include one or more mergers, consolidations, restructurings, dispositions, liquidations or dissolutions, as may be determined by the Plan Debtors or the Reorganized Debtors (each with the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) to be necessary or appropriate. The actions to effect these transactions may include: (a) the execution and delivery of appropriate agreements or other documents of merger, consolidation, restructuring, disposition, liquidation or dissolution containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable state law and such other terms to which the applicable Entities may agree; (b) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, duty or obligation on terms consistent with the terms of the Plan and having such other terms to which the applicable Entities may agree; (c) the filing of appropriate certificates or articles of merger, consolidation, dissolution or change in corporate form pursuant to applicable state law; and (d) the taking of all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable state law in connection with such transactions. Any such transactions may be effected on or subsequent to the Effective Date without any further action by the stockholders or directors of any of the Plan Debtors or the Reorganized Debtors.

2. Obligations of Any Successor Corporation in a Restructuring Transaction

The Restructuring Transactions may result in substantially all of the respective assets, properties, rights, Liabilities, duties and obligations of certain of the Reorganized Debtors vesting in one or more surviving, resulting or acquiring corporations. In each case in which the surviving, resulting or acquiring corporation in any such transaction is a successor to a Reorganized Debtor, such surviving, resulting or acquiring corporation will succeed to the rights and obligations of such Reorganized Debtor under the Plan and will perform the obligations of the applicable Reorganized Debtor pursuant to the Plan to pay or otherwise satisfy the Allowed Claims against such Reorganized Debtor, except as provided in the Plan or in any contract, instrument or other agreement or document effecting a disposition to such surviving, resulting or acquiring corporation, which may provide that another Reorganized Debtor will perform such obligations. For the avoidance of doubt, with respect to the Mexico Sale Documents, the provisions in such documents identifying (i) successors to the Debtors thereunder and (ii) the obligations of such successors thereunder, in each case, shall apply.

D. Operating Company Credit Agreements and New NII-ATC Guaranty

The Plan Debtors or Reorganized Debtors, as applicable, are authorized to execute and deliver and enter into any agreements or filings related to the CDB Amended Guarantee, the CDB Shareholder Undertaking Agreement, the CDB Loan Subordination Agreement, the Operating Company Credit Agreements and the New NII-ATC Guaranty without the need for any further corporate or other organizational action and without further Court approval. As discussed in Section VII.B ~~of this Plan~~, the execution and effectiveness of the foregoing agreements and amendments with respect to the Operating Company Credit Agreements is a condition precedent to the Effective Date.

E. Sources of Cash for Plan Distributions

The Plan Debtors or Reorganized Debtors, as applicable, with the consent of the Creditors' Committee and the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed, are authorized to execute and deliver any documents necessary or appropriate to obtain Cash for funding the Plan, including, without limitation, pursuant to the New NII Exit Financing Documents (if obtained). All consideration necessary for the Reorganized Debtors to make payments or distributions pursuant hereto shall be obtained through a combination of one or more of the following: (a) Cash on hand of the Plan Debtors, including Cash from business operations, or distributions from Non-Debtor Affiliates; (b) proceeds of the Mexico Sale Transaction and any other sale of assets; (c) the New NII Exit Financing Facility (if obtained); (d) the proceeds of any tax refunds and other causes of action; and (e) any other means of financing or funding that the Plan Debtors or the Reorganized Debtors determine is necessary or appropriate. Further, the Plan Debtors and the Reorganized Debtors shall be entitled to transfer funds between and among themselves as they determine to be necessary or appropriate to enable the Reorganized Debtors to satisfy their obligations under the Plan, with the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed. Except as set forth herein, any changes in intercompany account balances resulting from such transfers shall be accounted for and settled in accordance with the Debtors' historical intercompany account settlement practices and shall not violate the terms of the Plan or any orders entered by the Bankruptcy Court with respect to the Debtors' cash management system.

F. Corporate Governance, Directors and Officers, Employment-Related Agreements and Compensation Programs; Other Agreements

1. Certificates of Incorporation and Bylaws

As of the Effective Date, the certificate of incorporation and the bylaws (or comparable constituent documents) of Reorganized NII shall be substantially in the forms appended hereto as Exhibit B and Exhibit C, respectively. The certificate of incorporation and bylaws (or comparable constituent documents) of each Reorganized Debtor, among other things, shall prohibit the issuance of nonvoting equity securities to the extent required by section 1123(a)(6) of the Bankruptcy Code. After the Effective Date, each Reorganized Debtor may amend and restate its certificate of incorporation or bylaws (or comparable constituent documents) as permitted by applicable non-bankruptcy law, subject to the terms and conditions of such constituent documents. On the Effective Date, or as soon thereafter as is practicable, each Reorganized Debtor shall file such certificate of incorporation (or comparable constituent documents) with the secretary of state or jurisdiction or similar office of the state or jurisdiction in which such Reorganized Debtor is incorporated or organized, to the extent required by and in accordance with the applicable corporate law of such state.

2. Directors and Officers of the Reorganized Debtors

In accordance with section 1129(a)(5) of the Bankruptcy Code, from and after the Effective Date, the initial officers and directors of Reorganized NII shall be comprised of the individuals identified in a disclosure to be Filed as part of the Plan Supplement.

The New Board shall initially consist of seven (7) directors, including (a) the chief executive officer of Reorganized NII, (b) three (3) directors designated by Capital Group, (c) one (1) director designated by

Aurelius, and (d) two (2) directors designated by the Luxco Group. Each of the individuals designated as nominees to be directors (other than the chief executive officer of Reorganized NII) shall (a) be independent under the rules of the New York Stock Exchange or the NASDAQ Stock Market, as applicable, and the independence requirements for members of audit committees under the rules of the Securities and Exchange Commission and (b) not be employees of any of the Requisite Consenting Noteholders. The foregoing board designation rights shall not continue after the selection of the New Board.

The directors for the boards of directors of the direct and indirect subsidiaries of Reorganized NII shall be identified and selected by the New Board.

3. Employment-Related Agreements and Compensation Programs

a. Except as otherwise provided herein, as of the Effective Date, each of the Reorganized Debtors shall have authority to: (i) maintain, reinstate, amend or revise existing employment, retirement, welfare, incentive, severance, indemnification and other agreements with its active and retired directors, officers and employees, subject to the terms and conditions of any such agreement and applicable non-bankruptcy law; and (ii) enter into new employment, retirement, welfare, incentive, severance, indemnification and other agreements for active and retired employees.

b. ~~[~~On the Effective Date, the Severance Plan shall be reinstated and continued in accordance with their terms and, to the extent applicable, shall be deemed assumed by Reorganized NII pursuant to section 365 of the Bankruptcy Code and Section IV.A of the Plan.~~]~~

c. On or after the Effective Date, the New Board shall adopt and implement the Management Incentive Plan.

d. From and after the Effective Date, the Reorganized Debtors shall continue to administer and pay the Claims arising before the Petition Date under the Plan Debtors' workers' compensation programs in accordance with their prepetition practices and procedures.

4. Other Matters

Notwithstanding anything to the contrary in the Plan, no provision in any contract, agreement or other document with the Plan Debtors that is rendered unenforceable against the Plan Debtors or the Reorganized Debtors pursuant to sections 541(c), 363(*l*) or 365(e)(1) of the Bankruptcy Code, or any analogous decisional law, shall be enforceable against the Plan Debtors or Reorganized Debtors as a result of this Plan.

5. Transactions Effective as of the Effective Date

Pursuant to section 1142 of the Bankruptcy Code and section 303 of the Delaware General Corporation Law and any comparable provisions of the business corporation law of any other state or jurisdiction the following shall occur and be effective as of the Effective Date, if no such other date is specified in such other documents, and shall be authorized and approved in all respects and for all purposes without any requirement of further action by the stockholders or directors of the Plan Debtors or any of the Reorganized Debtors: (a) the Restructuring Transactions, if any; (b) the adoption of new or amended and restated certificates of incorporation and bylaws (or comparable constituent documents) for each Reorganized Debtor; (c) the initial selection of directors and officers for each Reorganized Debtor; (d) the distribution of Cash and other property pursuant to the Plan; (e) the authorization and issuance of Reorganized NII Common Stock pursuant to the Plan; (f) the entry into and performance of the New NII Exit Financing Documents (if applicable); (g) the entry into and performance of the CDB Amended Guarantee; (h) the entry into and performance of the New NII-ATC Guaranty; (i) any amendments to any of the Operating Company Credit Agreements; (j) the adoption, execution, delivery and implementation of all contracts, leases, instruments, releases and other agreements or documents related to any of the foregoing; (k) the adoption, execution and implementation of employment, retirement and indemnification agreements, incentive compensation programs, including the Management Incentive Plan, retirement income plans, welfare benefit plans and other employee plans and related agreements; and (*l*) any

other matters provided for under the Plan involving the corporate structure of the Plan Debtors or Reorganized Debtors or corporate action to be taken by or required of a Plan Debtor or Reorganized Debtor.

G. New NII Exit Financing Facility

On the Effective Date, one or more of the Reorganized Debtors shall be authorized to consummate the New NII Exit Financing Facility (if obtained) and to execute, deliver and enter into the New NII Exit Financing Documents, and any related agreements or filings without the need for any further corporate or other organizational action and without further action by the Holders of Claims or Interests, and the New NII Exit Financing Documents and any related agreements or filings shall be executed and delivered and the applicable Reorganized Debtors shall enter into the New NII Exit Financing Facility and be permitted to incur or issue the indebtedness available thereunder.

Any final material terms of the New NII Exit Financing Facility (if obtained) shall be included in the Plan Supplement, and shall be reasonably acceptable to the Plan Proponents, Capital Group and Aurelius, and subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; provided that if Capital Group or Aurelius participates as a lender in the New NII Exit Financing Facility, the New NII Exit Financing Facility shall be reasonably acceptable to each of the Plan Proponents and each of the Requisite Consenting Noteholders.

H. Preservation of Rights of Action; Settlement Agreements and Releases

1. Preservation of Rights of Action by the Reorganized Debtors; Recovery Actions

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, in accordance with section 1123(b)(3) of the Bankruptcy Code, the Reorganized Debtors shall have vested in them as of the Effective Date, and the Reorganized Debtors shall retain and may enforce, any claims, demands, rights, defenses and causes of action that the Plan Debtor or the Estate may hold against any Entity, except the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims. Each Reorganized Debtor or its successor may pursue such retained claims, demands, rights, defenses or causes of action, as appropriate, and may settle such claims after the Effective Date without notice to parties in interest or approval of the Bankruptcy Court. Notwithstanding the foregoing, as of the Effective Date, the Plan Debtors shall waive and release all Recovery Actions.

2. Comprehensive Settlement of Claims and Controversies

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, the Plan incorporates an integrated compromise and settlement designed to achieve a beneficial and efficient resolution of these Chapter 11 Cases for all parties in interest. Accordingly, in consideration of the distributions and other benefits provided under the Plan, the provisions of the Plan, including the releases set forth in Section IX.E, shall constitute a good-faith compromise and settlement of all Claims, disputes, or controversies relating to the rights that a Holder of a Claim may have with respect to any Claim (other than Claims Reinstated hereunder) or any distribution to be made pursuant to the Plan on account of any such Claim (other than Claims Reinstated hereunder), including, but not limited to, the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims as described below. Without limiting the effect of the preceding sentence, the Plan provides that:

- The Avoidance Claims shall be settled and compromised herein by providing for Allowed Claims against the applicable Debtors in amounts reflecting the avoidance of 25% of each of the Identified Avoidance Claims.

- The Recharacterization Claims shall be settled and compromised herein by providing for Allowed Claims against the applicable Debtors in an amount equal to 75% of the amount of the Recharacterization Claims, excluding the Capco Intercompany Note, which will be Allowed in an amount equal to 100% of its asserted amount, subject to the subordination of

the Capco Intercompany Note being resolved pursuant to the settlement and compromise of the Avoidance Claims. In addition, if a Claim is subject to both Avoidance Claims and Recharacterization Claims, there is a compounding effect on such a Claim resulting from the settlement.

- The Transferred Guarantor Claims shall be settled and compromised herein by providing for Allowed Claims against each of the Plan Debtors in the Transferred Guarantor Debtor Group in amounts reflecting the allowance of 21.0% of the outstanding prepetition Claim amount of each of the Capco 8.875% Notes and Capco 10% Notes.

The allowance of Claims provided for herein and the distributions and other benefits provided under the Plan shall be in full satisfaction of any and all potential Claims that could have been asserted as part of the Avoidance Claims, the Recharacterization Claims and Transferred Guarantor Claims, regardless of whether any of the foregoing Claims are identified herein or could have been asserted. Distributions on account of the Allowed Claims resulting from the settlement and compromise of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims shall be effected through the distributions to Holders of Allowed Claims pursuant to this Plan. The allowance of such Claims provided for hereunder is solely for the purpose of determining the allocation and distribution of the Reorganized NII Common Stock to Holders of Allowed Claims pursuant to the Plan but shall not alter the treatment of the underlying transactions that gave rise to such Claims for any other purpose.

The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of all such Claims, disputes, or controversies provided for herein, and the Bankruptcy Court's determination that such compromises and settlements are in the best interests of the Plan Debtors, their estates, the Reorganized Debtors, creditors and all other parties in interest, and are fair, equitable and within the range of reasonableness. The compromises and settlements described herein shall be deemed non-severable from each other and from all other terms of the Plan.

I. Reinstatement and Continuation of Insurance Policies

From and after the Effective Date, each of the Plan Debtors' insurance policies in existence as of the Effective Date shall be reinstated and continued in accordance with their terms and, to the extent applicable, shall be deemed assumed by the applicable Reorganized Debtor pursuant to section 365 of the Bankruptcy Code and Section IV.A of the Plan. Nothing in the Plan shall affect, impair or prejudice the rights of the insurance carriers or the Reorganized Debtors under the insurance policies in any manner, and such insurance carriers and Reorganized Debtors shall retain all rights and defenses under such insurance policies, and such insurance policies shall apply to, and be enforceable by and against, the Reorganized Debtors in the same manner and according to the same terms and practices applicable to the Plan Debtors, as existed prior to the Effective Date.

J. Cancellation and Surrender of Instruments, Securities and Other Documentation

Except as provided in any contract, instrument or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to Section II, all notes, instruments, certificates, and other documents evidencing Claims or Interests (including, without limitation, the NII Interests, the Prepetition Indentures and the Prepetition Notes) shall be deemed cancelled and of no further force and effect against the Debtors and the Plan Debtors, without any further action on the part of any Plan Debtor; provided, however, that the Prepetition Indentures and the Prepetition Notes shall remain in effect after the Effective Date only as follows: (1) for so long as is necessary to permit distributions to be made pursuant to the Plan and the applicable Indenture Trustee to perform necessary functions with respect thereto; and (2) to allow each Indenture Trustee and any predecessor trustee under any of the Prepetition Indentures to exercise its charging lien for the payment of its fees and expenses and for indemnification as provided in the applicable Prepetition Indentures. From and after the making of the applicable distributions pursuant to Section II, the Holders of the Prepetition Note Claims shall have no rights against the Debtors, the Plan Debtors or the Reorganized Debtors arising from or relating to such instruments and other documentation or the cancellation thereof, except the rights provided pursuant to the Plan. No

distribution under the Plan shall be made to or on behalf of any Holder of a Prepetition Note Claim until such Prepetition Notes are received by the applicable Indenture Trustee to the extent required pursuant to Section V.B.

K. Release of Liens

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and consistent with the treatment provided for Claims and Interests in Section II, all mortgages, deeds of trust, liens or other security interests, including any liens granted as adequate protection against the property of any Estate, shall be fully released and discharged, and all of the right, title and interest of any Holder of such mortgages, deeds of trust, liens or other security interests, including any rights to any collateral thereunder, shall revert to the applicable Reorganized Debtor and its successors and assigns. For the avoidance of doubt, the charging liens of the Indenture Trustees under the applicable Prepetition Indentures may be asserted on the distributions to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C and 6E as applicable, and, to the extent asserted, shall remain in place until the reasonable and documented fees and expenses of the Indenture Trustees are satisfied as provided herein. As of the Effective Date, the Reorganized Debtors shall be authorized to execute and file on behalf of creditors Form UCC-3 termination statements, mortgage releases or such other forms as may be necessary or appropriate to implement the provisions of this Section III.K.

L. Effectuating Documents; Further Transactions

On and after the Effective Date, the Reorganized Debtors, and the officers and members of the boards of directors thereof, are authorized to and may issue, execute, deliver, file, or record such contracts, securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement and further evidence the terms and conditions of the Plan, the Reorganized NII Common Stock issued pursuant to the Plan, the CDB Amended Guarantee, the New NII-ATC Guaranty, the New NII Exit Financing Facility (if obtained) authorized pursuant to the Plan (including, but not limited to, the New NII Exit Facility Documents) and any amendments to any of the Operating Company Credit Agreements, in each case, in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorization or consents except those expressly required pursuant to the Plan.

IV. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption and Rejection of Executory Contracts and Unexpired Leases

On the Effective Date, except as otherwise provided herein, each of the Plan Debtors' Executory Contracts and Unexpired Leases not previously assumed or rejected pursuant to an order of the Bankruptcy Court shall be deemed rejected as of the Effective Date in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code except any Executory Contract or Unexpired Lease (1) identified on Exhibit G to this Plan (which shall be Filed as part of the Plan Supplement) as an Executory Contract or Unexpired Lease designated for assumption, (2) which is the subject of a separate motion or notice to assume or reject Filed by the Debtors and pending as of the Confirmation Hearing, (3) that previously expired or terminated pursuant to its own terms or (4) that was previously assumed by any of the Debtors.

Entry of the Confirmation Order by the Bankruptcy Court shall constitute an order approving the assumptions or rejections of such Executory Contracts and Unexpired Leases as set forth in the Plan, all pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Each Executory Contract and Unexpired Lease assumed pursuant to the Plan or by Bankruptcy Court order, and not assigned to a third party on or prior to the Effective Date, shall revest in and be fully enforceable by the applicable contracting Reorganized Debtor in accordance with its terms, except as such terms may have been modified by order of the Bankruptcy Court. To the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption of such Executory Contract or Unexpired Lease (including, without limitation, any "change of control" provision), then such provision shall be deemed modified such that the

transactions contemplated by the Plan shall not entitle the counterparty thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Notwithstanding anything to the contrary in the Plan, the Plan Debtors or Reorganized Debtors, as applicable, reserve the right to alter, amend, modify, or supplement Exhibit G to the Plan in their discretion (subject to the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) prior to the Effective Date on no less than three (3) days' notice to the counterparty thereto.

B. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on the Effective Date, subject to the limitation described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or (3) any other matter pertaining to assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order or orders resolving the dispute and approving the assumption. No later than the date on which the Plan Supplement is Filed, to the extent not previously Filed with the Bankruptcy Court and served on affected counterparties, the Plan Debtors shall provide for notices of proposed assumption and proposed cure amounts to be sent to applicable Executory Contract and Unexpired Lease counterparties, together with procedures for objecting thereto and resolution of disputes by the Bankruptcy Court. Any objection by a contract or lease counterparty to a proposed assumption or related cure amount must be Filed, served, and actually received by the Plan Debtors by the date on which objections to Confirmation are due (or such other date as may be provided in the applicable assumption notice). Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or cure amount shall be deemed to have assented to such assumption or cure amount.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption. Any Proofs of Claim filed with respect to an Executory Contract or Unexpired Lease that has been assumed shall be deemed disallowed and expunged without further notice to or action, order or approval of the Bankruptcy Court.

C. Claims Based on Rejection of Executory Contracts and Unexpired Leases

Unless otherwise provided by a Bankruptcy Court order, any Proofs of Claim asserting Claims arising from the rejection of the Plan Debtors' Executory Contracts and Unexpired Leases pursuant to the Plan or otherwise must be filed with the Notice and Claims Agent within 30 days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection. Any Proofs of Claim arising from the rejection of the Plan Debtors' Executory Contracts and Unexpired Leases that are not timely filed shall be disallowed automatically, forever barred from assertion, and shall not be enforceable against any Reorganized Debtor without the need for any objection by the Reorganized Debtors or further notice to or action, order, or approval of the Bankruptcy Court. All Allowed Claims arising from the rejection of the Plan Debtors' Executory Contracts and Unexpired Leases shall constitute General Unsecured Claims and shall be treated in accordance with Section II.C.8.

The Plan Proponents reserve the right to object to, settle, compromise or otherwise resolve any Claim Filed on account of a rejected Executory Contract or Unexpired Lease.

D. Contracts and Leases Entered Into After the Petition Date

Contracts and leases entered into after the Petition Date by any Plan Debtor, including any Executory Contracts and Unexpired Leases assumed by such Plan Debtor, shall be performed by the Plan Debtor or Reorganized Debtor liable thereunder in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) shall survive and remain unaffected by entry of the Confirmation Order.

E. Reservation of Rights

Neither the exclusion nor inclusion of any contract or lease in the Plan Supplement, nor anything contained in the Plan, nor the Plan Debtors' delivery of a notice of proposed assumption and proposed cure amount to applicable contract and lease counterparties shall constitute an admission by the Plan Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any Reorganized Debtor has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Plan Debtors or Reorganized Debtors, as applicable, shall have 30 days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

F. Pre-Existing Obligations to the Plan Debtors Under Executory Contracts and Unexpired Leases

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

G. Certain Compensation and Benefit Programs

Notwithstanding anything to the contrary in this Plan, all contracts, agreements, policies, programs and plans in existence on the Petition Date that provided for the issuance of NII Interests or other Interests in any of the Plan Debtors to current or former employees or directors of the Plan Debtors are, to the extent not previously terminated or rejected by the Plan Debtors, rejected or otherwise terminated as of the Effective Date without any further action of the Plan Debtors or Reorganized Debtors or any order of the Court, with rejection damages of $0.00, and any unvested NII Interests or other Interests granted under any such agreements, policies, programs and plans in addition to any NII Interests or other Interests granted under such agreements previously terminated or rejected by the Plan Debtors to the extent not previously cancelled shall be cancelled pursuant to Section III.J ~~of this Plan~~. Objections to the treatment of these plans or the Claims for rejection or termination damages arising from the rejection or termination of any such plans, if any, must be submitted and resolved in accordance with the procedures and subject to the conditions for objections to Confirmation. If any such objection is not timely Filed and served before the deadline set for objections to the Plan, each participant in or counterparty to any agreement described in this Section IV.G shall be forever barred from (1) objecting to the rejection or termination provided hereunder, and shall be precluded from being heard at the Confirmation Hearing with respect to such objection; (2) asserting against any Reorganized Debtor, or its property, any default existing as of the Effective Date or any counterclaim, defense, setoff or any other interest asserted or assertable against the Plan Debtors; and (3) imposing or charging against any Reorganized Debtor any accelerations, assignment fees, increases or any other fees as a result of any rejection pursuant to this Section IV.G.

H. Obligations to Insure and Indemnify Directors, Officers and Employees

1. Any and all directors and officers liability and fiduciary insurance or tail policies in existence as of the Effective Date shall be reinstated and continued in accordance with their terms and, to the

extent applicable, shall be deemed assumed or assumed and assigned by the applicable Debtor or Reorganized Debtor, pursuant to section 365 of the Bankruptcy Code and Section IV.A of the Plan. Each insurance carrier under such policies shall continue to honor and administer the policies with respect to the Reorganized Debtors in the same manner and according to the same terms and practices applicable to the Plan Debtors prior to the Effective Date.

2. The applicable Reorganized Debtor shall only be obligated to indemnify any person who is serving or has served as one of the Plan Debtors' directors, officers or employees at any time from and after the Petition Date for any losses, claims, costs, damages or Liabilities resulting from such person's service in such a capacity at any time from and after the Petition Date or as a director, officer or employee of a Non-Debtor Affiliate at any time from and after the Petition Date, to the extent provided in the applicable certificates of incorporation, by-laws or similar constituent documents, by statutory law or by written agreement, policies or procedures of or with such Debtor, shall be deemed and treated as Executory Contracts that are assumed by the applicable Debtor or Reorganized Debtor pursuant to the Plan and section 365 of the Bankruptcy Code as of the Effective Date. Accordingly, such indemnification obligations shall survive and be unaffected by entry of the Confirmation Order.

V. PROVISIONS GOVERNING DISTRIBUTIONS

A. Distributions for Allowed Claims as of the Effective Date

Except as otherwise provided in this Section V, distributions to be made on the Effective Date to Holders of Allowed Claims as provided by Section II or this Section V shall be deemed made on the Effective Date if made on the Effective Date or as promptly thereafter as practicable by the Plan Debtors or the Reorganized Debtors, as applicable.

B. Delivery of Distributions and Undeliverable or Unclaimed Distributions to Holders of Claims in Classes 4A, 4D, 5A, 5B, 5C, and 6E

1. Distribution Procedures

a. Reorganized NII shall deliver to the applicable Indenture Trustees on or as soon as practicable after the Effective Date the property to be distributed, if any, to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C, and 6E under Section II ~~hereof~~; provided that, notwithstanding the foregoing, Reorganized NII and the applicable Indenture Trustees, subject to their respective rights under sections 6.09 and 7.07(d) under the applicable Prepetition Indentures, shall take the necessary steps to effect the distribution of the Reorganized NII Common Stock through DTC. As soon as practicable thereafter and to the extent applicable, the applicable Indenture Trustees shall make the distributions set forth in Section II ~~hereof~~, which shall be effected through DTC, and in accordance therewith to the Holders of Allowed Luxco Note Claims, Allowed Capco Note Claims and Allowed Transferred Guarantor Claims, as applicable~~, as of the Distribution Record Date~~, in accordance with the practices and procedures of DTC; provided that, to the extent that the distributions are not eligible to be effected through DTC, (i) the Indenture Trustees will have no responsibility or obligation to take delivery of, or distribute such distributions and (ii) neither Reorganized NII nor an agent thereof will make such distributions directly or indirectly to Holders of Allowed Claims until after the Indenture Trustees receive an amount of Cash equal to the reasonable and documented fees and expenses of such Indenture Trustee outstanding in accordance with Section II ~~hereof~~. Upon delivery of the property to be distributed, if any, to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C, and 6E under Section II ~~hereof to the applicable Indenture Trustees~~ as provided hereunder, the Plan Debtors shall have no further obligations with respect to distributions to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C, and 6E under this Plan.

b. No fractional shares of Reorganized NII Common Stock shall be distributed under this Plan. To the extent any Holder of a Claim would be entitled to receive a fractional share of Reorganized NII Common Stock, the Plan Debtors shall round downward the number of shares due to that Holder to the nearest whole share.

c. The Plan Debtors, the Reorganized Debtors and the Indenture Trustees (if applicable) shall only be required to act and make distributions in accordance with the terms of the Plan. Such parties shall have no (i) liability to any party for actions taken in accordance with the Plan or in reliance upon information provided to it in accordance with the Plan or (ii) obligation or liability for distributions under the Plan to any party who does not hold a Claim against the Plan Debtors as of the Distribution Record Date or any other date on which a distribution is made or who does not otherwise comply with the terms of the Plan.

2. Undeliverable Distributions

a. Holding of Undeliverable Distributions

The Reorganized Debtors shall make one attempt to make the distributions contemplated hereunder in accordance with the procedures set forth herein. Any distributions returned to the Reorganized Debtors, or distributions that are otherwise undeliverable, shall remain in the possession of the applicable Reorganized Debtor until such time as a distribution becomes deliverable.

b. Failure to Claim Undeliverable Distributions

Any Holder of an Allowed Claim entitled to a distribution of property under this Plan that does not assert a claim pursuant to the Plan for an undeliverable distribution within 180 days after the Effective Date shall have its claim for such undeliverable distribution discharged and shall be forever barred from asserting any such claim against the Reorganized Debtors or their respective property.

C. Compliance with Tax Requirements

1. In connection with the Plan and all instruments issued in connection herewith and distributed hereunder, to the extent applicable, the Plan Debtors, the Reorganized Debtors, the Indenture Trustees or any other party issuing any instruments or making any distributions under the Plan shall comply with all Tax withholding and reporting requirements imposed on them by any governmental unit, and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. Each of the Plan Debtors, Reorganized Debtors and the Indenture Trustees, as applicable, shall be authorized to take any actions that may be necessary or appropriate to comply with such withholding and reporting requirements.

2. Notwithstanding any other provision of the Plan, each Entity receiving a distribution pursuant to the Plan shall have the sole and exclusive responsibility for the satisfying and paying of any Tax obligations imposed on it by any governmental unit on account of such distribution, including income, withholding and other Tax obligations.

D. Effect of Distribution and Distribution Record Date

1. ~~As of the applicable Distribution Record Date~~Upon the date on which distributions to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C and 6E are completed, the transfer registers for the Prepetition Notes shall be closed. The Plan Debtors or the Indenture Trustees shall have no obligation to recognize the transfer or sale of any Prepetition Note Claim that occurs after such ~~Distribution Record Date~~date and shall be entitled for all purposes herein to recognize and make distributions only to those Holders who are Holders of such Prepetition Note Claims on such ~~Distribution Record Date~~date.

2. Except as otherwise provided in a Final Order of the Bankruptcy Court, the transferees of Claims that are transferred pursuant to Bankruptcy Rule 3001 on or prior to the applicable Distribution Record Date shall be treated as the Holders of such Claims for all purposes, notwithstanding that any period provided by Bankruptcy Rule 3001 for objecting to such transfer has not expired by such Distribution Record Date.

E. Setoffs

Except with respect to claims of a Plan Debtor or Reorganized Debtor released pursuant to the Plan or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Reorganized Debtors may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Claim and the payments or distributions to be made on account of the Claim the claims, rights and causes of action of any nature that the applicable Debtor or Reorganized Debtor may hold against the Holder of the Claim; provided, however, that the failure to effect a setoff shall not constitute a waiver or release by the applicable Debtor or Reorganized Debtor of any claims, rights and causes of action that the Plan Debtor or Reorganized Debtor may possess against the Holder of a Claim; provided, further, however, that the Plan Debtor or Reorganized Debtor shall not set off or assert a right of set off against any Prepetition Note Claims.

F. Allocation Between Principal and Accrued Interest

Except as otherwise provided in the Plan, the aggregate consideration paid to Holders with respect to their Allowed Claims shall be treated pursuant to the Plan as allocated first to the principal amount of such Allowed Claims (to the extent thereof) and, thereafter, to the interest, if any, accrued through the Effective Date.

G. Distributions to Holders of Disputed Claims

Notwithstanding any other provision of the Plan, (1) no payments or distributions will be made on account of a Disputed Claim until such Claim becomes an Allowed Claim, if ever and (2) except as otherwise agreed to by the relevant parties, no partial payments and no partial distributions shall be made with respect to a Disputed Claim until all such disputes in connection with such Disputed Claim have been resolved by settlement or Final Order.

To the extent that a Disputed Claim ultimately becomes an Allowed Claim, distributions (if any) shall be made to the Holder of such Allowed Claim in accordance with the provisions of the Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Holder of such Claim shall receive the distribution (if any) to which such Holder is entitled under the Plan as of the Effective Date, without any interest to be paid on account of such Claim unless required under applicable bankruptcy law. Distributions made after the Effective Date to Holders of Disputed Claims that are not Allowed Claims as of the Effective Date but which later become Allowed Claims shall be deemed to have been made on the Effective Date.

VI. DISPUTED, CONTINGENT AND UNLIQUIDATED CLAIMS

A. Allowance of Claims

After the Effective Date, the Reorganized Debtors shall have and retain any and all rights and defenses the Plan Debtors had with respect to any Claim immediately prior to the Effective Date, except with respect to any Claim deemed Allowed under the Plan. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date (including the Confirmation Order), no Claim shall become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code or the Bankruptcy Court has entered a Final Order (including the Confirmation Order) in the Chapter 11 Cases allowing such Claim. All settled Claims approved prior to the Effective Date pursuant to a Final Order of the Bankruptcy Court pursuant to Bankruptcy Rule 9019 or otherwise shall be binding on all parties.

Any Claim that has been listed in the Schedules as disputed, contingent or unliquidated, and for which no Proof of Claim has been timely filed, is not considered Allowed and shall be expunged without further action and without any further notice to or action, order or approval of the Bankruptcy Court.

B. Prosecution of Objections to Claims

Except as otherwise specifically provided in the Plan, the Plan Proponents, prior to the Effective Date, and the Reorganized Debtors, after the Effective Date, shall have the sole authority: (1) to File, withdraw or litigate to judgment, objections to Claims; (2) to settle or compromise any Disputed Claim without any further notice to or action, order or approval by the Bankruptcy Court; and (3) to administer and adjust the claims register to reflect any such settlements or compromises without any further notice to or action, order or approval by the Bankruptcy Court.

C. Estimation of Claims

The Plan Proponents, prior to the Effective Date, and the Reorganized Debtors after the Effective Date, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Claim that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or whether the Bankruptcy Court has ruled on any such objection. The Bankruptcy Court shall retain jurisdiction to estimate any such Claim, including during the litigation of any objection to any Claim or during the appeal relating to such objection. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions), and the relevant Reorganized Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim or Interest.

D. Adjustment to Claims Without Objection

Any Claim that has been paid or satisfied, or any Claim that has been amended or superseded, may be adjusted or expunged on the claims register by the Reorganized Debtors without a claim objection having to be Filed and without any further notice to or action, order or approval of the Bankruptcy Court.

E. Disallowance of Certain Claims

EXCEPT AS PROVIDED HEREIN, IN AN ORDER OF THE BANKRUPTCY COURT OR OTHERWISE AGREED, ANY AND ALL PROOFS OF CLAIM FILED AFTER THE CLAIMS BAR DATE SHALL BE DEEMED DISALLOWED AND EXPUNGED AS OF THE EFFECTIVE DATE WITHOUT ANY FURTHER NOTICE TO OR ACTION, ORDER OR APPROVAL OF THE BANKRUPTCY COURT, AND HOLDERS OF SUCH CLAIMS MAY NOT RECEIVE ANY DISTRIBUTIONS ON ACCOUNT OF SUCH CLAIMS.

F. Offer of Judgment

The Reorganized Debtors are authorized to serve upon a Holder of a Disputed Claim an offer to allow judgment to be taken on account of such Disputed Claim, and, pursuant to Bankruptcy Rules 7068 and 9014, Federal Rule of Civil Procedure 68 shall apply to such offer of judgment. To the extent the Holder of a Disputed Claim must pay the costs incurred by the Reorganized Debtors after the making of such offer, the Reorganized Debtors are entitled to set off such amounts against the amount of any distribution to be paid to such Holder without any further notice to or action, order, or approval of the Bankruptcy Court.

G. Amendments to Claims

On or after the Effective Date, except as provided herein, a Claim may not be filed or amended without the prior authorization of the Bankruptcy Court or the Reorganized Debtors, and, to the extent such prior authorization is not received, any such new or amended Claim filed shall be deemed disallowed in full and expunged without any further action.

VII. CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

A. Conditions to Confirmation

The Bankruptcy Court shall not be requested to enter the Confirmation Order unless and until the following conditions have been satisfied or duly waived pursuant to Section VII.C:

1. The Bankruptcy Court shall have entered the Disclosure Statement Order in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

2. All Plan Documents shall (a) be in form and substance reasonably acceptable to the Plan Proponents, Aurelius and Capital Group, and (b) solely with respect to the Plan, the Disclosure Statement, the materials for solicitation of the Plan and Disclosure Statement, the motion to approve the Disclosure Statement, the Disclosure Statement Order, the Confirmation Order, any term sheet and/or commitment letter relating to the DIP Credit Agreement be in form and substance reasonably acceptable to the Luxco Group, and with respect to all other documents, be subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; provided, however, the Debtors shall consult with the Luxco Group regarding a proposed New NII Exit Financing Facility and the negotiation of the terms thereof and the final terms and conditions of such New NII Exit Financing Facility shall be subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; provided, further, that if Aurelius or Capital Group participates in the New NII Exit Financing Facility, such financing shall be on terms and conditions reasonably acceptable to each of the Plan Proponents and each of the Requisite Consenting Noteholders.

3. The Bankruptcy Court shall have entered the Plan Support Agreement Order in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

4. The Plan and Confirmation Order shall be in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

B. Conditions to the Effective Date

The Effective Date shall not occur, and the Plan shall not be consummated unless and until the following conditions have been satisfied or duly waived pursuant to Section VII.C:

1. All documents and agreements necessary to consummate the Plan shall have been effected or executed.

2. The Bankruptcy Court shall have entered the Mexico Sale Order, subject to any modifications to the form of Mexico Sale Order appended to the motion seeking approval of the Mexico Sale Transaction [Docket No. 406] being in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

3. The Mexico Sale Transaction shall have been consummated in accordance with its terms and the Mexico Sale Order.

4. The Bankruptcy Court shall have entered the Confirmation Order, and the Confirmation Order shall be (i) a Final Order and (ii) in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

5. The Operating Company Credit Agreements shall have been amended in form and substance reasonably acceptable to the applicable operating subsidiaries of the Debtors and each of the Requisite Consenting Noteholders (subject to a consultation right in favor of the Creditors' Committee), and any defaults under the Operating Company Credit Agreements shall have been cured or waived; provided that the foregoing consent rights of each of the Requisite Consenting Noteholders with respect to (i) any amendments, restatements,

modifications or refinancings of the NII Brazil CDB Agreement shall only apply to such amendments, restatements, modifications or refinancings entered into after December 18, 2014, including any further amendments, restatements, modifications or refinancings of any such amendments, restatements, modifications or refinancings of the NII Brazil CDB Agreement entered into prior to December 18, 2014, and (ii) any amendments, restatements, modifications or refinancings of any of the Other Brazilian Credit Agreements shall only apply to amendments or modifications to the drafts of such amendments, restatements, modifications or refinancings of such Other Brazilian Credit Agreements delivered to the Requisite Consenting Noteholders on or before February 26, 2015, including any amendments, restatements, modifications or refinancings of any of such drafts.

6. Receipt of required governmental approvals (if any) and any and all other steps necessary to consummate the Plan Debtors' proposed restructuring in any applicable jurisdictions have been received and/or effectuated.

7. All reasonable and documented Requisite Consenting Noteholders Professionals Fees/Expenses as well as the reasonable out-of-pocket expenses of the Requisite Consenting Noteholders incurred in connection with the Debtors' restructuring that were incurred prior to the Effective Date have been paid in full in Cash pursuant to the terms of this Plan, subject to the limitations set forth in Section I.A.~~163~~158, and to the extent required by the Plan Support Agreement.

8. All other documents and agreements necessary to implement the Plan on the Effective Date that are required to be in form and substance reasonably acceptable to the Plan Proponents and the Requisite Consenting Noteholders shall have been executed and delivered and all other actions required to be taken in connection with the Effective Date shall have occurred.

9. All statutory fees and obligations then due and payable to the Office of the United States Trustee shall have been paid and satisfied in full.

C. Waiver of Conditions to Confirmation or the Effective Date

The conditions to Confirmation and the conditions to the Effective Date may be waived in whole or part at any time by the Plan Proponents, with the consent of each of the Requisite Consenting Noteholders, without an order of the Bankruptcy Court.

D. Effect of Nonoccurrence of Conditions to the Effective Date

Subject to the terms of the Plan Support Agreement, the Plan Proponents reserve the right to seek to vacate the Plan at any time prior to the Effective Date. If the Confirmation Order is vacated pursuant to this Section VII.D: (1) the Plan shall be null and void in all respects, including with respect to (a) the discharge of Claims pursuant to section 1141 of the Bankruptcy Code, (b) the assumption, assumption and assignment or rejection of Executory Contracts and Unexpired Leases, as applicable, and (c) the releases described in Section IX.E; and (2) nothing contained in the Plan shall (a) constitute a waiver or release of any claims by or against, or any Interest in, any Plan Debtor or (b) prejudice in any manner the rights of the Plan Debtors or any other party in interest.

VIII. NON-CONSENSUAL CONFIRMATION

In the event that any Impaired Class of Claims or Interests rejects this Plan, the Plan Proponents reserve the right, without any delay in the occurrence of the Confirmation Hearing or Effective Date, to (A) request that the Bankruptcy Court confirm this Plan in accordance with section 1129(b) of the Bankruptcy Code with respect to such non-accepting Class, in which case this Plan shall constitute a motion for such relief and/or (B) amend this Plan in accordance with Section XI.A.

IX. EFFECT OF CONFIRMATION

A. Dissolution of Official Committees

Except to the extent provided herein, upon the Effective Date, the current and former members of the Creditors' Committee and any other creditor, equity or other committee appointed pursuant to section 1102 of the Bankruptcy Code in the Chapter 11 Cases, and their respective officers, employees, counsel, advisors and agents, shall be released and discharged of and from all further authority, duties, responsibilities and obligations related to and arising from and in connection with the Chapter 11 Cases; provided, however, that following the Effective Date the Creditors' Committee shall continue in existence and have standing and a right to be heard for the following limited purposes: (1) Claims and/or applications for compensation by Professionals and requests for allowance of Administrative Claims for substantial contribution pursuant to section 503(b)(3)(D) of the Bankruptcy Code; (2) any appeals to which the Creditors' Committee is a party; (3) any adversary proceedings or contested matters as of the Effective Date to which the Creditors' Committee is a party; and (4) responding to creditor inquiries for sixty (60) days following the Effective Date. Following the completion of the Creditors' Committee's remaining duties set forth above, the Creditors' Committee shall be dissolved, and the retention or employment of the Creditors' Committee's respective attorneys, accountants and other agents shall terminate.

B. Discharge of Claims and Interests

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan shall be in exchange for and in complete satisfaction, discharge and release of all Claims and Interests arising or existing on or before the Effective Date, including any interest accrued on Claims from and after the Petition Date. From and after the Effective Date, the Plan Debtors shall be discharged from any and all Claims and Interests that arose or existed prior to the Effective Date, subject to the obligations of the Plan Debtors under the Plan.

C. Injunctions

As of the Effective Date, except with respect to the obligations of the Reorganized Debtors under the Plan or the Confirmation Order, all Entities that have held, currently hold or may hold any Claims or Interests, obligations, suits, judgments, damages, demands, debts, rights, causes of action or Liabilities that are waived, discharged or released under the Plan shall be permanently enjoined from taking any of the following enforcement actions against the Plan Debtors, the Reorganized Debtors, the Released Parties or any of their respective assets or property on account of any such waived, discharged or released Claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or Liabilities: (1) commencing or continuing in any manner any action or other proceeding; (2) enforcing, levying, attaching, collecting or recovering in any manner any judgment, award, decree or order; (3) creating, perfecting or enforcing any lien or encumbrance; (4) asserting any right of setoff, subrogation or recoupment of any kind against any debt, liability or obligation due to any Plan Debtor, Reorganized Debtor or Released Party; and (5) commencing or continuing any action, in any manner, in any place to assert any Claim waived, discharged or released under the Plan or that does not otherwise comply with or is inconsistent with the provisions of the Plan.

D. Exculpation

From and after the Effective Date, the Released Parties, the Plan Debtors and the Reorganized Debtors shall neither have nor incur any liability to any Entity, and no Holder of a Claim or Interest, no other party in interest and none of their respective Representatives shall have any right of action against any Plan Debtor, Reorganized Debtor, Released Party or any of their respective Representatives for any act taken or omitted to be taken before the Effective Date in connection with, related to or arising out of the Chapter 11 Cases, the Debtors or the negotiation, consideration, formulation, preparation, dissemination, implementation, Confirmation or consummation of the Plan Term Sheet, the Plan Support Agreement, Plan, the Exhibits, the Disclosure Statement, any amendments to any of the Operating Company Credit Agreements, the New NII-ATC Guaranty, the CDB Amended Guarantee, the Mexico

Sale Transaction, the DIP Credit Agreement, the DIP Order, any of the New Securities and Documents, the Restructuring Transactions or any other transactions proposed in connection with the Chapter 11 Cases or any contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any other obligations arising under the Plan or the obligations assumed hereunder; provided, however, that the foregoing provisions of this Section IX.D shall have no effect on: (1) the liability of any Entity that would otherwise result from the failure to perform or pay any obligation or liability under the Plan or any contract, instrument, release or other agreement or document to be entered into or delivered in connection with the Plan or (2) the liability of any Released Party that would otherwise result from any act or omission of such Released Party to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct (including fraud).

E. Releases

1. Releases by Plan Debtors and Reorganized Debtors

Without limiting any other applicable provisions of, or releases contained in, the Plan, as of the Effective Date, to the fullest extent permitted by law, the Plan Debtors and the Reorganized Debtors, on behalf of themselves and their affiliates, the Estates and their respective successors, assigns and any and all Entities who may purport to claim by, through, for or because of them, shall forever release, waive and discharge all Liabilities that they have, had or may have against ~~a Debtor, the Estates,~~ any Released Party with respect to a Debtor, the Estates, the Chapter 11 Cases, or the negotiation, consideration, formulation, preparation, dissemination, implementation, Confirmation or consummation of the Plan Term Sheet, the Plan Support Agreement, the Plan, the Exhibits, the Disclosure Statement, any amendments to any of the Operating Company Credit Agreements, the New NII-ATC Guaranty, the CDB Amended Guarantee, the Mexico Sale Transaction, the DIP Credit Agreement, the DIP Order, any of the New Securities and Documents, the Restructuring Transactions or any other transactions proposed in connection with the Chapter 11 Cases or any contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any ~~other~~ obligations arising under the Plan or the obligations assumed hereunder; provided, however, that the foregoing provisions of this Section IX.E.1 shall not affect (a) the liability of any Released Party that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct (including fraud), (b) any rights to enforce the Plan or the other contracts, instruments, releases, agreements or documents to be, or previously, entered into or delivered in connection with the Plan, (c) except as otherwise expressly set forth in this Plan, any objections by the Plan Debtors or the Reorganized Debtors to Claims or Interests filed by any Entity against any Plan Debtor and/or the Estates, including rights of setoff, refund or other adjustments, (d) the rights of the Plan Debtors to assert any applicable defenses in litigation or other proceedings with their employees (including the rights to seek sanctions, fees and other costs) and (e) any claim of the Plan Debtors or Reorganized Debtors, including (but not limited to) cross-claims or counterclaims or other causes of action against employees or other parties, arising out of or relating to actions for personal injury, wrongful death, property damage, products liability or similar legal theories of recovery to which the Plan Debtors or Reorganized Debtors are a party.

2. Releases by Holders of Claims

Without limiting any other applicable provisions of, or releases contained in, the Plan, as of the Effective Date, in consideration for the obligations of the Plan Debtors and the Reorganized Debtors under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, each Holder of a Claim that votes in favor of the Plan shall be deemed to forever release, waive and discharge all Liabilities in any way that such Entity has, had or may have against any Released Party (which release shall be in addition to the discharge of Claims and termination of Interests provided herein and under the Confirmation Order and the Bankruptcy Code), in each case, relating to a Debtor, the Estates, the Chapter 11 Cases, or the negotiation, consideration, formulation, preparation, dissemination, implementation, Confirmation or

consummation of the Plan Term Sheet, the Plan Support Agreement, the Plan, the Exhibits, the Disclosure Statement, any amendments to any of the Operating Company Credit Agreements, the New NII-ATC Guaranty, the CDB Amended Guarantee, the Mexico Sale Transaction, the DIP Credit Agreement, the DIP Order, any of the New Securities and Documents, the Restructuring Transactions or any other transactions proposed in connection with the Chapter 11 Cases or any contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any ~~other~~ obligations arising under the Plan or the obligations assumed hereunder; provided, however, that the foregoing provisions of this Section IX.E.2 shall have no effect on: (a) the liability of any Entity that would otherwise result from the failure to perform or pay any obligation or liability under the Plan or any contract, instrument, release or other agreement or document to be entered into or delivered in connection with the Plan or (b) the liability of any Released Party that would otherwise result from any act or omission of such Released Party to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct (including fraud).

F. Votes Solicited in Good Faith

The Plan Proponents have, and upon confirmation of the Plan shall be deemed to have, solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code. The Plan Proponents (and each of their respective affiliates, agents, directors, officers, members, employees, advisors, and attorneys) have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer and issuance of the securities offered and sold under the Plan and therefore have not, and on account of such offer and issuance 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 the Plan or the offer or issuance of the securities offered and distributed under the Plan.

G. Termination of Certain Subordination Rights

The classification and manner of satisfying Claims under the Plan take into consideration all subordination rights, whether arising under general principles of equitable subordination, contract, sections 510(a) and 510(c) of the Bankruptcy Code or otherwise, that a Holder of a Claim or Interest may have against other Claim or Interest Holders with respect to any distribution made pursuant to the Plan, including, without limitation, any such rights that are resolved in connection with the settlement of the Avoidance Claims. All subordination rights that a Holder of a Claim, other than a Holder of a Claim Reinstated hereunder, may have with respect to any distribution to be made pursuant to the Plan shall be discharged and terminated, and all actions related to the enforcement of such subordination rights shall be permanently enjoined. Accordingly, distributions pursuant to the Plan shall not be subject to payment to a beneficiary of such terminated subordination rights or to levy, garnishment, attachment or other legal process by a beneficiary of such terminated subordination rights**.**

X. RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain such jurisdiction over the Chapter 11 Cases after the Effective Date as is legally permissible, including jurisdiction to:

1. Allow, disallow, estimate, determine, liquidate, reduce, classify, re-classify, estimate or establish the priority or secured or unsecured status of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any objections to the amount, allowance, priority or classification of Claims or Interests;

2. Grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan for periods ending on or before the Effective Date;

3. Resolve any matters related to the assumption, assumption and assignment or rejection of any Executory Contract or Unexpired Lease to which any Debtor is a party or with respect to which any Debtor or Reorganized Debtor may be liable and to hear, determine and, if necessary, liquidate any Claims arising therefrom;

4. Ensure that distributions to Holders of Claims are accomplished pursuant to the provisions of the Plan;

5. Decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications Filed in the Bankruptcy Court involving any Debtor or any Reorganized Debtor that may be pending on the Effective Date or brought thereafter;

6. Enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases and other agreements or documents entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

7. Resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation or enforcement of the Plan or any contract, instrument, release or other agreement or document that is entered into or delivered pursuant to the Plan or any Entity's rights arising from or obligations incurred in connection with the Plan or such documents;

8. Modify the Plan before or after the Effective Date pursuant to section 1127 of the Bankruptcy Code; modify the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order; or remedy any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into, delivered or created in connection with the Plan, the Disclosure Statement or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan;

9. Hear and determine any matter, case, controversy, suit, dispute, or Causes of Action regarding the existence, nature and scope of the releases, injunctions, and exculpation provided under the Plan, and issue injunctions, enforce the injunctions contained in the Plan and the Confirmation Order, enter and implement other orders or take such other actions as may be necessary or appropriate to implement, enforce or restrain interference by any Entity with respect to the consummation, implementation or enforcement of the Plan or the Confirmation Order, including the releases, injunctions, and exculpation provided under the Plan;

10. Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason or in any respect modified, stayed, reversed, revoked or vacated or distributions pursuant to the Plan are enjoined or stayed;

11. Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

12. Enforce, clarify or modify any orders previously entered by the Bankruptcy Court in the Chapter 11 Cases;

13. Enter a final decree closing the Chapter 11 Cases;

14. Determine matters concerning state, local and federal Taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code, including any Disputed Claims for Taxes;

15. Recover all assets of the Plan Debtors and their Estates, wherever located; and

16. Hear any other matter over which with the Bankruptcy Court has jurisdiction.

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter, including the matters set forth in Section X, the provisions of this Section X shall have no effect upon and shall not control, prohibit or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

XI. MISCELLANEOUS PROVISIONS

A. Modification of the Plan

Subject to the restrictions on modifications set forth in section 1127 of the Bankruptcy Code, the Plan Proponents reserve the right to alter, amend or modify the Plan before its substantial consummation; provided any such alterations, amendments or modifications are in form and substance reasonably acceptable to each of the Plan Proponents and each of the Requisite Consenting Noteholders. Prior to the Effective Date, the Plan Proponents (with the consent of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) may make appropriate technical adjustments and modifications to the Plan without further order or approval of the Bankruptcy Court. Notwithstanding the consent rights set forth in the two preceding sentences, the Luxco Group shall not have any consent rights with respect to any economic modifications to the terms of the Plan that do not affect the recoveries, in terms of value and form of consideration, to be afforded to Holders of the Luxco Notes. Holders of Claims that have accepted the Plan shall be deemed to have accepted the Plan, as amended, modified, or supplemented, if the proposed amendment, modification, or supplement does not materially and adversely change the treatment of the Claim of such Holder; provided, however, that any Holders of Claims who were deemed to accept the Plan because such Claims were Unimpaired shall continue to be deemed to accept the Plan only if, after giving effect to such amendment, modification, or supplement, such Claims continue to be Unimpaired.

B. Revocation of the Plan

Subject to the terms of the Plan Support Agreement, the Plan Proponents reserve the right to revoke or withdraw the Plan as to any or all of the Plan Debtors prior to the Confirmation Date or at the Confirmation Hearing. If the Plan Proponents revoke or withdraw the Plan as to any or all of the Plan Debtors, or if Confirmation as to any or all of the Plan Debtors does not occur, then the Plan shall be null and void in all respects with respect to such Plan Debtors, and nothing contained in the Plan shall: (1) prejudice in any manner the rights of any such Plan Debtor(s) or any other party in interest with respect to such Plan Debtor(s); or (2) constitute an admission of any sort by any such Plan Debtor(s) or any other party in interest with respect to such Plan Debtor(s). The revocation or withdrawal of the Plan with respect to one or more Plan Debtors shall not require the re-solicitation of the Plan with respect to the remaining Debtors.

C. Conversion or Dismissal of Certain of the Chapter 11 Cases

Subject to the terms of the Plan Support Agreement, if the requisite Classes do not vote to accept this Plan or the Bankruptcy Court does not confirm this Plan, the Debtors reserve the right to have any Debtor's Chapter 11 Case dismissed or converted, or to liquidate or dissolve any Debtor under applicable non-bankruptcy procedure or chapter 7 of the Bankruptcy Code.

D. Inconsistency

In the event of any inconsistency among the Plan, the Disclosure Statement, or any exhibit or schedule to the Disclosure Statement, the provisions of the Plan shall govern.

E. Exhibits / Schedules

All exhibits and schedules to the Plan, including the Plan Supplement, are incorporated into and constitute a part of the Plan as if set forth herein.

F. Section 1145 Exemption

To the maximum extent provided by section 1145(a) of the Bankruptcy Code, the Reorganized NII Common Stock issued under the Plan shall be exempt from registration under the Securities Act and any state's securities law registration requirements and all rules and regulations promulgated thereunder.

G. Exemption from Transfer Taxes

Pursuant to section 1146(a) of the Bankruptcy Code, the issuance, transfer, or exchange of notes or equity securities under or in connection with the Plan, including the Reorganized NII Common Stock issued pursuant to the Plan, the creation of any mortgage, deed of trust or other security interest, the making or assignment of any lease or sublease, or the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with the Plan, including any merger agreements or agreements of consolidation, deeds, bills of sale or assignments executed in connection with any of the transactions contemplated under the Plan, shall not be subject to any stamp, real estate transfer, mortgage recording, or other similar tax.

H. Request for Expedited Determination of Taxes

Reorganized NII and any Reorganized Debtor may request an expedited determination under section 505(b) of the Bankruptcy Code with respect to tax returns filed, or to be filed, on behalf of the Plan Debtor for any and all taxable periods ending after the Petition Date through, and including, the Effective Date.

I. Severability

If prior to the entry of the Confirmation Order, any term or provision of the Plan is determined by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court may, at the request of the Plan Proponents (with the consent of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed), alter and interpret such term or provision to the extent necessary to render 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 so altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remaining terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

J. Governing Law

Except to the extent that (1) the Bankruptcy Code or other federal law is applicable or (2) an exhibit or schedule to the Plan or the Disclosure Statement or any agreement entered into with respect to any of the Restructuring Transactions provides otherwise (in which case the governing law specified therein shall be applicable to such exhibit, schedule or agreement), the rights, duties, and obligations arising under the Plan 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 that would require application of the laws of another jurisdiction.

K. No Admissions

If the Effective Date does not occur, the Plan shall be null and void in all respects, and nothing contained in the Plan shall (1) constitute a waiver or release of any claims by or against, or any interests in, any of the Debtors or any other Entity, (2) prejudice in any manner the rights of any of the Debtors or any other Entity, or (3) constitute an admission of any sort by any of the Debtors or any other Entity.

L. Successors and Assigns

The rights, benefits and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such Entity.

M. Service of Documents

To be effective, any pleading, notice or other document required by the Plan or the Confirmation Order to be served on or delivered to counsel to the Debtors, the Reorganized Debtors, the Creditors' Committee, the Indenture Trustees, and each of the Requisite Consenting Noteholders must be sent by overnight delivery service, facsimile transmission, courier service or messenger to:

1. The Debtors and the Reorganized Debtors

JONES DAY
222 East 41st Street
New York, New York 10017
Telephone: (212) 326-3939
Facsimile: (212) 755-7306
Scott J. Greenberg
Lisa Laukitis

- and –

JONES DAY
North Point
901 Lakeside Avenue
Cleveland, Ohio 44114
Telephone: (216) 586-3939
Facsimile: (216) 579-0212
David G. Heiman
Carl E. Black

Attorneys for the Debtors and Reorganized Debtors

2. Creditors' Committee

KRAMER LEVIN NAFTALIS & FRANKEL LLP
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Facsimile: (212) 715-8000
Kenneth H. Eckstein
Adam C. Rogoff
Stephen D. Zide

Attorneys for the Creditors' Committee

3. The Indenture Trustees

WILMINGTON TRUST, NATIONAL ASSOCIATION
50 South Sixth Street, Suite 1290
Minneapolis, Minnesota 54402
Telephone: (612) 217-5629
Facsimile: (612) 217-5651
Peter Finkel

- and -

SCHULTE ROTH & ZABEL LLP
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Facsimile: (212) 593-5955
Brian D. Pfeiffer
Neil S. Begley

Attorneys for the Indenture Trustees under the Luxco Indentures

WILMINGTON SAVINGS FUND SOCIETY FSB
500 Delaware Avenue
Wilmington, Delaware 19801
Telephone: (302) 888-7420
Facsimile: (302) 421-9137
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-and-

ANDREWS KURTH LLP
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Jonathan Levine

Attorneys for the Indenture Trustees under the Capco 10% Note Indenture and the Capco 7.625% Note Indenture

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Telephone: (206) 344-4680
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Diana Jacobs

-and-

SHIPMAN & GOODWIN LLP
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Hartford, Connecticut 06103
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Ira H. Goldman

Attorneys for the Indenture Trustee under the Capco 8.875% Note Indenture

4. Capital Group

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New York, New York 10019-6064
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Andrew N. Rosenberg
Elizabeth McColm

Attorneys for Capital Group

5. Aurelius

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Facsimile: (212) 872-1002
Daniel H. Golden
David H. Botter
Brad M. Kahn

Attorneys for Aurelius

6. Luxco Group

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Facsimile: (212) 446-6460
Paul M. Basta
Christopher Marcus

Counsel to the Ad Hoc Group of NII International Telecom Noteholders

7. DIP Agent

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New York, NY 10036
Telephone: (212) 556-2135
Facsimile: (212) 556-2222
Michael C. Rupe

Counsel for the DIP Agent

8. Office of the U.S. Trustee

OFFICE OF THE UNITED STATES TRUSTEE
201 Varick Street, Room 1006

New York, New York 10014
Telephone: (212) 510-0500
Facsimile: (212) 668-2255
Susan D. Golden

XII. CONFIRMATION REQUEST

The Plan Proponents request Confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code.

Dated: ~~March 13~~April 2, 2015

Respectfully submitted,

NII Holdings, Inc., on its own behalf and on behalf of each affiliate Plan Debtor

By: /s/ Daniel E. Freiman
Name: Daniel E. Freiman
Title: Treasurer, Vice President – Corporate Development & Investor Relations of NII Holdings, Inc.

COUNSEL TO THE DEBTORS AND DEBTORS IN POSSESSION:

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COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS:

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Summary report: **Litéra® Change-Pro TDC 7.5.0.96 Document comparison done on 4/2/2015 11:14:23 PM**	
Style name: JD Color	
Intelligent Table Comparison: Inactive	
Original DMS:iw://NYI/NYI/524645364/1	
Modified DMS: iw://NYI/NYI/524650542/1	
Changes:	
Add	328
~~Delete~~	348
~~Move From~~	0
Move To	0
Table Insert	0
~~Table Delete~~	0
Table moves to	0
~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format Changes	0
Total Changes:	676

EXHIBIT A

Registration Rights Agreement

Plan Exhibit A

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "Agreement") is made and entered into as of [_____], 2015, by and between NII Holdings, Inc., a Delaware corporation (the "Company"), and certain stockholders of the Company who were issued shares of Company Common Stock in the Plan, the 1145 Rights Offering and pursuant to the Backstop Commitment Agreement (each such party as identified on Schedule I hereto ("Initial Holders"), together with any person or entity who hereafter becomes a party to this Agreement pursuant to Section 8(f) of this Agreement, a "Holder" and collectively, the "Holders"). The Company and the Holders are referred to collectively herein as the "Parties."

IN CONSIDERATION of the mutual covenants and agreements set forth herein and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each Party, the Parties agree as follows:

1. **Definitions**. As used in this Agreement, the following terms shall have the respective meanings set forth in this Section 1:

"1145 Rights Offering" means the rights offering contemplated by the 1145 Rights Offering Procedures.

"1145 Rights Offering Procedures" means those certain procedures with respect to the 1145 Rights Offering approved by the United States Bankruptcy Court for the Southern District of New York on [__].

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, such Person as of the date on which, or at any time during the period for which, the determination of affiliation is being made (including any investment fund the primary investment advisor to which is such Person or an Affiliate thereof); provided, that for purposes of this Agreement, no Holder shall be deemed an Affiliate of the Company or any of its Subsidiaries. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person, whether through the ownership of voting securities, by contract or otherwise (it being understood that a director, officer or manager of any Person shall not be deemed to control such Person solely as a result of serving as one of multiple directors, officers or managers of such Person).

"Affiliated Holders" has the meaning set forth in Section 2(b)(i).

"Agreement" has the meaning set forth in the preamble.

"Alternative Transaction" means the sale of Registrable Securities constituting more than 1% of Company Common Stock then outstanding to one or more purchasers in a registered transaction without a prior marketing process by means of (i) a bought deal, (ii) a block trade, (iii) a sale by the Hedging Counterparty or by an Initiating Holder to a Hedging Counterparty in connection with a Hedging Transaction, (iv) a direct sale or (v) any other transaction that is registered pursuant to a Shelf Registration that is not a firm commitment underwritten offering.

"Aurelius" means, collectively, certain entities managed by Aurelius Capital Management, LP that have executed this Agreement.

"Automatic Shelf Registration Statement" means an "automatic shelf registration statement" as defined in Rule 405.

"Backstop Commitment Agreement" means that certain Backstop Commitment Agreement dated as of December 23, 2014 by and among NII Holdings, Inc., the other debtors that are party thereto and the backstop parties that are party thereto, as may be amended, modified or supplemented from time to time.

"beneficially owned", "beneficial ownership" and similar phrases have the same meanings as such terms have under Rule 13d-3 (or any successor rule then in effect) under the Exchange Act, except that in calculating the beneficial ownership of any Holder, such Holder shall be deemed to have beneficial ownership of all securities that such Holder has the right to acquire, whether such right is currently exercisable or is exercisable upon the occurrence of a subsequent event. For the avoidance of doubt, each Holder shall be deemed to beneficially own all of the shares of Company Common Stock held by any of its Affiliates.

"Board" means the board of directors of the Company.

"Business Day" means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by law to be closed in New York, New York.

"Capital Group" means, collectively, certain entities managed by Capital Research and Management Company that have executed this Agreement.

"Commission" means the Securities and Exchange Commission or any other federal agency then administering the Securities Act or Exchange Act.

"Company" has the meaning set forth in the preamble.

"Company Common Stock" means the shares of common stock, par value $0.001, of the Company.

"Company Notice" has the meaning set forth in Section 2(a)(iii).

"Demand Eligible Holder" has the meaning set forth in Section 2(b)(i).

"Demand Eligible Holder Request" has the meaning set forth in Section 2(b)(i).

"Demand Notice" has the meaning set forth in Section 2(b)(i).

"Demand Registration" has the meaning set forth in Section 2(b)(i).

"Demand Registration Statement" has the meaning set forth in Section 2(b)(i).

"Determination Date" has the meaning set forth in Section 2(a)(vii).

"Effective Date" means the effective date under the Plan.

"Effectiveness Period" has the meaning set forth in Section 2(b)(iv).

"Event" has the meaning set forth in Section 2(a)(x).

"Event Date" has the meaning set forth in Section 2(a)(x).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

"Family Member" shall mean, with respect to any natural Person, such Person's parents, spouse (but not including a former spouse or a spouse from whom such Person is legally separated) and descendants (whether or not adopted) and any trust, family limited partnership or limited liability company that is and remains solely for the benefit of such Person's spouse (but not including a former spouse or a spouse from whom such Person is legally separated) and/or descendants.

"Form S-1 Shelf" has the meaning set forth in Section 2(a)(i).

"Form S-3 Shelf" has the meaning set forth in Section 2(a)(i).

"Hedging Counterparty" means broker-dealer registered under Section 15(b) of the Exchange Act or an Affiliate thereof.

"Hedging Transaction" means any transaction involving a security linked to the Registrable Securities or any security that would be deemed to be a "derivative security" (as defined in Rule 16a-1(c) promulgated under the Exchange Act) with respect to the Registrable Securities or a transaction (even if not a security) which would (were it a security) be considered such a derivative security, or which transfers some or all of the economic risk of ownership of the Registrable Securities, including any forward contract, equity swap, put or call, put or call equivalent position, collar, non-recourse loan, sale of exchangeable security or similar transaction. For the avoidance of doubt the following transactions shall be deemed to be Hedging Transactions

(i) transactions by an Initiating Holder in which a Hedging Counterparty engages in short sales of Registrable Securities pursuant to a Prospectus and may use Registrable Securities to close out its short position;

(ii) transactions pursuant to an Initiating Holder sells short Registrable Securities pursuant to a Prospectus and delivers Registrable Securities to close out its short position;

(iii) transactions by an Initiating Holder in which the Initiating Holder delivers, in a transaction exempt from registration under the Securities Act, Registrable Securities to the Hedging Counterparty who will then publicly resell or otherwise transfer such Registrable Securities pursuant to a Prospectus or an exemption from registration under the Securities Act; and

(iv) a loan or pledge of Registrable Securities to a Hedging Counterparty who may then become a selling stockholder and sell the loaned shares or, in an event of default in the case of a pledge, sell the pledged shares, in each case, in a public transaction pursuant to a Prospectus.

"Holder" has the meaning set forth in the preamble. A Person shall cease to be a Holder hereunder at such time as it ceases to hold any Registrable Securities.

"Holders of a Majority of Included Registrable Securities" means (a) when Registrable Securities of Aurelius and Capital Group are both included in any Registration Statement (except for purposes of Sections 2(a)(vi) and 2(b)(vi)(B)), each of Aurelius and Capital Group and (b) when Registrable Securities of only one of Aurelius or Capital Group are included in any Registration Statement or for purposes of Section 2(a)(vi) and 2(b)(vi)(B), Holders of a majority of the Registrable Securities included in the Registration Statement or public offering.

"Indemnified Persons" has the meaning set forth in Section 5(a).

"Initial Holders" has the meaning set forth in the preamble.

"Initiating Holders" has the meaning set forth in Section 2(b)(i).

"Issuer Free Writing Prospectus" means an issuer free writing prospectus, as defined in Rule 433 promulgated under the Securities Act, relating to an offer of the Registrable Securities.

"Lockup Period" has the meaning set forth in Section 2(g).

"Losses" has the meaning set forth in Section 5(a).

"Maximum Offering Size" has the meaning set forth in Section 2(a)(iv).

"Other Registrable Securities" means (i) Company Common Stock, (ii) any securities issued or issuable with respect to, on account of or in exchange for Company Common Stock, whether by stock split, stock dividend, recapitalization, merger, consolidation or other reorganization, charter amendment or otherwise and (iii) any options, warrants or other rights to acquire, and any securities received as a dividend or distribution in respect of, any of the securities described in clauses (i) and (ii) above, in each case held by any other Person who has rights to participate in any offering of securities by the Company pursuant to a registration rights agreement or other similar arrangement with the Company or any direct or indirect parent of the Company relating to the Company Common Stock (which shall not include this Agreement).

"Parties" has the meaning set forth in the preamble.

"Permitted Assignee" shall mean any (a) Affiliate of any Holder who acquires Registrable Securities from such Holder or its Affiliates, or (b) other Person who acquires any Registrable Securities (in a transaction other than a Public Offering) of any Holder or Holders pursuant to Section 8(f) which together with any other Company Common Stock owned by such Person is equal to at least 3% of the outstanding shares of Company common stock and who is designated as a Permitted Assignee by such Holder in a written notice to Company; provided,

however, that the rights of any Person designated as a Permitted Assignee referred to in the foregoing clause (b) shall be limited if, and to the extent, provided in such written notice to the Company.

"Person" means any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organization, entity or division, or any government, governmental department or agency or political subdivision thereof.

"Piggyback Eligible Holders" has the meaning set forth in Section 2(c)(i).

"Piggyback Notice" has the meaning set forth in Section 2(c)(i).

"Piggyback Registration" has the meaning set forth in Section 2(c)(i).

"Piggyback Registration Statement" has the meaning set forth in Section 2(c)(i).

"Piggyback Request" has the meaning set forth in Section 2(c)(i).

"Plan" means the Plan of Reorganization of the Company and certain of its debtor affiliates under chapter 11 of Title 11 of the United States Code.

"Pro Rata Share" of a Holder means a fraction, the numerator of which is the number of Registrable Securities held by such Holder and the denominator of which is the total amount of outstanding Registrable Securities.

"Proceeding" means any action, claim, suit, proceeding or investigation (including a preliminary investigation or partial proceeding, such as a deposition) pending or known to the Company to be threatened.

"Prospectus" means the prospectus included in a Registration Statement (including a prospectus that includes any information previously omitted from a prospectus filed as part of an effective Registration Statement in reliance upon Rule 430A promulgated under the Securities Act), all amendments and supplements to the Prospectus, including post-effective amendments, all material incorporated by reference or deemed to be incorporated by reference in such Prospectus and any Issuer Free Writing Prospectus.

"Registrable Securities" means (i) any Company Common Stock, (ii) any securities issued or issuable with respect to, on account of or in exchange for Company Common Stock, whether by stock split, stock dividend, recapitalization, merger, consolidation or other reorganization, charter amendment or otherwise and (iii) any options, warrants or other rights to acquire, and any securities received as a dividend or distribution in respect of, any of the securities described in clauses (i) and (ii) above, in each case that are held by the Holders and their Affiliates or any transferee or assignee of any Holder or its Affiliates after giving effect to a transfer made in compliance with Section 8(f), all of which securities are subject to the rights provided herein until such rights terminate pursuant to the provisions of this Agreement. As to any particular Registrable Securities, such securities shall not be Registrable Securities when (i) a Registration Statement registering such Registrable Securities under the Securities Act has been declared effective and such Registrable Securities have been sold, transferred or otherwise

disposed of by the Holder thereof pursuant to such effective Registration Statement, (ii) such Registrable Securities are sold, transferred or otherwise disposed of pursuant to Rule 144, (iii) such securities are otherwise transferred and thereafter such securities may be resold without subsequent registration under the Securities Act, (iv) such securities cease to be outstanding or (v) such securities may be sold pursuant to Rule 144 without regard to volume or manner of sale limitations and all such securities held by a Holder and all of its Affiliates constitute less than 3% of the outstanding primary shares of Company Common Stock. For the avoidance of doubt, once a Holder and its Affiliates cease to hold Registrable Securities because their holdings fall below the 3% threshhold referenced above, such Holder and its Affiliates will not thereafter hold Registrable Securities as a result of their holdings thereafter exceeding such 3% threshold. For the avoidance of doubt, any Company Common Stock held by a Holder shall be Registrable Securities so long as the preceding sentence and clause (v) do not apply to such Company Common Stock.

"Registration Expenses" has the meaning set forth in Section 4.

"Registration Statement" means a registration statement of the Company filed with or to be filed with the Commission under the Securities Act and other applicable law, including an Automatic Shelf Registration Statement, and including any Prospectus, amendments and supplements to each such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all material incorporated by reference or deemed to be incorporated by reference in such registration statement.

"Representatives" means, with respect to any Person, such Person's directors, officers, members, partners, limited partners, general partners, shareholders, managers, management company, investment manager, affiliates, employees, agents, investment bankers, attorneys, accountants, advisors, financial advisor and other professionals of such Person, in each case, in such capacity, serving on or after the date of this Agreement.

"Rule 144" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Rule 158" means Rule 158 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Rule 405" means Rule 405 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Rule 424" means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Seasoned Issuer" means an issuer eligible to use Form S-3 under the Securities Act and who is not an "ineligible issuer" as defined in Rule 405.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations thereunder.

"Selling Expenses" means all underwriting fees, discounts, selling commissions and stock transfer taxes applicable to the sale of Registrable Securities and related legal and other fees of a Holder not included within the definition of Registration Expenses.

"Shelf Period" has the meaning set forth in Section 2(a)(i).

"Shelf Public Offering Requesting Holder" has the meaning set forth in Section 2(a)(ii).

"Shelf Registration" means the registration of an offering of Registrable Securities on a Form S-1 Shelf or a Form S-3 Shelf, as applicable, on a delayed or continuous basis under Rule 415 under the Securities Act, pursuant to Section 2(a)(i).

"Shelf Registration Statement" has the meaning set forth in Section 2(a)(i).

"Shelf Takedown Notice" has the meaning set forth in Section 2(a)(iii).

"Subsidiary" means, when used with respect to any Person, any corporation or other entity, whether incorporated or unincorporated, (a) of which such Person or any other Subsidiary of such Person is a general partner (excluding partnerships, the general partnership interests of which held by such Person or any Subsidiary of such Person do not have a majority of the voting interests in such partnership) or (b) at least a majority of the securities or other interests of which having by their terms ordinary voting power to elect a majority of the board of directors or others performing similar functions with respect to such corporation or other entity is directly or indirectly owned or controlled by such Person or by any one or more of its Subsidiaries, or by such Person and one or more of its Subsidiaries.

"Suspension Period" has the meaning set forth in Section 2(e).

"Ten Percent Holder" means a holder, who together with its Affiliates, beneficially owns 10% or more of the outstanding shares of Company Common Stock as of the date of determination. Any rights provided to a Ten Percent Holder under this Agreement shall apply and be available to a Ten Percent Holder only for so long as such holder is a Ten Percent Holder as of the date of determination.

"Trading Market" means the principal national securities exchange in the United States on which Registrable Securities are (or are to be) listed.

"Transaction Documents" means, collectively, this Agreement and any and all other agreements or instruments provided for in this Agreement to be executed and delivered by the Parties in connection with the transactions contemplated hereby.

"Underwritten Shelf Takedown" has the meaning set forth in Section 2(a)(ii).

"WKSI" means a "well known seasoned issuer" as defined under Rule 405 and which (i) is a "well-known seasoned issuer" under paragraph (1)(i)(A) of such definition or (ii) is

a "well-known seasoned issuer" under paragraph (1)(i)(B) of such definition and is also a Seasoned Issuer.

"WKSI Date" has the meaning set forth in Section 2(a)(viii).

Unless the context requires otherwise: (a) any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms; (b) references to Sections, paragraphs and clauses refer to Sections, paragraphs and clauses of this Agreement; (c) the terms "include," "includes," "including" or words of like import shall be deemed to be followed by the words "without limitation"; (d) the terms "hereof," "herein" or "hereunder" refer to this Agreement as a whole and not to any particular provision of this Agreement; (e) unless the context otherwise requires, the term "or" is not exclusive and shall have the inclusive meaning of "and/or"; (f) defined terms herein will apply equally to both the singular and plural forms and derivative forms of defined terms will have correlative meanings; (g) references to any law or statute shall include all rules and regulations and forms promulgated thereunder, and references to any law, rule, form or statute shall be construed as including any legal and statutory provisions, rules or forms consolidating, amending, succeeding or replacing the applicable law, rule, form or statute; (h) references to any Person include such Person's successors and permitted assigns; and (i) references to "days" are to calendar days unless otherwise indicated.

2. **Registration**.

(a) Shelf Registration.

(i) Filing of Shelf Registration Statement. As soon as reasonably practicable after the Effective Date, and in any event not later than twenty-one (21) days after the Effective Date, the Company shall file a Registration Statement for a Shelf Registration on Form S-3 covering the resale of all of the Registrable Securities held by the Initial Holders on a delayed or continuous basis (the "Form S-3 Shelf"). If the Company is not a Seasoned Issuer or WKSI at the time of filing, the Company shall file such Registration Statement for a Shelf Registration on Form S-1 (the "Form S-1 Shelf" and, together with the Form S-3 Shelf, the "Shelf Registration Statement"). In the event that the Company files such Shelf Registration Statement on a Form S-1 Shelf and thereafter becomes a Seasoned Issuer or WKSI, the Company shall use its commercially reasonable efforts to convert the Form S-1 Shelf to a Form S-3 Shelf (which shall be an Automatic Shelf Registration Statement if the Company is a WKSI) as soon as practicable after the Company becomes so eligible. Subject to the terms of this Agreement, including any applicable Suspension Period, the Company shall use its commercially reasonable efforts to cause the Shelf Registration Statement to be declared effective under the Securities Act as promptly as possible after the filing thereof, but in any event (x) no later than the fifteenth (15th) calendar day following the filing of the Shelf Registration Statement in the event of no "review" by the Commission, (y) no later than the forty-fifth (45th) calendar day following the filing of the Shelf Registration Statement in the event of "limited review" by the Commission, or (z) in the event of a "review" by the Commission, the seventy-fifth (75th) calendar day following the Effective Date, and shall use its commercially reasonable efforts to keep such Shelf Registration Statement continuously effective under the Securities Act until the date that all Registrable Securities covered by

such Registration Statement are no longer Registrable Securities, including, to the extent a Form S-1 Shelf was converted to a Form S-3 Shelf and the Company thereafter became ineligible to use Form S-3, by filing a Form S-1 Shelf not later than twenty (20) Business Days after the date of such ineligibility and using its commercially reasonable efforts to have such Registration Statement declared effective as promptly as practicable (but in no event more than thirty (30) days after the date of such filing) (the period during which the Company shall use its commercially reasonable efforts to keep the Shelf Registration Statement continuously effective under the Securities Act in accordance with this clause (i), the "Shelf Period"). The Company shall notify the Holders named in the Shelf Registration Statement via facsimile or by e-mail of the effectiveness of a Form S-1 Shelf on the same Business Day that the Company telephonically confirms effectiveness with the Commission. The Company shall file a final Prospectus with the Commission to the extent required by Rule 424. Failure to so notify the Holder within one (1) Business Day of such effectiveness or failure to file a final Prospectus as aforesaid shall be deemed an Event under Section 2(a)(x). The "Plan of Distribution" section of such Shelf Registration Statement shall provide for all permitted means of disposition of Registrable Securities, including firm-commitment underwritten public offerings, Alternative Transactions, agented transactions, sales directly into the market, purchases or sales by brokers and sales not involving a public offering.

(ii) Underwritten Shelf Takedown. At any time during the Shelf Period (subject to any Suspension Period), any one or more Initial Holders of Registrable Securities (such Holder, a "Shelf Public Offering Requesting Holder") may request to sell all or any portion of their Registrable Securities in an underwritten offering that is registered pursuant to the Shelf Registration Statement (each, an "Underwritten Shelf Takedown" which term shall not include an Alternative Transaction); provided, that, and subject to Section 2(a)(v) below, the Company shall not be obligated to effect more than six (6) underwritten Shelf Takedowns in any 12-month period for all Initial Holders and (y) any Underwritten Shelf Takedown if the aggregate proceeds expected to be received from the sale of the Registrable Securities requested to be sold in such Underwritten Shelf Takedown, in the good faith judgment of the managing underwriter(s) therefor, is less than $40 million.

(iii) Notice of Underwritten Shelf Takedown. All requests for Underwritten Shelf Takedowns shall be made by giving written notice to the Company (the "Shelf Takedown Notice"). Each Shelf Takedown Notice shall specify the class or series and the approximate number of Registrable Securities to be sold in the Underwritten Shelf Takedown and the expected price range (net of underwriting discounts and commissions) of such Underwritten Shelf Takedown. Subject to Section 2(i) below, within three (3) days after receipt of any Shelf Takedown Notice, the Company shall give written notice of such requested Underwritten Shelf Takedown (which notice shall state the material terms of such proposed Underwritten Shelf Takedown, to the extent known, as well as the identity of the Shelf Public Offering Requesting Holder) to all other Holders of Registrable Securities (the "Company Notice") and, subject to the provisions of Section 2(a)(iv) and Section 2(i) below, shall include in such Underwritten Shelf Takedown all Registrable Securities of the same class or series as the Registrable Securities originally requested to be sold by the Shelf Public Offering Requesting Holder

with respect to which the Company has received written requests for inclusion therein within five (5) Business Days after giving the Company Notice; provided, that any such Registrable Securities shall be sold subject to the same terms as are applicable to the Registrable Securities the Shelf Public Offering Requesting Holder is requesting to sell.

(iv) Priority of Registrable Shares. If the managing underwriters for such Underwritten Shelf Takedown advise the Company and the Holders of Registrable Securities proposed to be included in such Underwritten Shelf Takedown that in their reasonable view the number of Registrable Securities proposed to be included in such Underwritten Shelf Takedown exceeds the number of Registrable Securities which can be sold in an orderly manner in such offering within a price range acceptable to the Holders of a Majority of Included Registrable Securities requested to be included in the Underwritten Shelf Takedown (the "Maximum Offering Size"), then the Company shall so advise all Holders of Registrable Securities proposed to be included in such Underwritten Shelf Takedown, and shall include in such Underwritten Shelf Takedown the number of Registrable Securities which can be so sold in the following order of priority, up to the Maximum Offering Size: (A) first, the Registrable Securities requested to be included in such Underwritten Shelf Takedown, allocated, if necessary for the offering not to exceed the Maximum Offering Size, to give first priority to the inclusion of the Registrable Securities of the Shelf Public Offering Requesting Holders and, thereafter, pro rata among the remaining Holders of such Registrable Securities on the basis of the number of Registrable Securities requested to be included therein by each such Holder, (B) second, any securities requested to be included in such Underwritten Shelf Takedown by the Company, and (C) third, Other Registrable Securities requested to be included in such Underwritten Shelf Takedown to the extent permitted hereunder, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among the respective holders of such Other Registrable Securities on the basis of the number of securities requested to be included therein by each such holder.

(v) Timing of Underwritten Shelf Takedowns. The Company shall not be obligated to effect an Underwritten Shelf Takedown within sixty (60) days (or such shorter period specified in any applicable lock-up agreement entered into with underwriters) after the consummation of a previous Underwritten Shelf Takedown.

(vi) Selection of Bankers and Counsel. The Holders of a Majority of Included Registrable Securities requested to be included in an Underwritten Shelf Takedown shall have the right to select the investment banker(s) and manager(s) to administer the offering (which shall consist of one (1) or more reputable nationally recognized investment banks, subject to the Company's approval (which shall not be unreasonably withheld, conditioned or delayed)) and one (1) firm of counsel to represent all of the Holders (along with any reasonably necessary local counsel), in connection with such Underwritten Shelf Takedown; provided, that the Company shall select such investment banker(s), manager(s) and counsel (including local counsel) if such Holders of such Majority of Registrable Securities cannot so agree on the same within a reasonable time period.

(vii) Withdrawal from Registration. Any Holder whose Registrable Securities were to be included in any such registration pursuant to Section 2(a)(ii) may elect to withdraw any or all of its Registrable Securities therefrom, without prejudice to the rights of any such Holder or Holders to include Registrable Securities in any future registration (or registrations), by written notice to the Company delivered on or prior to the effective date of the relevant Underwritten Shelf Takedown.

(viii) WKSI Filing. Upon the Company first becoming a WKSI (the "WKSI Date"), (A) the Company shall give written notice to all of the Holders who hold Registrable Securities as promptly as practicable but in no event later than ten (10) Business Days thereafter, and such notice shall describe, in reasonable detail, the basis on which the Company has become a WKSI, and (B) the Company shall, in accordance with the following sentence, register, under an Automatic Shelf Registration Statement, the sale of all outstanding Registrable Securities in accordance with the terms of this Agreement. The Company shall use its commercially reasonable efforts to file such Automatic Shelf Registration Statement as promptly as practicable, but in no event later than twenty (20) days after the WKSI Date, and to cause such Automatic Shelf Registration Statement to remain effective thereafter until there are no longer any Registrable Securities; provided, that, the failure of the Company to remain a WKSI after the filing of such Automatic Shelf Registration Statement shall not be deemed to be a breach of its obligations hereunder. The Company shall give written notice of filing such Registration Statement to all of the Holders who hold Registrable Securities as promptly as practicable thereafter. At any time after the filing of an Automatic Shelf Registration Statement by the Company, if it is reasonably likely that the Company will no longer be a WKSI (the "Determination Date"), as promptly as practicable but in no event later than ten (10) days after such Determination Date, the Company shall (1) give written notice thereof to all of the Holders and (2) file a Form S-3 Shelf, unless the Company is not then eligible to use Form S-3, in which case it shall use Form S-1 Shelf (or a post-effective amendment converting the Automatic Shelf Registration Statement to an appropriate form), covering all Registrable Securities, and use its commercially reasonable efforts to have such Registration Statement declared effective as promptly as practicable (but in no event more than (x) the fifteenth (15th) calendar day following the filing of the Registration Statement in the event of no "review" by the Commission, (y) the forty-fifth (45th) calendar day following the filing of the Registration Statement in the event of "limited review" by the Commission, or (z) in the event of a "review" by the Commission, the seventy-fifth (75th) calendar day following filing of the Registration Statement) after the date the Automatic Shelf Registration Statement is no longer useable by the Holders to sell their Registrable Securities, and keep such Registration Statement continuously effective under the Securities Act until there are no longer any Registrable Securities.

(ix) Adding Holders to Registration Statement. After the Registration Statement with respect to a Shelf Registration is declared effective but subject to the Suspension Period, upon written request by one or more Holders (which written request shall specify the amount of such Holders' Registrable Securities to be registered), the Company shall, as promptly as practicable after receiving such request, (i) if it is a Seasoned Issuer or a WKSI, or if such Registration Statement is an Automatic Shelf

Registration Statement, file a prospectus supplement to include such Holders as selling stockholders in such Registration Statement or (ii) if it is not a Seasoned Issuer or a WKSI, file a post-effective amendment to the Registration Statement to include such Holders in such Shelf Registration and use commercially reasonable efforts to have such post-effective amendment declared effective.

(x) Liquidated Damages. If: (A) the Shelf Registration Statement is not filed on or prior to the date set forth in Section 2(a)(i), (B) the Company fails to file with the Commission a request for acceleration of the Shelf Registration Statement in accordance with Rule 461 promulgated by the Commission pursuant to the Securities Act, within five (5) Business Days after the date that the Company is notified (orally or in writing, whichever is earlier) by the Commission that such Registration Statement will not be "reviewed" or will not be subject to further review, (C) the Shelf Registration Statement registering for resale all of the Registrable Securities is not declared effective by the Commission by the fifteenth (15th) calendar day following the filing of the Shelf Registration Statement (or in the event of a "limited review" by the Commission, the forty-fifth (45th) day or in the event of a "review" by the Commission, the seventy-fifth (75th) calendar day following the Effective Date), or (D) after the effective date of the Shelf Registration Statement, (1) such Shelf Registration Statement ceases for any reason to remain continuously effective (other than in connection with a Suspension Period) as to all Registrable Securities included in such Shelf Registration Statement, or (2) the Holders are otherwise not permitted to utilize the Prospectus therein to resell such Registrable Securities, for more than fifteen (15) consecutive calendar days or more than an aggregate of thirty (30) calendar days (which need not be consecutive calendar days) during any 12-month period (any such failure or breach being referred to as an "Event", and for purposes of clauses (A) and (C), the date on which such Event occurs, and for purpose of clause (B) the date on which such five (5) Business Day period is exceeded, and for purpose of clause (D) the date on which such fifteen (15) or thirty (30) calendar day period, as applicable, is exceeded being referred to as "Event Date"), then, in addition to any other rights the Holders may have hereunder or under applicable law, on the first day of the month following an Event Date, and the first day of each month thereafter until such Event has been cured, the Company shall pay to each Holder an amount in cash, as partial liquidated damages and not as a penalty, equal to (x)(i) $66,666.67 for each day for the first 30 calendar days during which an Event has occurred and is continuing beyond one or more Event Dates (up to a maximum of $2,000,000 of aggregate liquidated damages pursuant to this clause (x)(i)) and (ii) $33,333,34 for each day after the first 30 calendar days during which an Event has occurred and is continuing beyond one or more Event Dates, in each case, multiplied by (y) such Holder's Pro Rata Share. The amount of liquidated damages shall apply on a daily pro rata basis for any portion of each relevant 30-day period elapsed prior to the cure of an Event and shall be payable on the first day of the month following such Event (or if that day is not a Business Day, the next Business Day). For the avoidance of doubt, only one amount of liquidated damages shall accrue regardless of the number of Events occurring or existing at the same time. If the Company fails to pay any partial liquidated damages pursuant to this Section in full within seven Business Days after the date they are payable, the Company shall pay interest thereon at a rate of 9% per annum (or such lesser maximum amount that is permitted to be paid by applicable law) to the Holder,

accruing daily from the date such partial liquidated damages are due until such amounts, plus all such interest thereon, are paid in full. Notwithstanding the foregoing, the aggregate amount of such liquidated damages payable by the Company under this Agreement shall not exceed $6,000,000.

(b) Demand Registration.

(i) Demand Registration Statement. Subject to the terms and conditions of this Agreement (including Section 2(b)(iii)), at any time and from time to time after the Effective Date, upon written notice to the Company (a "Demand Notice") delivered by a Holder who is at the time a Ten Percent Holder (the "Initiating Holder") at any time requesting that the Company effect the registration (a "Demand Registration") under the Securities Act (other than pursuant to a registration statement on Form S-4 or Form S-8 or any similar or successor form under the Securities Act) of any or all of the Registrable Securities held by such Holder, the Company shall promptly (but in any event, not later than five (5) Business Days following the Company's receipt of such Demand Notice) give written notice of the receipt of such Demand Notice to all other Holders that, to its knowledge, hold Registrable Securities (each, a "Demand Eligible Holder"). The Company shall promptly file the appropriate Registration Statement (the "Demand Registration Statement") and use its commercially reasonable efforts to effect, at the earliest practicable date, the registration under the Securities Act and under the applicable state securities laws of (1) the Registrable Securities which the Company has been so requested to register by the Initiating Holders in the Demand Notice, (2) all other Registrable Securities of the same class or series as those requested to be registered by the Initiating Holder which the Company has been requested to register by the Demand Eligible Holders by written request (the "Demand Eligible Holder Request") given to the Company within ten (10) Business Days after the giving of such written notice by the Company, and (3) any Registrable Securities to be offered and sold by the Company, in each case subject to Section 2(b)(v), all to the extent required to permit the disposition (in accordance with the intended methods of disposition) of the Registrable Securities to be so registered. The Holders' rights to request a Demand Registration set forth in this Section 2(b) shall not be exercisable at any time if the Company (i) (x) is not in violation of its obligations to file a Shelf Registration Statement pursuant to Section 2(a) or (y) has a currently effective Shelf Registration Statement covering all Registrable Securities in accordance with Section 2(a), and (ii) has otherwise complied with its obligations pursuant to this Agreement.

(ii) Demand Registration Using Form S-3. The Company shall effect any requested Demand Registration using Form S-3 whenever the Company is a Seasoned Issuer or a WKSI, and shall use an Automatic Shelf Registration Statement if it is a WKSI. Subject to the terms and conditions of this Agreement (including Section 2(b)(iii)), for so long as the Company remains a Seasoned Issuer or a WKSI, each Ten Percent Holder (other than the Initial Holders) shall have the right to two (2) Demand Registrations using Form S-3, which shall not constitute a Demand Registration for purposes of determining the number of Demand Registrations limited under Section 2(b)(iii) below.

(iii) Other Demand Registrations. The Company shall only be required to (1) effect two (2) Demand Registrations for Capital Group and one (1) Demand Registration for Aurelius in any six month period, and (2) comply with a request for a Demand Registration if the aggregate gross proceeds expected to be received from the sale of the Registrable Securities requested to be included in such Demand Registration exceeds $40 million.

(iv) Effectiveness of Demand Registration Statement. The Company shall use its commercially reasonable efforts to have the Demand Registration Statement declared effective by the Commission and keep the Demand Registration Statement continuously effective under the Securities Act for the period of time necessary for the underwriters or Holders to sell all the Registrable Securities covered by such Demand Registration Statement or such shorter period which will terminate when all Registrable Securities covered by such Demand Registration Statement have been sold pursuant thereto (including, if necessary, by filing with the Commission a post-effective amendment or a supplement to the Demand Registration Statement or the related Prospectus or any document incorporated therein by reference or by filing any other required document or otherwise supplementing or amending the Demand Registration Statement, if required by the rules, regulations or instructions applicable to the registration form used by the Company for such Demand Registration Statement or by the Securities Act, any state securities or "blue sky" laws, or any other rules and regulations thereunder) (the "Effectiveness Period"). A Demand Registration requested pursuant to this Section 2(b) shall not be deemed to have been effected (A) if the Registration Statement is withdrawn without becoming effective, (B) if the Registration Statement does not remain effective in compliance with the provisions of the Securities Act and the laws of any state or other jurisdiction applicable to the disposition of the Registrable Securities covered by such Registration Statement for the Effectiveness Period, (C) if, after it has become effective, such Registration Statement is subject to any stop order, injunction or other order or requirement of the Commission or other governmental or regulatory agency or court for any reason other than a violation of applicable law solely by any selling Holder and has not thereafter become effective, (D) in the event of an underwritten offering, if the conditions to closing specified in the underwriting agreement entered into in connection with such registration are not satisfied or waived other than by reason of some wrongful act or omission by an Initiating Holder (E) if the Company does not include in the applicable Registration Statement any Registrable Securities held by a Holder that is required by the terms hereof to be included in such Registration Statement, (F) if the Initiating Holders and Demand Eligible Holders have not been able to sell at least 75% of the Registrable Securities that they have requested to sell in the Demand Notice or Demand Eligible Holder Request or (G) if the number of Registrable Securities included on the applicable Registration Statement is reduced in accordance with Section 2(b)(v) such that less than 66-2/3% of the Registrable Securities of the Initiating Holders sought to be included in such registration are included.

(v) Priority of Registration. Notwithstanding any other provision of this Section 2(b), if (A) the Initiating Holders intend to distribute the Registrable Securities covered by a Demand Registration by means of an underwritten offering and (B) the managing underwriters advise the Company and the Initiating Holders that in their

reasonable view, the number of Registrable Securities proposed to be included in such offering (including Registrable Securities requested by Holders to be included in such offering and any securities that the Company or any other Person proposes to be included that are not Registrable Securities) exceeds the Maximum Offering Size, then the Company shall so advise all Initiating Holders and Demand Eligible Holders with Registrable Securities proposed to be included in such underwritten offering, and shall include in such offering the number of Registrable Securities which can be so sold in the following order of priority, up to the Maximum Offering Size: (1) first, the Registrable Securities requested to be included in such underwritten offering by the Initiating Holders and the Demand Eligible Holders, allocated, if necessary for the offering not to exceed the Maximum Offering Size, to give first priority to the inclusion of the Registrable Securities of the Initiating Holders and, thereafter, pro rata among the Demand Eligible Holders on the basis of the number of Registrable Securities requested to be included therein by each such Demand Eligible Holder, (2) second, any securities proposed to be registered by the Company, and (3) third, Other Registrable Securities requested to be included in such underwritten offering to the extent permitted hereunder, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among the respective holders of such Other Registrable Securities on the basis of the number of securities requested to be included therein by each such holder.

(vi) Underwritten Demand Registration. The determination of whether any offering of Registrable Securities pursuant to a Demand Registration will be an underwritten offering shall be made in the sole discretion of the Holders of a Majority of Included Registrable Securities included in such underwritten offering, and such Holders of a Majority of Included Registrable Securities shall have the right to (A) determine the plan of distribution, including the price at which the Registrable Securities are to be sold and the underwriting commissions, discounts and fees, and (B) select the investment banker(s) and manager(s) to administer the offering (which shall consist of one (1) or more reputable nationally recognized investment banks, subject to the Company's approval (which shall not be unreasonably withheld, conditioned or delayed)) and one (1) firm of counsel to represent all of the Holders (along with any reasonably necessary local counsel), in connection with such Demand Registration; provided, that the Company shall select such investment banker(s), manager(s) and counsel (including local counsel) if the Holders of such Majority of Registrable Securities cannot so agree on the same within a reasonable time period.

(vii) Withdrawal of Registrable Securities. Any Holder whose Registrable Securities were to be included in any such registration pursuant to Section 2(b) may elect to withdraw any or all of its Registrable Securities therefrom, without prejudice to the rights of any such Holder or Holders to include Registrable Securities in any future registration (or registrations), by written notice to the Company delivered on or prior to the effective date of the relevant Demand Registration Statement.

(c) Piggyback Registration.

(i) Registration Statement on behalf of the Company. If at any time the Company proposes to file a Registration Statement, other than pursuant to a Shelf

Registration under Section 2(a) or any Demand Registration under Section 2(b), for an offering of Registrable Securities for cash (whether in connection with a public offering of Company Common Stock by the Company, a public offering of Company Common Stock by stockholders other than Holders, or both, but excluding an offering relating solely to an employee benefit plan, an offering relating to a transaction on Form S-4, a rights offering or an offering on any form of Registration Statement that does not permit secondary sales) (a "Piggyback Registration Statement"), the Company shall give prompt written notice (the "Piggyback Notice") to all Holders that, to its knowledge, hold Registrable Securities (collectively, the "Piggyback Eligible Holders") of the Company's intention to file a Piggyback Registration Statement reasonably in advance of (and in any event at least ten (10) Business Days before) the anticipated filing date of such Piggyback Registration Statement. The Piggyback Notice shall offer the Piggyback Eligible Holders the opportunity to include for registration in such Piggyback Registration Statement the number of Registrable Securities of the same class and series as those proposed to be registered as they may request, subject to Section 2(c)(ii) (a "Piggyback Registration"). Subject to Section 2(c)(ii), the Company shall use its commercially reasonable efforts to include in each such Piggyback Registration such Registrable Securities for which the Company has received written requests (each, a "Piggyback Request") from Piggyback Eligible Holders within five (5) Business Days after giving the Piggyback Notice. If a Piggyback Eligible Holder decides not to include all of its Registrable Securities in any Piggyback Registration Statement thereafter filed by the Company, such Piggyback Eligible Holder shall nevertheless continue to have the right to include any Registrable Securities in any subsequent Piggyback Registration Statements or Registration Statements as may be filed by the Company with respect to offerings of Registrable Securities, all upon the terms and conditions set forth herein. The Company shall use its commercially reasonable efforts to effect the registration under the Securities Act of all Registrable Securities which the Company has been so requested to register pursuant to the Piggyback Requests, to the extent required to permit the disposition of the Registrable Securities so requested to be registered.

(ii) Priority of Registration. If the Piggyback Registration under which the Company gives notice pursuant to Section 2(c)(i) is an underwritten offering, and the managing underwriter or managing underwriters of such offering advise the Company and the Piggyback Eligible Holders that, in their reasonable view the amount of securities requested to be included in such registration (including Registrable Securities requested by the Piggyback Eligible Holders to be included in such offering and any securities that the Company or any other Person proposes to be included that are not Registrable Securities) exceeds the Maximum Offering Size (which, for the purposes of a Piggyback Registration shall be within a price range acceptable to the Company), then the Company shall so advise all Piggyback Eligible Holders with Registrable Securities proposed to be included in such Piggyback Registration, and shall include in such offering the number which can be so sold in the following order of priority, up to the Maximum Offering Size: (A) in the case of a Company initiated registration, (1) first, the securities that the Company proposes to sell up to the Maximum Offering Size, (2) second, the Registrable Securities requested to be included in such Piggyback Registration, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among the Piggyback Eligible Holders on the basis of the number of Registrable Securities

requested to be included therein by each Piggyback Eligible Holder, and (3) third, Other Registrable Securities requested to be included in such Piggyback Registration, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among the holders thereof on the basis of the number of securities requested to be included therein by each such holder and (B) in the case of a non-Company initiated registration, (1) first, the securities requested to be included in such offering by the holders of the Company's securities initiating such registration, up to the Maximum Offering Size, (2) second, the Registrable Securities requested to be included in such Piggyback Registration, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among the Piggyback Eligible Holders on the basis of the number of Registrable Securities requested to be included therein by each Piggyback Eligible Holder, (3) third, any securities requested to be included in such Piggyback Registration by the Company, and (4) fourth, Other Registrable Securities requested to be included in such offering to the extent permitted hereunder, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among the respective holders of such Other Registrable Securities on the basis of the number of securities requested to be included therein by each such holder. All Piggyback Eligible Holders requesting to be included in the Piggyback Registration must sell their Registrable Securities to the underwriters selected as provided in Section 2(c)(iv) on the same terms and conditions as apply to the Company or the holder that initiated such registration. Promptly (and in any event within one (1) Business Day) following receipt of notification by the Company from the managing underwriter of a range of prices at which such Registrable Securities are likely to be sold, the Company shall so advise each Piggyback Eligible Holder requesting registration in such offering of such price. If any Piggyback Eligible Holder disapproves of the terms of any such underwriting (including the price offered by the underwriter(s) in such offering), such Piggyback Eligible Holder may elect to withdraw any or all of its Registrable Securities therefrom, without prejudice to the rights of any such Holder or Holders to include Registrable Securities in any future Piggyback Registration or other registration statement, by written notice to the Company and the managing underwriter(s) delivered on or prior to the effective date of such Piggyback Registration Statement. Any Registrable Securities withdrawn from such underwriting shall be excluded and withdrawn from the registration. For any Piggyback Eligible Holder that is a partnership, limited liability company, corporation or other entity, the partners, members, stockholders, Subsidiaries, parents and Affiliates of such Piggyback Eligible Holder, or the estates and Family Members of any such partners/members and retired partners/members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "Piggyback Eligible Holder," and any pro rata reduction with respect to such "Piggyback Eligible Holder" shall be based upon the aggregate amount of securities carrying registration rights owned by all entities and individuals included in such "Piggyback Eligible Holder," as defined in this sentence.

(iii) Withdrawal from Registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2(c) prior to the effective date of such Registration Statement, whether or not any Piggyback Eligible Holder has elected to include Registrable Securities in such Registration Statement, without prejudice, however, to the right of the Holders immediately to request that such registration be effected as a registration under Section 2(b) to the extent permitted

thereunder and subject to the terms set forth therein. The registration expenses of such withdrawn registration shall be borne by the Company in accordance with Section 4 hereof.

(iv) Selection of Bankers and Counsel. If a Piggyback Registration pursuant to this Section 2(c) involves an underwritten offering, the Company shall have the right, in consultation with the Holders of a Majority of Included Registrable Securities included in such underwritten offering, to (A) determine the plan of distribution, including the price at which the Registrable Securities are to be sold and the underwriting commissions, discounts and fees and (B) select the investment banker or bankers and managers to administer the offering, including the lead managing underwriter.

(v) Effect of Piggyback Registration. No registration effected under this Section 2(c) shall relieve the Company of its obligations to effect any registration of the offer and sale of Registrable Securities upon request under Section 2(a) or Section 2(b) hereof and no registration effected pursuant to this Section 2(c) shall be deemed to have been effected pursuant to Section 2(a) or Section 2(b) hereof.

(d) Notice Requirements. Any Demand Notice, Demand Eligible Holder Request, Piggyback Request or Shelf Takedown Notice shall (i) specify the maximum number or class or series of Registrable Securities intended to be offered and sold by the Holder making the request, (ii) express such Holder's bona fide intent to offer up to such maximum number of Registrable Securities for distribution, (iii) describe the nature or method of the proposed offer and sale of Registrable Securities (to the extent applicable), and (iv) contain the undertaking of such Holder to provide all such information and materials and take all action as may reasonably be required in order to permit the Company to comply with all applicable requirements in connection with the registration of such Registrable Securities.

(e) Suspension Period. Notwithstanding any other provision of this Section 2, the Company shall have the right but not the obligation to defer the filing of (but not the preparation of), or suspend the use by the Holders of, any Demand Registration or Shelf Registration for a period of up to forty-five (45) days (i) if the Company is subject to any of its customary suspension or blackout periods, for all or part of such period; (ii) upon issuance by the Commission of a stop order suspending the effectiveness of any Registration Statement with respect to Registrable Securities or the initiation of proceedings with respect to such Registration Statement under Section 8(d) or 8(e) of the Securities Act; (iii) if the Company believes that any such registration or offering (x) should not be undertaken because it would reasonably be expected to materially interfere with any material corporate development or plan or (y) would require the Company, under applicable securities laws and other laws, to make disclosure of material nonpublic information that would not otherwise be required to be disclosed at that time and the Company believes in good faith that such disclosures at that time would not be in the Company's best interests; provided that this exception (y) shall continue to apply only during the time that such material nonpublic information has not been disclosed and remains material; (iv) if the Company elects at such time to offer Company Common Stock or other equity securities of the Company to (x) fund a merger, third-party tender

offer or other business combination, acquisition of assets or similar transaction or (y) meet rating agency and other capital funding requirements; (v) if the Company is pursuing a primary underwritten offering of Company Common Stock pursuant to a registration statement; provided that the Investor shall have Piggyback Registration rights with respect to such primary underwritten offering in accordance with and subject to the restrictions set forth in Section 2(c); or (vi) if any other material development would materially and adversely interfere with any such Demand Registration or Shelf Registration (any such period, a "Suspension Period"); provided, however, that in such event, the Initiating Holders will be entitled to withdraw any request for a Demand Registration and, if such request is withdrawn, such Demand Registration will not count as a Demand Registration as the Company will pay all Registration Expenses in connection with such registration; and provided further, that in no event shall the Company declare a Suspension Period more than twice in any twelve (12) month period or for more than an aggregate of ninety (90) days in any twelve (12) month period. The Company shall give written notice to the Holders of its declaration of a Suspension Period and of the expiration of the relevant Suspension Period. If the filing of any Demand Registration or Shelf Registration is suspended pursuant to this Section 2(e), once the Suspension Period ends, the Initiating Holder may request a new Demand Registration or a new Shelf Registration (neither such request shall be counted as an additional Demand Registration for purposes of subclause (1) in the proviso of Section 2(b)(iii)).

(f) Required Information. The Company may require each Holder of Registrable Securities as to which any Registration Statement is being filed or sale is being effected to furnish to the Company such information regarding the distribution of such securities and such other information relating to such Holder and its ownership of Registrable Securities as the Company may from time to time reasonably request in writing (provided that such information shall be used only in connection with such registration) and the Company may exclude from such registration or sale the Registrable Securities of any such Holder who fails to furnish such information within a reasonable time after receiving such request. Each Holder agrees to furnish such information to the Company and to cooperate with the Company as reasonably necessary to enable the Company to comply with the provisions of this Agreement.

(g) Other Registration Rights Agreements. The Company has not entered into and, unless agreed in writing by each Holder on or after the date of this Agreement, will not enter into, any agreement that (i) is inconsistent with the rights granted to the Holders with respect to Registrable Securities in this Agreement or otherwise conflicts with the provisions hereof in any material respect or (ii) other than as set forth in this Agreement, would allow any holder of Company Common Stock to include Company Common Stock in any Registration Statement filed by the Company on a basis that is more favorable in any material respect to the rights granted to the Holders hereunder.

(h) Cessation of Registration Rights. All registration rights granted under this Section 2 shall continue to be applicable with respect to any Holder until such Holder no longer holds any Registrable Securities.

3. Alternative Transactions. Notwithstanding anything to the contrary contained herein, (A) no Holder shall be entitled to any piggyback right or to participate as a Demand Eligible Holder under this Section 2 in the event of an Alternative Transaction (including Alternative Transactions off of a Shelf Registration Statement or an Automatic Shelf Registration Statement, or in connection with the registration of Registrable Securities under an Automatic Shelf Registration Statement for purposes of effectuating an Alternative Transaction; provided, that, any registration with respect to an Alternative Transaction shall not constitute a Demand Registration for purposes of determining the number of Demand Registrations effected by the Company under Section 2(b)(ii) and (iii) above), (B) no Holder, other than an Affiliated Holder, shall be permitted to request or participate in an underwritten offering (including an Underwritten Shelf Takedown) that is an Alternative Transaction, (C) an Affiliated Holder effecting an underwritten offering (including an Underwritten Shelf Takedown) that is an Alternative Transaction shall provide prompt notice (but in no event later than twenty-four (24) hours consisting of Business Days prior to such Alternative Transaction) to the Company and any other Affiliated Holder setting forth the proposed timeline for such offering to permit participation by such other Affiliated Holder in such offering, and such other Affiliated Holder shall be entitled to participate in such offering so long as the participation of such other Affiliated Holder does not materially delay the proposed timeline of such Alternative Transaction specified in the notice.

4. **Registration Procedures.** The procedures to be followed by the Company and each participating Holder to register the sale of Registrable Securities pursuant to a Registration Statement in accordance with this Agreement, and the respective rights and obligations of the Company and such Holders with respect to the preparation, filing and effectiveness of such Registration Statement, are as follows:

(a) The Company will (i) prepare and file a Registration Statement or a prospectus supplement, as applicable, with the Commission (within the time period specified in Section 2(a) or Section 2(b), as applicable, in the case of a Shelf Registration, an Underwritten Shelf Takedown or a Demand Registration) which Registration Statement (A) shall be on a form selected by the Company for which the Company qualifies, (B) shall be available for the sale or exchange of the Registrable Securities in accordance with the intended method or methods of distribution, and (C) shall comply as to form in all material respects with the requirements of the applicable form and include and/or incorporate by reference all financial statements required by the Commission to be filed therewith, (ii) use its commercially reasonable efforts to cause such Registration Statement to become effective and remain effective for the periods provided under Section 2(a) or Section 2(b), as applicable, in the case of a Shelf Registration Statement or a Demand Registration Statement, (iii) use its commercially reasonable efforts to prevent the occurrence of any event that would cause a Registration Statement to contain a material misstatement or omission or to be not effective and usable for resale of the Registrable Securities registered pursuant thereto (during the period that such Registration Statement is required to be effective as provided under Section 2(a) or Section 2(b)), and (iv) cause each Registration Statement and the related Prospectus and any amendment or supplement thereto, as of the effective date of such Registration Statement, amendment or supplement (x) to comply in all material respects with any

requirements of the Securities Act and the rules and regulations of the Commission and (y) not to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. The Company will, (1) at least five (5) Business Days prior to the anticipated filing of a Registration Statement or any related Prospectus or any amendment or supplement thereto (including any documents incorporated by reference therein), or before using any Issuer Free Writing Prospectus, furnish to such Holders, the Holders' counsel and the managing underwriter or underwriters of an underwritten offering of Registrable Securities, if applicable, copies of all such documents proposed to be filed, (2) use its commercially reasonable efforts to address in each such document prior to being so filed with the Commission such comments as such Holder, its counsel or underwriter reasonably shall propose within three (3) Business Days of receipt of such copies by the Holders and (3) not file any Registration Statement or any related Prospectus or any amendment or supplement thereto containing information regarding a participating Holder to which a participating Holder objects.

(b) The Company will as promptly as reasonably practicable (i) prepare and file with the Commission such amendments, including post-effective amendments, and supplements to each Registration Statement and the Prospectus used in connection therewith as (A) may be reasonably requested by any Holder of Registrable Securities covered by such Registration Statement necessary to permit such Holder to sell in accordance with its intended method of distribution or (B) may be necessary under applicable law to keep such Registration Statement continuously effective with respect to the disposition of all Registrable Securities covered thereby for the periods provided under Section 2(a) or Section 2(b), as applicable, in accordance with the intended method of distribution and, subject to the limitations contained in this Agreement, prepare and file with the Commission such additional Registration Statements in order to register for resale under the Securities Act all of the Registrable Securities held by the Holders, (ii) cause the related Prospectus to be amended or supplemented by any required prospectus supplement, and as so supplemented or amended, to be filed pursuant to Rule 424, (iii) respond to any comments received from the Commission with respect to each Registration Statement or Prospectus or any amendment thereto, and (iv) as promptly as reasonably practicable, provide such Holders true and complete copies of all correspondence from and to the Commission relating to such Registration Statement or Prospectus other than any comments that the Company determines in good faith would result in the disclosure to such Holders of material non-public information concerning the Company that is not already in the possession of such Holder.

(c) The Company will comply in all material respects with the provisions of the Securities Act and the Exchange Act (including Regulation M under the Exchange Act) with respect to each Registration Statement and the disposition of all Registrable Securities covered by each Registration Statement.

(d) The Company will notify such Holders that, to its knowledge, hold Registrable Securities and the managing underwriter or underwriters of an underwritten offering of Registrable Securities, if applicable, as promptly as reasonably practicable: (i)(A) when a Registration Statement, any pre-effective amendment, any Prospectus or any prospectus

supplement or post-effective amendment to a Registration Statement or any free writing prospectus is proposed to be filed; (B) when the Commission notifies the Company whether there will be a "review" of such Registration Statement and whenever the Commission comments on such Registration Statement (in which case the Company shall provide true and complete copies thereof and all written responses thereto to each Holder, its counsel and each underwriter, if applicable, other than information which the Company determines in good faith would constitute material non-public information that is not already in the possession of such Holder); and (C) with respect to each Registration Statement or any post-effective amendment thereto, when the same has been declared effective; (ii) of any request by the Commission or any other federal or state governmental or regulatory authority for amendments or supplements to a Registration Statement or Prospectus or for additional information (whether before or after the effective date of the Registration Statement) or any other correspondence with the Commission or any such authority relating to, or which may affect, the Registration Statement; (iii) of the issuance by the Commission or any other governmental or regulatory authority of any stop order, injunction or other order or requirement suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation of any Proceedings for that purpose; (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any Proceeding for such purpose; (v) if, at any time, the representations and warranties of the Company in any applicable underwriting agreement or similar agreement cease to be true and correct in all material respects; or (vi) of the occurrence of any event that makes any statement made in such Registration Statement or Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or if, as a result of such event or the passage of time, such Registration Statement, Prospectus or other documents requires revisions so that, in the case of such Registration Statement or the Prospectus, as the case may be, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein (in the case of the Prospectus, in light of the circumstances under which they were made) not misleading, or when any Issuer Free Writing Prospectus includes information that may conflict with the information contained in the Registration Statement or Prospectus, or if, for any other reason, it shall be necessary during such time period to amend or supplement such Registration Statement or Prospectus in order to comply with the Securities Act, which shall correct such misstatement or omission or effect such compliance.

(e) The Company will use its commercially reasonable efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (i) any stop order or other order suspending the effectiveness of a Registration Statement or the use of any Prospectus, or (ii) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, at the earliest practicable moment, or if any such order or suspension is made effective during any Suspension Period, at the earliest practicable moment after the Suspension Period is over.

(f) During the Effectiveness Period or the Shelf Period, as applicable, the Company will furnish to each selling Holder and the managing underwriter or underwriters of an underwritten offering of Registrable Securities, if applicable, upon their request, without charge, at least one conformed copy of each Registration Statement and each amendment thereto and all exhibits to the extent requested by such selling Holder or underwriter (including those incorporated by reference) promptly after the filing of such documents with the Commission.

(g) The Company will promptly deliver to each selling Holder and the managing underwriter or underwriters of an underwritten offering of Registrable Securities, if applicable, without charge, as many copies of each Prospectus or Prospectuses (including each form of prospectus) and each amendment or supplement thereto as such selling Holder or underwriter may reasonably request in order to facilitate the disposition of the Registrable Securities by such selling Holder or underwriter. The Company consents to the use of such Prospectus and each amendment or supplement thereto by each of the selling Holders and any applicable underwriter in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any amendment or supplement thereto.

(h) The Company will use its commercially reasonable efforts to (i) register or qualify the Registrable Securities covered by a Registration Statement, no later than the time such Registration Statement is declared effective by the Commission, under all applicable securities laws (including the "blue sky" laws) of such jurisdictions each underwriter, if any, or any selling Holder shall reasonably request; (ii) keep each such registration or qualification effective during the period such Registration Statement is required to be kept effective under the terms of this Agreement and (iii) do any and all other acts and things which may be reasonably necessary or advisable to enable such underwriter, if any, and each selling Holder to consummate the disposition in each such jurisdictions of the Registrable Securities covered by such Registration Statement; provided, however, that the Company will not be required to (x) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph, (y) subject itself to taxation in any such jurisdiction or (z) consent to general service of process (other than service of process in connection with such registration or qualification or any sale of Registrable Securities in connection therewith) in any such jurisdiction.

(i) To the extent that the Company has certificated shares of Company Common Stock, the Company will cooperate with each Holder and the underwriter or managing underwriter of an underwritten offering of Registrable Securities, if applicable, to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be delivered to a transferee pursuant to a Registration Statement, which certificates shall be free of all restrictive legends indicating that the Registrable Securities are unregistered or unqualified for resale under the Securities Act, Exchange Act or other applicable securities laws, and to enable such Registrable Securities to be in such denominations and registered in such names as each Holder or the underwriter or managing underwriter of an underwritten offering of Registrable Securities, if any, may request in writing. In connection therewith, if required by the Company's transfer agent,

the Company will promptly, after the effective date of the Registration Statement, cause an opinion of counsel as to the effectiveness of the Registration Statement to be delivered to and maintained with such transfer agent, together with any other authorizations, certificates and directions required by the transfer agent which authorize and direct the transfer agent to issue such Registrable Securities without any such legend upon sale by the Holder or the underwriter or managing underwriter of an underwritten offering of Registrable Securities, if any, of such Registrable Securities under the Registration Statement.

(j) Upon the occurrence of any event contemplated by Section 3(d)(vi), as promptly as reasonably practicable, the Company will prepare a supplement or amendment, including a post-effective amendment, if required by applicable law, to the affected Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference or to the applicable Issuer Free Writing Prospectus, and file any other required document so that, as thereafter delivered, no Registration Statement nor any Prospectus will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of a Prospectus, in light of the circumstances under which they were made) not misleading and no Issuer Free Writing Prospectus will include information that conflicts with information contained in the Registration Statement or Prospectus, such that each selling Holder can resume disposition of such Registrable Securities covered by such Registration Statement or Prospectus.

(k) Selling Holders may distribute the Registrable Securities by means of an underwritten offering; provided that (i) such Holders provide to the Company a Shelf Takedown Notice or Demand Notice of their intention to distribute Registrable Securities by means of an underwritten offering, (ii) the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein, (iii) each Holder participating in such underwritten offering agrees to enter into customary agreements, including an underwriting agreement in customary form, and sell such Holder's Registrable Securities on the basis provided in any underwriting arrangements approved by the Holders entitled to select the managing underwriter or managing underwriters hereunder (provided that any such Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties, agreements and indemnities regarding such Holder, such Holder's title to the Registrable Securities, such Holder's intended method of distribution, the accuracy of information concerning such Holder as provided by or on behalf of such Holder, and any other representations required to be made by the Holder under applicable law, and the aggregate amount of the liability of such Holder in connection with such offering shall not exceed such Holder's net proceeds from the disposition of such Holder's Registrable Securities in such offering) and (iv) each Holder participating in such underwritten offering completes and executes all questionnaires, powers of attorney, custody agreements and other documents reasonably required under the terms of such underwriting arrangements. The Company hereby agrees with each Holder that, in connection with any underwritten offering in accordance with the terms

hereof, it will negotiate in good faith and execute all indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements, and will procure auditor "comfort" letters addressed to the underwriters in the offering from the Company's independent certified public accountants or independent auditors (and, if necessary, any other independent certified public accountants or independent auditors of any Subsidiary of the Company or any business acquired by the Company for which financial statements and financial data are, or are required to be, included in the Registration Statement) in customary form and covering such matters of the type customarily covered by comfort letters as the underwriters reasonably request, dated the date of execution of the underwriting agreement and brought down to the closing under the underwriting agreement.

(l) The Company will obtain for delivery to the underwriter or underwriters of an underwritten offering of Registrable Securities an opinion or opinions from counsel for the Company (including any local counsel reasonably requested by the underwriters) dated the most recent effective date of the Registration Statement or, in the event of an underwritten offering, the date of the closing under the underwriting agreement, in customary form, scope and substance, covering the matters customarily covered in opinions requested in sales of securities or underwritten offerings, which opinions shall be reasonably satisfactory to such underwriters and their counsel.

(m) For a reasonable period prior to the filing of any Registration Statement and throughout the Effectiveness Period or the Shelf Period, as applicable, the Company will make available upon reasonable notice at the Company's principal place of business or such other reasonable place for inspection by a representative appointed by the Holders of a Majority of Included Registrable Securities covered by the applicable Registration Statement, by any managing underwriter or managing underwriters selected in accordance with this Agreement and by any attorney, accountant or other agent retained by such Holders or underwriter, such financial and other information and books and records of the Company, and cause the officers, employees, counsel and independent certified public accountants of the Company to respond to such inquiries, as shall be reasonably necessary (and in the case of counsel, not violate an attorney-client privilege in such counsel's reasonable belief) to conduct a reasonable investigation within the meaning of Section 11 of the Securities Act.

(n) The Company will (i) provide and cause to be maintained a transfer agent and registrar for all Registrable Securities covered by the applicable Registration Statement from and after a date not later than the effective date of such Registration Statement and provide and enter into any reasonable agreements with a custodian for the Registrable Securities and (ii) not later than the effective date of the applicable Registration Statement, provide a CUSIP number for all Registrable Securities.

(o) The Company will cooperate with each Holder of Registrable Securities and each underwriter or agent participating in the disposition of Registrable Securities and their respective counsel in connection with any filings required to be made with FINRA and in performance of any due diligence investigations by any underwriter.

(p) The Company will use its commercially reasonable efforts to comply with all applicable rules and regulations of the Commission, the Trading Market, FINRA and any state securities authority, and make available to each Holder, as soon as reasonably practicable after the effective date of the Registration Statement, an earnings statement covering at least twelve (12) months which shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158.

(q) The Company will use its commercially reasonable efforts to ensure that any Issuer Free Writing Prospectus utilized in connection with any Prospectus complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby and, when taken together with the related Prospectus, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(r) In connection with any registration of Registrable Securities pursuant to this Agreement, the Company will take all commercially reasonable actions as are necessary or advisable in order to expedite or facilitate the disposition of Registrable Securities by such Holders, including using commercially reasonable efforts to cause appropriate officers and employees to be available, on a customary basis and upon reasonable advance notice, to meet with prospective investors in presentations, meetings and road shows; provided, however that the Company shall not be required to participate in any marketing effort that is longer than two business days or requires face to face meeting with investors more than once every ninety (90) days and no more than twice in a twelve month period.

(s) The Company shall use its commercially reasonable efforts to list the Company Common Stock and any other Registrable Securities of any class or series covered by a Registration Statement on the New York Stock Exchange or The Nasdaq Global Market or any successor national securities exchange. Following the listing of the Company Common Stock and any other Registrable Securities on the New York Stock Exchange or The Nasdaq Global Market or any successor national securities exchange, the Company will use its commercially reasonable efforts to maintain such listing until each Holder has sold all of its Registrable Securities.

(t) The Company shall, if such registration for an underwritten offering is pursuant to a Registration Statement on Form S-3 or any similar short-form registration, include in such Registration Statement such additional information for marketing purposes as the managing underwriter reasonably requests.

(u) The Company shall use its commercially reasonable efforts to cooperate in a timely manner with any reasonable and customary request of the Holders in respect of any Alternative Transaction, including entering into customary agreements with respect to such Alternative Transactions (and providing customary representations, warranties, covenants and indemnities in such agreements) as well as providing other reasonable

assistance in respect of such Alternative Transactions of the type applicable to a public offering subject to this Section 4, to the extent customary for such transactions..

5. **Registration Expenses.** The Company shall bear all reasonable Registration Expenses incident to the Parties' performance of or compliance with their respective obligations under this Agreement or otherwise in connection with any Demand Registration, Shelf Registration, Shelf Takedown Notice or Piggyback Registration (excluding any Selling Expenses), whether or not any Registrable Securities are sold pursuant to a Registration Statement.

"Registration Expenses" shall include, without limitation, (i) all registration, qualification and filing fees and expenses (including fees and expenses (A) of the Commission or FINRA, (B) incurred in connection with the listing of the Registrable Securities on the Trading Market, and (C) in compliance with applicable state securities or "Blue Sky" laws (including reasonable fees and disbursements of counsel for the underwriters in connection with blue sky qualifications of the Registrable Securities)); (ii) printing expenses (including expenses of printing certificates for the Company's shares and of printing prospectuses); (iii) analyst or investor presentation or road show expenses of the Company and the underwriters, if any; (iv) messenger, telephone and delivery expenses; (v) reasonable fees and disbursements of counsel (including any local counsel), auditors and accountants for the Company (including the expenses incurred in connection with "comfort letters" required by or incident to such performance and compliance); (vi) the reasonable fees and disbursements of underwriters to the extent customarily paid by issuers or sellers of securities (including, if applicable, the fees and expenses of any "qualified independent underwriter" (and its counsel) that is required to be retained in accordance with the rules and regulations of FINRA; (vii) fees and expenses of any special experts retained by the Company; (viii) Securities Act liability insurance, if the Company so desires such insurance; (ix) reasonable fees and disbursements of one counsel (along with any reasonably necessary local counsel) representing all Holders mutually agreed by Holders of a Majority of Included Registrable Securities participating in the related registration; provided that if Capital Group and Aurelius have Registrable Securities included in any registration, reasonable fees and disbursements of two counsel and (x) fees and expenses payable in connection with any ratings of the Registrable Securities, including expenses relating to any presentations to rating agencies. In addition, the Company shall be responsible for all of its expenses incurred in connection with the consummation of the transactions contemplated by this Agreement (including expenses payable to third parties and including all salaries and expenses of the Company's officers and employees performing legal or accounting duties), the expense of any annual audit and any underwriting fees, discounts, selling commissions and stock transfer taxes and related legal and other fees applicable to securities sold by the Company and in respect of which proceeds are received by the Company. Each Holder shall pay any Selling Expenses applicable to the sale or disposition of such Holder's Registrable Securities pursuant to any Demand Registration Statement or Piggyback Registration Statement, or pursuant to any Shelf Registration Statement under which such selling Holder's Registrable Securities were sold, in proportion to the amount of such selling Holder's shares of Registrable Securities sold in any offering under such Demand

Registration Statement, Piggyback Registration Statement or Shelf Registration Statement.

6. **Indemnification.**

(a) If requested by a participating Holder, the Company shall indemnify and hold harmless each underwriter, if any, engaged in connection with any registration referred to in Section 2 and provide representations, covenants, opinions and other assurances to such underwriter in form and substance reasonably satisfactory to such underwriter and the Company. Further, the Company shall indemnify and hold harmless each Holder, its partners, stockholders, equityholders, general partners, managers, and Affiliates and each of their respective officers and directors and any Person who controls any such Holder (within the meaning of the Securities Act) and any employee or Representative thereof (collectively, "Indemnified Persons"), to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, joint or several, costs (including reasonable costs of preparation and reasonable attorneys', accountants' and experts' fees) and expenses, judgments, fines, penalties, interest, settlements or other amounts arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, in which any Indemnified Person may be involved, or is threatened to be involved, as a party or otherwise, under the Securities Act or otherwise (collectively, "Losses"), as incurred, arising out of, based upon, resulting from or relating to (i) any untrue or alleged untrue statement of a material fact contained in any Registration Statement under which any Registrable Securities were registered, Prospectus (including in any preliminary prospectus (if used prior to the effective date of such Registration Statement)), or in any summary or final prospectus or free writing prospectus or in any amendment or supplement thereto or in any documents incorporated by reference in any of the foregoing or (ii) the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements made therein not misleading, or (iii) any violation or alleged violation by the Company or any of its Subsidiaries of any federal, state or common law rule or regulation relating to action or inaction in connection with any Company provided information in such registration, disclosure document or related document or report, and the Company will reimburse such Indemnified Person for any legal or other expenses reasonably incurred by it in connection with investigating or defending any such loss, claim, liability, action or proceeding; provided, however, that the Company shall not be liable to any Indemnified Person to the extent that any such Losses arise out of, are based upon or results from an untrue or alleged untrue statement or omission or alleged omission made in such Registration Statement, such preliminary, summary or final prospectus or free writing prospectus or such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by or on behalf of such Indemnified Person specifically for use in the preparation thereof.

(b) In connection with any Registration Statement filed by the Company pursuant to Section 2 hereof in which a Holder has registered for sale its Registrable Securities, each such selling Holder agrees (severally and not jointly) to indemnify and hold harmless, to the fullest extent permitted by law, the Company, its directors and officers, Affiliates, employees, agents and each Person who controls the Company (within the meaning of the

Securities Act or the Exchange Act) from and against any Losses resulting from (i) any untrue statement of a material fact in any Registration Statement under which such Registrable Securities were registered or sold under the Securities Act (including any final, preliminary or summary Prospectus contained therein or any amendment thereof or supplement thereto or any documents incorporated by reference therein) or (ii) any omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or omission is contained in any information furnished in writing by or on behalf of such selling Holder to the Company specifically for inclusion in such Registration Statement or Prospectus and has not been corrected in a subsequent writing prior to the sale of the Registrable Securities to the Indemnified Person asserting the claim. In no event shall the liability of any selling Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Holder under the sale of Registrable Securities giving rise to such indemnification obligation less any amounts paid by such Holder pursuant to Section 5(d) and any amounts paid by such Holder as a result of liabilities incurred under the underwriting agreement, if any, related to such sale.

(c) Any indemnified person shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that any delay or failure to so notify the indemnifying party shall not relieve the indemnifying party of its obligations hereunder except to the extent, if at all, that it is actually and materially prejudiced by reason of such delay or failure) and (ii) permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party; provided, however, that any indemnified person shall have the right to select and employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such indemnified person unless (A) the indemnifying party has agreed in writing to pay such fees or expenses, (B) the indemnifying party shall have failed to assume the defense of such claim within a reasonable time after receipt of notice of such claim from the indemnified person and employ counsel reasonably satisfactory to such indemnified person, (C) the indemnified party has reasonably concluded (based upon advice of its counsel) that there may be legal defenses available to it or other indemnified persons that are different from or in addition to those available to the indemnifying party, or (D) in the reasonable judgment of any such indemnified person (based upon advice of its counsel) a conflict of interest may exist between such indemnified person and the indemnifying party with respect to such claims (in which case, if the indemnified person notifies the indemnifying party in writing that such indemnified person elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such claim on behalf of such indemnified person). No action may be settled without the consent of the indemnifying party, provided that the consent of the indemnified party shall not be required if (A) such settlement includes an unconditional release of such indemnified party in form and substance satisfactory to such indemnified party from all liability on the claims that are the subject matter of such settlement; (B) such settlement provides for the payment by the indemnifying party of money as the sole relief for such action and (C) such settlement does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any indemnified party. It is understood that the indemnifying party or parties shall not, except as specifically set

forth in this Section 5(c), in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees, disbursements or other charges of more than one separate firm admitted to practice in such jurisdiction at any one time. Notwithstanding the provisions of this Section 5(c), no selling Holder shall be required to contribute any amount in excess of the net proceeds (after deducting the underwriters' discounts and commissions) received by such selling Holder in the offering. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. Each selling Holder's obligation to contribute pursuant to this Section 5(c) is several in the proportion that the proceeds of the offering received by such selling Holder bears to the total proceeds of the offering received by all such selling Holders and not joint.

The remedies provided for in this Section 5 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

7. **Facilitation of Sales Pursuant to Rule 144**. The Company shall use its commercially reasonable efforts to timely file the reports required to be filed by it under the Exchange Act or the Securities Act and the rules adopted by the Commission thereunder (including the reports under Sections 13 and 15(d) of the Exchange Act referred to in subparagraph (c)(1) of Rule 144), and shall take such further action as any Holder may reasonably request, all to the extent required from time to time to enable the Holders to sell Registrable Securities without registration under the Securities Act within the limitations of the exemption provided by Rule 144. Upon the written request of any Holder in connection with that Holder's sale pursuant to Rule 144, the Company shall deliver to such Holder a written statement as to whether it has complied with such requirements.

8. Miscellaneous.

(a) Remedies. In the event of a breach by the Company of any of its obligations under this Agreement, each Holder, in addition to being entitled to exercise all rights granted by law and under this Agreement, including recovery of damages, will be entitled to specific performance of its rights under this Agreement. The Company agrees that monetary damages would not provide adequate compensation for any losses incurred by reason of a breach by it of any of the provisions of this Agreement and further agrees that, in the event of any action for specific performance in respect of such breach, it shall waive the defense that a remedy at law would be adequate.

(b) Discontinued Disposition. Each Holder agrees by its acquisition of Registrable Securities that, upon receipt of a notice from the Company of the occurrence of any event of the kind described in clauses (ii) through (iv) and (vi) of Section 3(d) or the occurrence of a Suspension Period, such Holder will forthwith discontinue disposition of such Registrable Securities under the Registration Statement until such Holder's receipt of the copies of the supplemental Prospectus or amended Registration Statement or until it is advised in writing by the Company that the use of the applicable Prospectus may be resumed, and, in either case, has received copies of any additional or supplemental filings

that are incorporated or deemed to be incorporated by reference in such Prospectus or Registration Statement. The Company may provide appropriate stop orders to enforce the provisions of this Section 8(b). In the event the Company shall give any such notice, the period during which the applicable Registration Statement is required to be maintained effective shall be extended by the number of days during the period from and including the date of the giving of such notice to and including the date when each seller of Registrable Securities covered by such Registration Statement either receives the copies of the supplemented or amended Prospectus or is advised in writing by the Company that the use of the Prospectus may be resumed.

(c) Amendments. This Agreement may be amended with the consent of the Company and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company shall have obtained the written consent to such amendment, action or omission to act of each of the Holders.

(d) Waivers. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any Party to exercise any right hereunder in any manner impair the exercise of any such right.

(e) Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via facsimile or electronic mail as specified in this Section 8(e) prior to 5:00 p.m. (New York time) on a Business Day, (ii) the Business Day after the date of transmission, if such notice or communication is delivered via facsimile or electronic mail as specified in this Agreement later than 5:00 p.m. (New York time) on any date and earlier than 11:59 p.m. (New York time) on such date, (iii) the Business Day following the date of mailing, if sent by nationally recognized overnight courier service or (iv) upon actual receipt by the Party to whom such notice is required to be given. The address for such notices and communications shall be as follows:

If to the Company:

NII Holdings, Inc.
1875 Explorer Street, Suite 1000
Reston, Virginia 20190
Attention: Gary D. Begeman, Executive Vice President and General Counsel
Facsimile: (703) 390-7170
Email: gary.begeman@nii.com

with a copy (which shall not constitute notice) to:

Jones Day
222 East 21st Street
New York, New York 10017
Attention: J. Eric Maki
Facsimile: (212) 755-7306
Email: emaki@jonesday.com

If to any other Person who is then a Holder, to the address of such Holder as it appears on the signature pages hereto or such other address as may be designated in writing hereafter by such Person.

(f) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, executors, administrators, successors, legal representatives and Permitted Assignees, provided, that, all of the following additional conditions are satisfied: (i) the transfer was made in accordance with applicable securities laws; (ii) such Permitted Assignee agrees in writing to become subject to the terms of this Agreement; (iii) the Company is given written notice by such Holder of such transfer, stating the name and address of the Permitted Assignee. Nothing in this Section 8(f) shall affect any restrictions on transfer contained in any other contract by and among the Company and any of the Holders, or by and among any of the Holders. The Company may not assign its respective rights or obligations hereunder without the prior written consent of each Holder.

(g) Governing Law. This Agreement and all claims arising out of or based upon this Agreement or relating to the subject matter hereof shall be governed by and construed in accordance with the domestic substantive laws of the State of New York without giving effect to any choice or conflict of laws provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

(h) Submission to Jurisdiction. Each of the Parties, by its execution of this Agreement, (i) hereby irrevocably submits to the exclusive jurisdiction of the United States District Court for the Southern District of New York and the state courts sitting in the State of New York, County of New York for the purpose of any action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation arising out of or based upon this Agreement or relating to the subject matter hereof, (ii) hereby waives to the extent not prohibited by applicable law, and agrees not to assert, and agrees not to allow any of its Subsidiaries to assert, by way of motion, as a defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that any such proceeding brought in one of the above-named courts is improper, or that this Agreement or the subject matter hereof or thereof may not be enforced in or by such court and (iii) hereby agrees not to commence or maintain any action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation arising out of or based upon this Agreement or relating to the subject matter hereof or thereof other than before one of the above-named courts nor to make any

motion or take any other action seeking or intending to cause the transfer or removal of any such action, claim, cause of action or suit (in contract, tort or otherwise), inquiry, proceeding or investigation to any court other than one of the above-named courts whether on the grounds of inconvenient forum or otherwise. Notwithstanding the foregoing, to the extent that any party hereto is or becomes a party in any litigation in connection with which it may assert indemnification rights set forth in this Agreement, the court in which such litigation is being heard shall be deemed to be included in clause (i) above. Notwithstanding the foregoing, any party to this Agreement may commence and maintain an action to enforce a judgment of any of the above-named courts in any court of competent jurisdiction. Each party hereto hereby consents to service of process in any such proceeding in any manner permitted by New York law, and agrees that service of process by registered or certified mail, return receipt requested, at its address specified pursuant to Section 8(e) hereof is reasonably calculated to give actual notice.

(i) Waiver of Venue. The Parties irrevocably and unconditionally waive, to the fullest extent permitted by applicable law, (i) any objection that they may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement in any court referred to in Section 8(h) and (ii) the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(j) Cumulative Remedies. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

(k) Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the Parties shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the Parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(l) Entire Agreement. This Agreement, together with each of the other Transaction Documents, constitutes the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior contracts or agreements with respect to the subject matter hereof and supersedes any and all prior or contemporaneous discussions, agreements and understandings, whether oral or written, that may have been made or entered into by or among any of the Parties or any of their respective Affiliates relating to the transactions contemplated hereby.

(m) Execution of Agreement. This Agreement may be executed and delivered (by facsimile, by electronic mail in portable document format (.pdf) or otherwise) in any number of counterparts, each of which, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same agreement.

(n) Determination of Ownership. In determining ownership of Company Common Stock hereunder for any purpose, the Company may rely solely on the records of the transfer agent for the Company's Company Common Stock from time to time, or, if no such transfer agent exists, the Company's stock ledger.

(o) Headings; Section References. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(p) No Recourse. Notwithstanding anything that may be expressed or implied in this Agreement, and notwithstanding the fact that certain of the Holders may be partnerships or limited liability companies, each Holder covenants, agrees and acknowledges that no recourse under this Agreement or any documents or instruments delivered in connection with this Agreement shall be had against any of the Company's or the Holder's former, current or future direct or indirect equity holders, controlling persons, stockholders, directors, officers, employees, agents, Affiliates, members, financing sources, managers, general or limited partners or assignees (each, a "Related Party" and collectively, the "Related Parties"), in each case other than the Company, the Holders or any of their respective assignees under this Agreement, whether by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any applicable law, it being expressly agreed and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any of the Related Parties, as such, for any obligation or liability of the Company or the Holders under this Agreement or any documents or instruments delivered in connection herewith for any claim based on, in respect of or by reason of such obligations or liabilities or their creation; provided, however, nothing in this Section 8(p) shall relieve or otherwise limit the liability of the Company or any Holder, as such, for any breach or violation of its obligations under this Agreement or such agreements, documents or instruments.

(q) Recapitalizations, Exchanges, etc. The provisions of this Agreement shall apply to the full extent set forth herein with respect to (a) the Company Common Stock, (b) any and all securities into which shares of Company Common Stock are converted, exchanged or substituted in any recapitalization or other capital reorganization by the Company and (c) any and all equity securities of the Company or any successor or assign of the Company (whether by merger, consolidation, sale of assets or otherwise) which may be issued in respect of, in conversion of, in exchange for or in substitution of, the Company Common Stock and shall be appropriately adjusted for any stock dividends, splits, reverse splits, combinations, recapitalizations and the like occurring after the date hereof. The Company shall cause any successor or assign (whether by merger, consolidation, sale of assets or otherwise) to assume the obligations of the Company under this Agreement or enter into a new registration rights agreement with the Holders on terms substantially the same as this Agreement as a condition of any such transaction.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first written above.

NII HOLDINGS, INC.

By: _____
Name:
Title:

*[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK,
SIGNATURE PAGES OF HOLDERS TO FOLLOW]*

SCHEDULE I

American High-Income Trust
The Bond Fund of America
Capital Income Builder
The Growth Fund of America
American Funds Global High-Income Opportunities Fund
The Income Fund of America
International Growth and Income Fund
American Funds Insurance Series – Asset Allocation Fund
American Funds Insurance Series – Bond Fund
American Funds Insurance Series – Global Bond Fund
American Funds Insurance Series – Global Growth and Income Fund
American Funds Insurance Series – High-Income Bond Fund
Capital World Bond Fund
SMALLCAP World Fund, Inc.
Capital Group Global High-Income Opportunities Trust (US)
Capital Group US High-Yield Fixed-Income Trust (US)
Sempra Energy Defined Benefit Master Trust
JNL/Capital Guardian Global Balanced Fund
Capital International Global High-Income Opportunities
Capital Group Strategic Opportunities Fund

ACP Master, Ltd.
Aurelius Capital Master, Ltd.
Aurelius Convergence Master, Ltd.
Aurelius Investment, LLC

EXHIBIT B

Revised NII Holdings Certificate of Incorporation

SECOND AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION

OF

NII HOLDINGS, INC.

(Amended and Restated as of , 2015)

NII Holdings, Inc., a corporation organized and existing under the laws of the State of Delaware, does hereby certify:

1. The name of the corporation is NII Holdings, Inc. (the "Corporation"). The original Certificate of Incorporation was filed with the Secretary of State of the State of Delaware (the "Secretary of State") on October 18, 2000 under the name of NII Acquisition Company. A Certificate of Merger was filed with the Secretary of State on November 28, 2000. A Certificate of Amendment was filed with the Secretary of State on December 21, 2001. A Restated Certificate of Incorporation was filed with the Secretary of State on November 12, 2002. Certificates of Amendment were filed with the Secretary of State on May 5, 2004 and on May 4, 2006. An Amended and Restated Certificate of Incorporation was filed with the Secretary of State on May 22, 2013.

2. The Second Amended and Restated Certificate of Incorporation (as amended from time to time, the "Certificate of Incorporation"), which both restates and further amends the provisions of the Corporation's Amended and Restated Certificate of Incorporation as hereinafter set forth, was duly adopted in accordance with the provisions of Sections 245 and 303 of the Delaware General Corporation Law on , 2015.

3. The text of the Amended and Restated Certificate of Incorporation is hereby amended and restated to read in its entirety as follows:

FIRST: The name of the Corporation is NII Holdings, Inc.

SECOND: The address of its registered office in the State of Delaware is Corporation Service Company, 2711 Centerville Road, Suite 400, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is Corporation Service Company.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law.

FOURTH: Authorized Shares.

The total authorized number of shares of all classes of capital stock which the Corporation has authority to issue is one hundred fifty million (150,000,000) shares, divided into two classes as follows:

One hundred forty million (140,000,000) shares of common stock, par value $0.001 per share (the "Common Stock"); and Ten million (10,000,000) shares of preferred stock, par value $0.001 per share (the "Preferred Stock").

A. Common Stock.

1. Voting Rights. Subject to any voting rights granted to Preferred Stock outstanding at the time, each share of Common Stock shall be entitled to one (1) vote per share, in person or by proxy, on all matters submitted to a vote of the stockholders of the Corporation on which the holders of the Common Stock are entitled to vote. Except as otherwise required in this Certificate of Incorporation, the Corporation's Bylaws or by applicable law, the holders of shares of Common Stock shall vote together as one class on all matters submitted to a vote of stockholders of the Corporation generally (or if any holders of shares of Preferred Stock are entitled to vote together with the holders of Common Stock, as a single class with such holders of shares of Preferred Stock, if any).

2. Dividends and Distributions. Subject to the preferences applicable to any Preferred Stock outstanding at any time, if any, the holders of shares of Common Stock shall be entitled to receive such dividends and other distributions in cash, property or shares of stock of the Corporation as may be declared thereon by the Corporation's Board of Directors from time to time out of assets or funds of the Corporation legally available therefor.

3. Liquidation. If the Corporation shall be liquidated (either partial or complete), dissolved or wound up, whether voluntarily or involuntarily, the holders of the Common Stock shall be entitled to share ratably in the net assets of the Corporation remaining after payment of all liquidation preferences, if any, applicable to any outstanding Preferred Stock.

B. Undesignated Preferred Stock.

Authority is hereby expressly granted to the Board of Directors from time to time to issue the Preferred Stock as preferred stock of one or more series and in connection with the creation of any such series to fix by the resolution or resolutions providing for the issue of shares thereof the designation, voting powers, preferences, and relative, participating, optional, or other special rights of such series, and the qualifications, limitations, or restrictions thereof. Any of the voting powers, designations, preferences, rights and qualifications, limitations or restrictions of any such series of stock may be made dependent upon facts ascertainable outside the resolution or resolutions providing for the issue of such stock adopted by the Board of Directors, provided that the manner in which such facts shall operate upon the voting powers, designations, preferences, rights and qualifications, limitations or restrictions of such series of stock is clearly and expressly set forth in the resolution or resolutions providing for the issue of such series adopted by the Board of Directors. Such authority of the Board of Directors with respect to each such series shall include, but not be limited to, the determination of the following:

(1) the distinctive designation of, and the number of shares comprising, such series, which number may be increased (except where otherwise provided by the Board of Directors in creating such series) or decreased (but not below the number of shares thereof then outstanding) from time to time by like action of the Board of Directors;

(2) the dividend rate or amount for such series, the conditions and dates upon which such dividends shall be payable, the relation which such dividends shall bear to the dividends payable on any other class or classes or any other series of any class or classes of stock, and whether such dividends shall be cumulative, and if so, from which date or dates for such series;

(3) whether or not the shares of such series shall be subject to redemption by the Corporation and the times, prices and other terms and conditions of such redemption;

(4) whether or not the shares of such series shall be subject to the operation of a sinking fund or purchase fund to be applied to the redemption or purchase of such shares and if such a fund be established, the amount thereof and the terms and provisions relative to the application thereof;

(5) whether or not the shares of such series shall be convertible into or exchangeable for shares of any other class or classes, or of any other series of any class or classes, of stock of the Corporation and if provision be made for conversion or exchange, the times, prices, rates, adjustments, and other terms and conditions of such conversion or exchange;

(6) whether or not the shares of such series shall have voting rights, in addition to the voting rights provided by law, and if they are to have such additional voting rights, the extent thereof;

(7) the rights of the shares of such series in the event of any liquidation, dissolution, or winding up of the Corporation or upon any distribution of its assets; and

(8) any other powers, preferences, and relative, participating, optional, or other special rights of the shares of such series, and the qualifications, limitations, or restrictions thereof, to the full extent now or hereafter permitted by law and not inconsistent with the provisions hereof.

C. Non-Voting Securities.

The Corporation shall not issue non-voting equity securities; provided, however, that the foregoing restriction shall (a) have no further force and effect beyond that required under Section 1123(a)(6) of Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"), (b) only have such force and effect for so long as Section 1123 of the Bankruptcy Code is in effect and applicable to the Corporation, and (c) in all events may be amended or eliminated in accordance with applicable law as from time to time may be in effect. The prohibition on the issuance of non-voting equity securities is included in this Certificate of Incorporation in compliance with Section 1123(a)(6) of the Bankruptcy Code (11 U.S.C. §1123(a)(6)).

FIFTH:

A. The number of directors constituting the Board of Directors shall be fixed from time to time by, or in the manner provided in, the Bylaws of the Corporation, but in no case may the number of directors be less than three.

B. Until the 2017 Annual Meeting, the directors shall be divided into two classes, designated as Class I and Class II. The initial term for the one director in Class I shall expire at the annual meeting of stockholders to be held in 2016 and thereafter at the annual meeting of stockholders to be held in 2017. The term for all of the other directors who shall be in Class II shall expire at the annual meeting of stockholders to be held in 2017. At the 2017 Annual Meeting of Stockholders, and each annual meeting of stockholders thereafter, each director shall be elected for a term expiring at the next annual meeting of stockholders and until such director's successor is elected and qualified, or such director's earlier resignation or removal. So long as the Board of Directors is divided into classes, any increase or decrease in the number of directors constituting the Board shall be apportioned among the classes so as to maintain at least one director in each class. Any director elected or appointed to fill a vacancy shall hold office for the remaining term of the class to which such director is assigned. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director. The Bylaws may contain any provision regarding classification of the Corporation's directors not inconsistent with the terms hereof. Until the 2017 Annual Meeting of Stockholders, the affirmative vote of holders of no less than seventy-five percent (75%) of the voting power of the outstanding Voting Stock, voting together as a single class, shall be required to alter, amend or repeal this Clause B.

SIXTH:

A. The Board of Directors is authorized to make, alter, amend or repeal the Bylaws of the Corporation (other than Sections 2.2 (Annual Meetings), 2.3 (Special Meetings), 2.5 (Quorum), 2.6 (Voting), 2.8 (Submission of Business for Consideration at Meetings of Stockholders), 2.9 (Action Without a Meeting), 3.1 (Number and Qualification), 3.2 (Election and Term), 3.3 (Nominations), 3.4 (Majority Voting in Director Elections); 3.5 (Vacancies); 3.6 (Removal), 8.7 (Beneficial Ownership) and Article IX of the Bylaws (as such provisions are designated in the Bylaws in effect on the date hereof) unless otherwise provided in any such provision, or any provision to the extent adopted, altered, amended or repealed pursuant to an action taken by stockholders, any successor provision to such provisions or any other alteration or amendment inconsistent with such sections). The stockholders acting by the affirmative vote of the holders of a majority of the voting power of the outstanding Voting Stock, voting together as a single class, are also authorized to make, alter, amend or repeal the Bylaws of the Corporation.

B. The Corporation shall not be governed by or subject to Section 203 of the Delaware General Corporation Law.

C. Subject to the rights of the holders of any series of Preferred Stock:

(1) any action required or permitted to be taken by the stockholders of the Company may be taken at a duly called annual or special meeting of stockholders of the Company or without a meeting by means of any consent in writing of such stockholders; and

(2) special meetings of stockholders of the Company may be called by the secretary upon the written request of the chairman of the Board or chief executive officer at any time and shall be called by the secretary upon the request in writing of not less than a majority of the Board of Directors, or of stockholders holding, beneficially or of record, not less than thirty-three percent (33%) of the Common Stock of the Corporation issued and outstanding and entitled to vote, where beneficial ownership for these purposes may be established by any method prescribed by Rule 14a-8(b)(2) under the Securities Exchange Act of 1934, as amended, or any successor provision (without giving effect to any minimum threshold or duration of ownership limitation therein).

At any annual meeting or special meeting of stockholders of the Company, only such business will be conducted or considered as has been brought before such meeting in the manner provided in the Bylaws of the Company. For the purposes of this Certificate of Incorporation, "Voting Stock" means stock of the Company of any class or series entitled to vote generally in the election of Directors.

SEVENTH:

A. To the fullest extent permitted by the Delaware General Corporation Law as it now exists and as it may hereafter be amended, no director shall be personally liable to the Corporation or any of its stockholders for monetary damages for breach of any fiduciary or other duty as a director, provided that this provision shall not eliminate or limit the liability of a director (1) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (2) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (3) under Section 174 of the Delaware General Corporation Law, or (4) for any transaction from which the director derived an improper personal benefit.

B. The rights and authority conferred in this Article SEVENTH shall not be exclusive of any other right that any person may otherwise have or hereafter acquire.

C. Neither the amendment, alteration or repeal of this Article SEVENTH, nor the adoption of any provision inconsistent with this Article SEVENTH, shall adversely affect any right or protection of a director of the Corporation existing at the time of such amendment, alteration or repeal with respect to acts or omissions occurring prior to such amendment, alteration, repeal or adoption.

D. Any person who was or is a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether by or in the right of the Corporation or otherwise (a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee, partner (limited or general) or agent of another corporation or of a partnership, joint venture, limited liability company, trust or other enterprise, including service with respect to an employee benefit plan, shall be (and shall be deemed to have a contractual right to be) indemnified and held harmless by the Corporation (and any successor to the Corporation by merger or otherwise) to the fullest extent authorized by, and subject to the conditions and (except as provided herein) procedures set forth in the Delaware General Corporation Law, as the same exists or may hereafter be amended (but any such amendment shall not be deemed to limit or prohibit the rights of indemnification hereunder for past acts or omissions of any

such person insofar as such amendment limits or prohibits the indemnification rights that said law permitted the Corporation to provide prior to such amendment), against all expenses, liabilities and losses (including attorneys' fees, judgments, fines, ERISA taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith; provided, however, that the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. Persons who are not directors or officers of the Corporation and are not serving at the request of the Corporation may be similarly indemnified in respect of such service to the extent authorized at any time by the Board of Directors of the Corporation. The indemnification conferred in this Clause D shall also include the right to advancement by the Corporation of any and all expenses (including attorneys' fees) incurred in the defense of or other involvement in any proceeding in advance of its final disposition; provided, however, that the advancement of expenses (including attorneys' fees) incurred by a person in advance of the final disposition of a proceeding shall be made only upon delivery to the Corporation of an undertaking by or on behalf of such person to repay all amounts so paid in advance if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Clause D.

IN WITNESS WHEREOF, the undersigned has executed this Second Amended and Restated Certificate of Incorporation this day of , 2015.

NII HOLDINGS, INC.

By: _____
Name: Gary D. Begeman
Office: Executive Vice President, General Counsel

EXHIBIT C

Revised NII Holdings Bylaws

NII HOLDINGS, INC.
FIFTH AMENDED AND RESTATED BYLAWS

ARTICLE I
OFFICES

Section 1.1 Registered Office. The registered office of NII Holdings, Inc. (the "Corporation") shall be in the City of Wilmington, County of New Castle, State of Delaware.

Section 1.2 Offices. The Corporation may also have offices at such other places both within and without the State of Delaware as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II
MEETINGS OF STOCKHOLDERS

Section 2.1 Time and Place.

(a) All meetings of the stockholders for shall be held at such time and place (if any) as designated by the Board of Directors, within or without the State of Delaware, and stated in the notice of the meeting provided in accordance with Section 2.4 hereof. Notwithstanding the foregoing, the Board may, in its sole discretion, determine that a meeting of stockholders will not be held at any place, but may instead be held by means of remote communications pursuant to Section 8.6. The Board may reschedule to an earlier or later date any previously scheduled annual or special meeting of stockholders (subject, in the case of a special meeting called pursuant to Section 2.3, to the requirements of therein).

(b) Except as otherwise set forth in these bylaws, every reference in these bylaws to a majority or other proportion of the entire capital stock of the Corporation necessary to take a particular action, refers to a majority or other proportion of the votes entitled to be cast with respect to a particular matter or action by all holders of the issued and outstanding capital stock of the Corporation that are entitled to vote on such matter or action.

Section 2.2 Annual Meetings. Annual meetings of stockholders shall be held in each year on such date (which date, other than for the 2016 annual meeting, shall be no later than 13 months after the date of the last annual meeting of stockholders) and at such time as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting, at which stockholders shall elect directors in accordance with Section 3.4 hereof, and transact such other business as may properly be brought before the meeting in accordance with Section 2.8 hereof.

Section 2.3 Special Meetings.

(a) Special meetings of the stockholders, unless otherwise prescribed by statute or by the Corporation's Second Amended and Restated Certificate of Incorporation (as amended from time to time, the "Certificate of Incorporation"), may be called by the secretary upon the written request of the chairman of the Board or chief executive officer at any time and shall be called by the secretary upon the request in

writing of not less than a majority of the Board of Directors, or of stockholders holding, beneficially or of record, not less than thirty-three percent (33%) of the common stock of the Corporation issued and outstanding and entitled to vote as of the record date (the "Requisite Percentage") referred to in this Section 2.3, subject to the following: In order for a special meeting requested by one or more stockholders (a "Stockholder Requested Special Meeting") to be called by the secretary, one or more written requests for a special meeting (each a "Special Meeting Request," and collectively, the "Special Meeting Requests") stating the purpose of the special meeting and the matters proposed to be acted upon thereat must be signed and dated by the Requisite Percentage of holders of common stock of the Corporation (or their duly authorized agents), must be delivered to the secretary at the principal executive offices of the Corporation and must set forth: (i) in the case of any director nominations proposed to be presented at such Stockholder Requested Special Meeting, the information required by Section 3.3(d); (ii) in the case of any matter (other than a director nomination) proposed to be conducted at such Stockholder Requested Special Meeting, the information required by Section 2.8(b); and (iii) an agreement by the requesting stockholder(s) to notify the secretary immediately in the case of any disposition prior to the record date for the Stockholder Requested Special Meeting of shares of Voting Stock owned of record and an acknowledgement that any such disposition shall be deemed a revocation of such Special Meeting Request to the extent of such disposition such that the number of shares disposed of shall not be included in determining whether the Requisite Percentage has been reached (except that for purposes of this Section 2.3, the term "Stockholder Requested Special Meeting" will be substituted for the term "annual meeting" in all places where it appears in Section 2.8(b)).

(b) In determining whether a special meeting of stockholders has been requested by the holders of shares representing in the aggregate at least the Requisite Percentage, multiple Special Meeting Requests delivered to the secretary will be considered together only if each such Special Meeting Request (A) identifies substantially the same purpose or purposes of the special meeting and substantially the same matters proposed to be acted on at the special meeting (in each case as determined in good faith by the Board), and (B) has been dated and delivered to the secretary within 60 days of the earliest dated of such Special Meeting Requests. Any requesting stockholder may revoke his, her or its Special Meeting Request at any time by written revocation delivered to the secretary at the principal executive offices of the Corporation; *provided*, *however*, that if following such revocation (or any deemed revocation pursuant to Section 2.3(a)(iii) above), the unrevoked valid Special Meeting Requests represent in the aggregate less than the Requisite Percentage there shall be no requirement to hold a special meeting. The first date on which unrevoked valid Special Meeting Requests constituting not less than the Requisite Percentage shall have been delivered to the secretary is referred to herein as the "Request Receipt Date."

(c) A Special Meeting Request shall not be valid: (i) if the Special Meeting Request relates to an item of business that is not a proper subject for stockholder action under applicable law; and (ii) an identical or substantially similar item as determined in good faith by the Board is included in the Corporation's notice as an item of business to be brought before a stockholder meeting that has been called but not yet held or that is called for a date within 75 days after the Request Receipt Date.

(d) The Corporation will provide the requesting stockholder(s) with notice of the record date(s) for the determination of stockholders (i) entitled to submit a Special Meeting Request and (ii) entitled to vote at the Stockholder Requested Special Meeting.

(e) A Stockholder Requested Special Meeting shall be held at such date and time as may be fixed by the Board; *provided*, *however*, that the Stockholder Requested Special Meeting shall be called for a date not less than 75 calendar days after the Request Receipt Date.

(f) No requesting stockholder will be entitled to have any matter proposed to be presented at a Stockholder Requested Meeting in any proxy statement or form of proxy that the Corporation may use in connection therewith solely as a result of such stockholder's compliance with the foregoing provisions of this Section 2.3.

(g) Business transacted at any Stockholder Requested Special Meeting shall be limited to (i) the purpose(s) stated in the valid Special Meeting Request(s) received from the Requisite Percentage of stockholders; and (ii) any additional matters that the Board determines to include in the Corporation's notice of the meeting. If none of the stockholders (owning beneficially or of record) who submitted the Special Meeting Request appears in person or by proxy to present the matters to be presented for consideration that were specified in the Stockholder Meeting Request, the Corporation need not present such matters for a vote at such meeting, notwithstanding that proxies in respect of such matter may have been solicited, obtained or delivered.

Section 2.4 Notice of Meetings. Notice of any annual or special meeting of the stockholders, stating the place (if any), date and hour of the meeting, as well as the record date for determining stockholders entitled to vote at the meeting (if such record date is different from the record date for determining stockholders entitled to notice of the meeting), and the means of remote communication (if any) by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, shall be given to each stockholder entitled to notice of such meeting not less than ten nor more than sixty days before the date of such meeting. Notice of special meetings of stockholders shall also include the purpose or purposes for which the meeting is called.

Section 2.5 Quorum. The holders of shares representing a majority of votes that may be cast by the entire capital stock of the Corporation issued and outstanding and entitled to vote thereat with respect to a particular matter, present in person or represented by proxy, shall constitute a quorum at all meetings with respect to each matter to be voted upon at a meeting of the stockholders for the transaction of business except as otherwise provided by the Delaware General Corporation Law (the "DGCL") or by the Certificate of Incorporation. If, however, such quorum is not present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present or represented.

Section 2.6 Voting. When a quorum is present at any meeting of stockholders, the affirmative vote of a majority of the votes properly cast on the matter (excluding any abstentions or broker non-votes) will be the act of the stockholders with respect to all matters other than the election of directors which will be elected in accordance with Section 3.4, or as otherwise provided in these bylaws, the Certificate of Incorporation, a Preferred Stock Designation, or by the DGCL.

Section 2.7 Conduct of Meetings. The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at such meeting by the

person presiding over the meeting. The Board of Directors may adopt by resolution such rules or regulations for the conduct of meetings of stockholders as it shall deem appropriate; provided that such rules or regulations shall be consistent with the Certificate of Incorporation and these bylaws. Unless otherwise specified in such rules or regulations, the chairman of the Board shall serve as the chair of any meeting of stockholders. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chair of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chair, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chair of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting, to stockholders (owning beneficially or of record) of the Corporation, their duly authorized and constituted proxies or such other persons as the chair shall permit; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; (v) limitations on the time allotted to questions or comments by participants and (vi) the adjournment of the meeting by the chair. Unless, and to the extent determined by the Board of Directors or the chair of the meeting, meetings of stockholders shall not be required to be held in accordance with rules of parliamentary procedure.

Section 2.8 Submission of Business for Consideration at Meetings of Stockholders.

(a) At an annual meeting of stockholders, only such business (other than the nomination of candidates for election as directors of the Corporation, which is governed by Section 3.3 hereof) will be conducted or considered as is properly brought before the annual meeting. To be properly brought before an annual meeting, business must be (i) specified in the notice of the annual meeting (or any supplement thereto) given by or at the direction of the Board of Directors in accordance with Section 2.4 hereof, (ii) otherwise properly brought before the annual meeting by the presiding officer or by or at the direction of a majority of the entire Board, or (iii) otherwise properly requested to be brought before the annual meeting by a stockholder of the Corporation in accordance with this Section 2.8. For purposes of these bylaws, “entire Board” refers to the total number of directors that the Corporation would have if there were no vacancies.

(b) For business to be properly requested by a stockholder to be brought before an annual meeting, (i) the stockholder must be the holder, beneficially or of record, of shares, (ii) the stockholder must be entitled to vote at such meeting (either directly or through a proxy or beneficial interest), and (iii) the stockholder must have given timely notice thereof in proper written form to the secretary of the Corporation. Except as otherwise provided by law, to be timely, a stockholder's notice must be delivered to or mailed and received by the secretary of the Corporation at the principal executive offices of the Corporation not less than 75 calendar days prior to the anniversary of the preceding year's annual meeting of stockholders; *provided*, *however*, that if there was no annual meeting in the preceding year or the date of the annual meeting is advanced more than 30 calendar days prior to, or delayed by more than 30 calendar days after the anniversary of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not later than the close of business on the later of the 45th calendar day prior to such annual meeting or the 10th calendar day following the day on which public disclosure of the date of such meeting is first made. In no event shall the public disclosure of an adjournment of an annual meeting commence a new time period for the giving of a stockholder's notice as described above. To be in proper written form, a stockholder's notice to the secretary of the Corporation must set forth (A) as to each matter the stockholder

proposes to bring before the annual meeting: (1) a description in reasonable detail of the business desired to be brought before the annual meeting; and (2) the text of the proposal or business (including the text of any resolutions proposed for consideration and, if the business includes a proposal to amend these bylaws or the Certificate of Incorporation, the language of the proposed amendment); and (B) as to each stockholder giving the notice and any Stockholder Associate (as defined below): (1) the name and address of the stockholder and the name and address of any Stockholder Associate; (2) a representation that at least one of these persons is a holder of record or beneficially of securities of the Corporation entitled to vote at the meeting and intends to remain so through the date of the meeting and to appear in person or by proxy at the meeting to present the business stated in the stockholder's notice; (3) the class, series and number of any securities of the Corporation that are owned of record or beneficially by any of these persons as of the date of the stockholder's notice; (4) a description of any material interests of any of these persons in the business proposed and of all agreements, arrangements and understandings between these persons and any other person (including their names) in connection with the proposal of the business by the stockholder; (5) a description of any proxy, contract, arrangement, understanding or relationship pursuant to which any of these persons has a right to vote any shares of any securities of the Corporation; (6) a description of any derivative positions related to any class or series of securities of the Corporation owned of record or beneficially by the stockholder or any Stockholder Associate; (7) a description of whether and the extent to which any hedging, swap or other transaction or series of transactions has been entered into by or on behalf of, or any other agreement, arrangement or understanding (including any short position or any borrowing or lending of securities) has been made, the effect or intent of which is to mitigate loss to, or manage risk of stock price changes for, or to increase the voting power of, the stockholder or any Stockholder Associate with respect to any securities of the Corporation; and (8) a representation that after the date of the stockholder's notice and until the date of the annual meeting, each of these persons will provide written notice to the secretary of the Corporation as soon as practicable following a change in the number of securities of the Corporation held as described in response to subclause (3) above that equals 1% or more of the then-outstanding shares of the Corporation, and/or entry, termination, amendment or modification of the agreements, arrangements or understandings described in response to subclause (6) above that results in a change that equals 1% or more of the then-outstanding shares of the Corporation or in the economic interests underlying those agreements, arrangements or understandings; and (C) a representation as to whether the stockholder giving notice and any Stockholder Associate intends, or intends to be part of a group that intends: (1) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal; and/or (2) otherwise to solicit proxies from stockholders in support of the proposal.

For purposes of this Section 2.8 and Section 3.3 hereof, (x) “public disclosure” means disclosure in a press release reported by the Dow Jones News Service, Associated Press, Reuters, Bloomberg or comparable national news service or in a document filed by the Corporation with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934 (the “Exchange Act”) or furnished by the Corporation to its stockholders and (y) “Stockholder Associate” of any stockholder means (1) any person controlling, directly or indirectly, or acting in concert with, the stockholder; and (2) any beneficial owner of securities of the Corporation owned of record or beneficially by the stockholder. Notwithstanding the foregoing provisions of this Section 2.8, in order to include information with respect to a stockholder proposal in the Corporation's proxy statement and form of proxy for a meeting of stockholders, a stockholder must provide notice as required by, and otherwise comply with, all of the applicable requirements of Rule 14a-8 under the Exchange Act (or any comparable successor rule or regulation).

Nothing in this Section 2.8 will be deemed to affect any rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act (or any comparable successor rule or regulation).

(c) At a special meeting of stockholders, only such business may be conducted or considered as is properly brought before the meeting. To be properly brought before a special meeting (subject to Section 2.3(g) in the case of a Stockholder Requested Special Meeting), business must be (i) specified in the notice of the meeting (or any supplement thereto) given in accordance with these bylaws or (ii) otherwise properly brought before the meeting in accordance with these bylaws, by the presiding officer of the meeting or by or at the direction of a majority of the entire Board.

(d) The determination of whether any business sought to be brought before any annual or special meeting of stockholders is properly brought before such meeting in accordance with this Section 2.8 will be made by the presiding officer of such meeting.

Section 2.9 Action Without a Meeting. Unless otherwise restricted by the Certificate of Incorporation or these bylaws, any action required or permitted to be taken at any meeting of the stockholders may be taken without a meeting, if stockholders having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted consent in writing or by electronic transmission, provided that prompt notice must be given to all stockholders of the taking of corporate action without a meeting by less than unanimous written consent.

ARTICLE III
DIRECTORS

Section 3.1 Number and Qualification. The Board of Directors shall consist of at least three members, shall initially consist of seven members, and may be fixed from time to time for any period on or after the 2017 annual meeting of stockholders by (i) resolution of the Board of Directors at no more than nine members or (ii) stockholders holding a majority of the voting power of all of the shares of capital stock of the Corporation then entitled to vote generally in the election of directors, voting together as a single class. No decrease in the number of directors shall have the effect of shortening the term of any incumbent director. Directors need not be stockholders.

Section 3.2 Election and Term. Directors shall be elected for terms as set forth in the Certificate of Incorporation and in the manner provided in Section 3.4 hereof at the annual meeting of the stockholders.

Section 3.3 Nominations.

(a) Only persons who are nominated in accordance with the provisions of this Section 3.3 will be eligible for election as directors at a meeting of stockholders.

(b) Nominations of persons for election as directors may be made only at a meeting of stockholders (i) by or at the direction of the Board of Directors or a committee thereof or (ii) by any stockholder, beneficially or of record, at the time of giving the notice provided for in this Section 3.3, who is entitled to

vote for the election of directors at such annual meeting, and who makes the nomination pursuant to timely notice in proper written form to the secretary of the Corporation in compliance with the procedures set forth in this Section 3.3.

(c) Except as otherwise provided by law, to be timely, a stockholder's notice with respect to nominations of persons for election as directors of the Corporation must be delivered to or mailed and received by the secretary of the Corporation at the principal executive offices of the Corporation not less than 75 days prior to the anniversary of the date for the preceding year's annual meeting of stockholders; provided, however, that if there was no annual meeting in the preceding year or the date of the annual meeting is advanced more than 30 calendar days prior to, or delayed by more than 30 calendar days after the anniversary of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not later than the close of business on the later of the 45th calendar day prior to such annual meeting or the 10th calendar day following the day on which public disclosure of the date of such meeting is first made. In no event shall the public disclosure of an adjournment of an annual meeting commence a new time period for the giving of a stockholder's notice as described above.

(d) To be in proper written form, a stockholder's notice pursuant to this Section 3.3 must set forth or include:

(i) as to each person who is not an incumbent director of the Corporation whom the stockholder proposes to nominate for election as a director, (A) the name, age, business address and residence address of such person; (B) the principal occupation or employment of such person; (C) the class, series and number of securities of the Corporation that are owned of record or beneficially by such person; (D) the date or dates the securities were acquired; (E) any other information relating to such person that is required to be disclosed in solicitation for proxies or election of directors pursuant to Regulation 14A under the Exchange Act (or any comparable successor rule or regulation); and (F) a representation that such person meets the qualifications to serve as a director of the Corporation.

(ii) as to the stockholder giving the notice and any Stockholder Associate, (A) the name and address of the stockholder and the name and address of any Stockholder Associate; (B) a representation that at least one of these persons is a holder of record or beneficially of securities of the Corporation entitled to vote at the meeting and intends to remain so through the date of the meeting and to appear in person or by proxy at the meeting to nominate the person or persons specified in the stockholder's notice; (C) the class, series and number of securities of the Corporation that are owned of record or beneficially by each of these persons as of the date of the stockholder's notice; (D) a description of any material relationships, including legal, financial and/or compensatory, between the stockholder giving the notice and any Stockholder Associate, on one hand, and the proposed nominee(s), on the other hand; (E) a description of any derivative positions related to any class or series of securities of the Corporation owned of record or beneficially by the stockholder or any Stockholder Associate; (F) a description of whether and the extent to which any hedging, swap or other transaction or series of transactions has been entered into by or on behalf of, or any other agreement, arrangement or understanding (including any short position or any borrowing or lending of securities) has been made, the effect or intent of which is to mitigate loss to, or manage risk of stock price changes for, or to increase the voting power of, the stockholder or any Stockholder Associate with respect to any securities of the Corporation; and (G) a representation that after the date of the stockholder's notice and until the date of the annual meeting each of these persons will

provide written notice to the secretary of the Corporation as soon as practicable following a change in the number of securities of the Corporation held as described in response to subclause (C) above that equals 1% or more of the then-outstanding shares of the Corporation, and/or entry, termination, amendment or modification of the agreements, arrangements or understanding described in response to subclause (F) above that results in a change that equals 1% or more of the then-outstanding shares of the Corporation or in the economic interests underlying these agreements, arrangements or understanding;

(iii) a representation as to whether the stockholder giving notice and any Stockholder Associate intends, or intends to be part of a group that intends: (A) to deliver a proxy statement and/or form of proxy to stockholders; and/or (B) otherwise to solicit proxies from stockholders in support of the proposed nominee;

(iv) the director questionnaire (which is available from the secretary of the Corporation upon request) that is distributed to all directors of the Corporation; and

(v) a written consent of each proposed nominee to serve as a director of the Corporation, if elected.

(e) The determination of whether any nomination sought to be brought before any annual meeting of the stockholders is properly brought before such meeting in accordance with this Section 3.3 will be made by the presiding officer of such meeting.

Section 3.4 Majority Voting in Director Elections. Each director to be elected by stockholders shall be elected as such by the vote of the majority of the votes cast by stockholders for that director at a meeting for the election of directors at which a quorum is present, except that if the number of nominees exceeds the number of directors to be elected, the directors shall be elected by the vote of a plurality of the shares represented in person or by proxy at any such meeting. For purposes of this Section 3.4, a “majority of votes cast” shall mean that the number of shares voted “for” a director's election exceeds the number of votes cast “against” that director's election.

Section 3.5 Vacancies. In the case of any vacancy on the Board of Directors, including a vacancy created by an increase in the number of directors, the vacancy may be filled by the Board of Directors, acting by a majority of the remaining directors then in office, although less than a quorum, or by a sole remaining director or by stockholders acting by the affirmative vote of the holders of a majority of the voting power of all of the shares of capital stock of the Corporation then entitled to vote generally in the election of directors, voting together as a single class. Any director appointed to fill a vacancy shall be appointed until the next succeeding annual meeting of stockholders (or for the remainder of the term for the applicable class of directors for so long as the Board is divided into classes) and thereafter until such director's successor is elected and qualified or such director earlier resigns or is removed.

Section 3.6 Removal. Subject to the rights of holders of preferred stock (if any) with respect to any directors elected by the holders of such preferred stock, any director, or the entire Board of Directors, may be removed from office at any time, with or without cause (except that so long as the Board of Directors is divided into classes, directors may be removed only for cause), by the affirmative vote of the holders of a majority of the voting power of all of the shares of capital stock of the Corporation then entitled to vote

generally in the election of directors, voting together as a single class.

Section 3.7 General Powers. The business and affairs of the Corporation shall be managed by or under the direction of its Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by the DGCL or by the Certificate of Incorporation or by these bylaws directed or required to be exercised or done by the stockholders. The Board of Directors may adopt such special rules and regulations for the conduct of its meetings and the management of the affairs of the Corporation as the Board of Directors may deem proper, not inconsistent with law or these bylaws.

Section 3.8 Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time, on such date and at such place (if any), within or without the State of Delaware, as shall from time to time be determined by the Board of Directors.

Section 3.9 Special Meetings. Special meetings of the Board of Directors may be called by the chairman of the Board, the chief executive officer, or by the secretary upon the written request of two directors. Notice of the place (if any), date and time of each such special meeting shall be given to each director on one day's notice to each director, either personally, by mail, by telegram or by electronic transmission.

Section 3.10 Quorum. At all meetings of the Board of Directors, a majority of the directors then in office shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by the DGCL or by the Certificate of Incorporation. If a quorum is not present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum is present.

Section 3.11 Action Without Meeting. Unless otherwise restricted by the Certificate of Incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings, or, if the consent action is taken by electronic transmission, paper reproductions of such electronic transmission or transmissions, are filed with the minutes or proceedings of the Board or committee.

Section 3.12 Participation in Meetings by Remote Communication. Unless otherwise restricted by the Certificate of Incorporation or these bylaws, members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting in accordance with Section 8.6.

Section 3.13 Committees. There shall be such committees of the Board of Directors as the Board of Directors may, by resolution passed by a majority of the whole Board, designate. Each committee shall consist of one or more directors of the Corporation. The board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of such committee. Any such committee shall have such power and authority as may be conferred by a

resolution of the board of directors; provided, however, that no such committee shall have the power and authority of the board of directors with respect to amending the Certificate of Incorporation, adopting an agreement of merger or consolidation, recommending to the stockholders the sale, lease or exchange of all or substantially all of the Corporation's property and assets, recommending to the stockholders a dissolution of the Corporation or a revocation of a dissolution, amending the bylaws of the Corporation, or declaring a dividend or authorizing the issuance of stock (other than in connection with a stock option or other management equity incentive plan, which plan has been approved by the Corporation's board of directors). Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the board of directors.

Section 3.14 Committee Meetings, Procedures and Minutes. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

ARTICLE IV
NOTICES

Section 4.1 Notice. Whenever, under the provisions of the DGCL or of the Certificate of Incorporation or of these bylaws, notice is required to be given to any director or stockholder, it shall not be construed to mean personal notice, but such notice may be given in writing, by mail addressed to such director or stockholder at his address as it appears on the records of the Corporation with postage thereon prepaid and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Notice to directors and stockholders may also be given by facsimile, by telephone or by a form of electronic transmission consented to by the director or stockholder to whom the notice is given.

Section 4.2 Waiver. Whenever any notice is required to be given under the provisions of the DGCL or of the Certificate of Incorporation or of these bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, or a waiver by electronic transmission by the person entitled to the notice, in each case, whether before or after the time of the event for which the notice is given, shall be deemed equivalent to such notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

ARTICLE V
OFFICERS

Section 5.1 Generally. The officer positions in the Corporation shall consist of such as may from time to time be designated by the Board of Directors and the officers to fill same shall be chosen by the Board of Directors. Any number of offices may be held by the same person, unless the Certificate of Incorporation or these bylaws otherwise provide.

Section 5.2 Compensation. The compensation of all officers and agents of the Corporation that are also directors of the Corporation shall be fixed by the Board of Directors. The Board of Directors may delegate the power to fix the compensation of all other officers and agents of the Corporation to an officer of the Corporation.

Section 5.3 Succession. The officers of the Corporation shall hold office until their successors are chosen and qualified. Any officer elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the Board of Directors. Any vacancy occurring in any office of the Corporation shall be filled by the Board of Directors.

Section 5.4 Authority and Duties. The officers of the Corporation shall have such authority and shall perform such duties as are customarily incident to their respective offices, or as may be specified from time to time by the Board of Directors in a resolution which is not inconsistent with these bylaws, regardless of whether such authority and duties are customarily incident to such office.

ARTICLE VI
CAPITAL STOCK

Section 6.1 Certificates. The shares of capital stock of the Corporation shall be represented by certificates, provided that the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Notwithstanding the adoption of such a resolution by the Board of Directors, to the extent required by the DGCL, every holder of shares of stock in the Corporation represented by certificates, and upon request every holder of uncertificated shares, shall be entitled to have a certificate or certificates, signed by or in the name of the Corporation by the president or a vice-president and the secretary or an assistant secretary of the Corporation, certifying the number of shares owned by such holder in the Corporation. Any or all of the signatures on the certificates may be facsimiles.

Section 6.2 Transfer.

(a) Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer, the Corporation shall issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books or, if such shares may be represented in uncertificated form pursuant to a resolution adopted by the Board of Directors, record such transaction upon its books as an issuance of uncertificated shares to the person entitled thereto, unless such person requests a certificate or certificates, in which case such person shall be entitled to have a certificate or certificates in accordance with Section 6.1.

(b) Transfers of shares of stock represented by certificates shall be made upon the books of the Corporation only by the record holder of such stock, in person or by duly authorized attorney, upon the surrender of the certificate or certificates for the same number of shares, properly endorsed. Transfers of uncertificated shares of stock shall be made on the books of the Corporation upon receipt of proper transfer instructions from the registered owner of the uncertificated shares, an instruction from an approved source duly authorized by such owner or from an attorney lawfully constituted in writing. The Corporation is entitled for all purposes to treat the record holder as the owner of such stock, notwithstanding any knowledge of the Corporation to the contrary. The Board of Directors shall have the power to make all such rules and regulations, not inconsistent with the Certificate of Incorporation, these bylaws and the DGCL, as the Board

of Directors may deem appropriate concerning the issue, transfer and registration of certificates for stock of the Corporation. The Board of Directors may appoint one or more transfer agents or registrars of transfers or both, and may require all stock certificates to bear the signature of either or both.

ARTICLE VII
INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 7.1 Right to Indemnification. Each person who was or is a party or is threatened to be made a party to or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether by or in the right of the Corporation or otherwise (a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee, partner (limited or general) or agent of another corporation or of a partnership, joint venture, limited liability company, trust or other enterprise, including service with respect to an employee benefit plan, shall be (and shall be deemed to have a contractual right to be) indemnified and held harmless by the Corporation (and any successor to the Corporation by merger or otherwise) to the fullest extent authorized by, and subject to the conditions and (except as provided herein) procedures set forth in the DGCL, as the same exists or may hereafter be amended (but any such amendment shall not be deemed to limit or prohibit the rights of indemnification hereunder for past acts or omissions of any such person insofar as such amendment limits or prohibits the indemnification rights that said law permitted the Corporation to provide prior to such amendment), against all expenses, liabilities and losses (including attorneys' fees, judgments, fines, ERISA taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith; provided, however, that the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. Persons who are not directors or officers of the Corporation and are not so serving at the request of the Corporation may be similarly indemnified in respect of such service to the extent authorized at any time by the Board of Directors of the Corporation. The indemnification conferred in this Section 7.1 shall also include the right to advancement by the Corporation of any and all expenses (including attorneys' fees) incurred in the defense of or other involvement in any such proceeding in advance of its final disposition; provided, however, that the advancement of expenses (including attorneys' fees) incurred by a person in advance of the final disposition of a proceeding shall be made only upon delivery to the Corporation of an undertaking by or on behalf of such person to repay all amounts so paid in advance if it shall ultimately be determined that such person is not entitled to be so indemnified under this Section 7.1.

Section 7.2 Non-Exclusivity of Rights. The rights to indemnification and advance payment of expenses provided by Section 7.1 hereof shall not be deemed exclusive of any other rights to which those seeking indemnification and advance payment of expenses may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office.

Section 7.3 Nature of Rights. The indemnification and advance payment of expenses and rights thereto provided by, or granted pursuant to, Section 7.1 hereof shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director, officer, employee, partner or

agent and shall inure to the benefit of the personal representatives, heirs, executors and administrators of such person.

Section 7.4 Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, partner (limited or general) or agent of another corporation or of a partnership, joint venture, limited liability company, trust or other enterprise, against any liability asserted against such person or incurred by such person in any such capacity, or arising out of such person's status as such, and related expenses, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of the DGCL.

ARTICLE VIII
GENERAL PROVISIONS

Section 8.1 Dividends. Dividends upon the capital stock of the Corporation, subject to the provisions of the Certificate of Incorporation, if any, may be declared by the Board of Directors at any regular or special meeting pursuant to law. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation.

Section 8.2 Reserves. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for such other purpose as the directors shall think conducive to the interests of the Corporation, and the directors may modify or abolish any such reserve in the manner in which it was created.

Section 8.3 Checks. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 8.4 Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

Section 8.5 Corporate Seal. The Board of Directors may adopt a corporate seal and use the same by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise..

Section 8.6 Meeting Attendance via Remote Communication Equipment.

(a) Stockholder Meetings. If authorized by the Board in its sole discretion, and subject to such guidelines and procedures as the Board may adopt, stockholders and proxyholders not physically present at a meeting of stockholders may, by means of remote communication:

(i) participate in a meeting of stockholders; and

(ii) be deemed present in person and vote at a meeting of stockholders, whether such meeting is to be held at a designated place or solely by means of remote communication, provided that (A) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxyholder, (B) the Corporation shall implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings, and (C) if any stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such votes or other action shall be maintained by the Corporation.

(b) Board Meetings. Unless otherwise restricted by applicable law, the Certificate of Incorporation or these bylaws, members of the Board or any committee thereof may participate in a meeting of the Board or any committee thereof by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

Section 8.7 Beneficial Ownership. Notwithstanding anything to the contrary in the Certificate of Incorporation or these bylaws to the extent permitted by law, any action required or permitted to be taken by the stockholders of the Company may be taken by any stockholder of record or by any beneficial owner of any Voting Stock for any period of time that has verified its holdings in accordance with any method prescribed by Rule 14a-8(b)(2) under the Exchange Act (without giving effect to any minimum threshold or duration of ownership limitation therein). For the purposes of these bylaws, "Voting Stock" means stock of the Company of any class or series entitled to vote generally in the election of Directors.

ARTICLE IX
AMENDMENTS

These bylaws may be altered, amended or repealed or new bylaws may be adopted by the Board of Directors (other than Sections (other than Sections 2.2 (Annual Meetings), 2.3 (Special Meetings), 2.5 (Quorum), 2.6 (Voting), 2.8 (Submission of Business for Consideration at Meetings of Stockholders), 2.9 (Action Without a Meeting), 3.1 (Number and Qualification), 3.2 (Election and Term), 3.3 (Nominations), 3.4 (Majority Voting in Director Elections); 3.5 (Vacancies); 3.6 (Removal), 8.7 (Beneficial Ownership) and this Article IX of these bylaws (as such provisions are designated in the Bylaws in effect as of ____, 2015) unless otherwise provided in any such provision, or any provision to the extent adopted, altered, amended or repealed pursuant to an action taken by stockholders, any successor provision to such provisions or any other alteration or amendment inconsistent with such sections) or by stockholders provided that any amendment proposed to be acted upon is approved by the affirmative vote of the holders of at least a majority of the common stock issued and outstanding and entitled to vote.

Effective as of , 2015

EXHIBIT B-1

First Amended Disclosure Statement for First Amended Joint Plan of Reorganization Proposed by the Plan Debtors and Debtors in Possession and the Official Committee of Unsecured Creditors

(Clean)

THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THIS DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT. THIS DISCLOSURE STATEMENT MAY BE REVISED TO REFLECT EVENTS THAT OCCUR AFTER THE DATE HEREOF BUT PRIOR TO BANKRUPTCY COURT APPROVAL OF THE DISCLOSURE STATEMENT.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	:	Chapter 11
NII Holdings, Inc., et al.,[1]	:	Case No. 14-12611 (SCC)
Debtors.	:	(Jointly Administered)

FIRST AMENDED DISCLOSURE STATEMENT FOR FIRST AMENDED JOINT PLAN OF REORGANIZATION PROPOSED BY THE PLAN DEBTORS AND DEBTORS IN POSSESSION AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

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ATTORNEYS FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

Dated: April 2, 2015

[1] The Debtors in the jointly administered bankruptcy cases are comprised of the following fourteen entities (the last four digits of their respective U.S. taxpayer identification numbers follow in parentheses): NII Holdings, Inc. (1412); Nextel International (Services), Ltd. (6566); NII Capital Corp. (6843); NII Aviation, Inc. (6551); NII Funding Corp. (6265); NII Global Holdings, Inc. (1283); NII International Telecom S.C.A. (7498); NII International Holdings S.à r.l. (N/A); NII International Services S.à r.l. (6081); Airfone Holdings, LLC (1746); Nextel International (Uruguay), LLC (5939); McCaw International (Brazil), LLC (1850); NII Mercosur, LLC (4079); and NIU Holdings LLC (5902). The location of the Debtors' corporate headquarters and the Debtors' service address is: 1875 Explorer Street, Suite 800, Reston, VA 20190.

IMPORTANT INFORMATION FOR YOU TO READ

THE DEADLINE TO VOTE ON THE PLAN IS [_____], 2015 AT [__:__][A.][P.].M. PREVAILING EASTERN TIME, UNLESS EXTENDED BY THE DEBTORS (THE "VOTING DEADLINE").

FOR YOUR VOTE TO BE COUNTED, YOUR BALLOT MUST BE *ACTUALLY RECEIVED* BY THE VOTING AGENT BEFORE THE VOTING DEADLINE AS DESCRIBED HEREIN.

PLEASE BE ADVISED THAT ARTICLE IX OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS. YOU SHOULD REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MAY BE AFFECTED THEREUNDER.

NII Holdings, Inc., Nextel International (Services), Ltd., NII Capital Corp., NII Aviation, Inc., NII Funding Corp., NII Global Holdings, Inc., NII International Telecom S.C.A., NII International Holdings S.à r.l., NII International Services S.à r.l., Airfone Holdings, LLC, McCaw International (Brazil), LLC, NII Mercosur, LLC, and NIU Holdings LLC, as debtors and debtors in possession (collectively, the "Plan Debtors" and together with their affiliates and subsidiaries, "NII"), together with the official committee of unsecured creditors appointed in the Chapter 11 Cases (the "Creditors' Committee" and, together with the Plan Debtors, the "Plan Proponents") are providing you with the information in this First Amended Disclosure Statement (as amended, supplemented and modified from time to time, the "Disclosure Statement") because you may be a creditor entitled to vote on the Plan.[2]

Both the Plan Debtors and the Creditors' Committee as Plan Proponents believe that the Plan is in the best interests of creditors and other stakeholders. All creditors entitled to vote thereon are urged to vote in favor of the Plan. A summary of the voting instructions is set forth beginning on page 56 of this Disclosure Statement and in the Disclosure Statement Order. More detailed instructions are contained on the ballots distributed to the creditors entitled to vote on the Plan. To be counted, your ballot must be duly completed, executed and actually received by the Voting Agent by **[__]** p.m., prevailing Eastern time, on **[_____]**, 2015, unless extended by the Debtors.

The effectiveness of the proposed Plan is subject to material conditions precedent, some of which may not be satisfied or waived. See Sections VI.I and J. There is no assurance that these conditions will be satisfied or waived.

This Disclosure Statement and any accompanying letters are the only documents to be used in connection with the solicitation of votes on the Plan. Subject to the statutory obligations of the Creditors' Committee to provide access to information to creditors, no person is authorized by any of the Plan Proponents in connection with the Plan or the solicitation of acceptances of the Plan to give any information or to make any representation other than as contained in this Disclosure Statement and the exhibits attached hereto or incorporated by reference or referred to herein. If given or made, such information or representation may not be relied upon as having been authorized by any of the Plan Proponents. Although the Plan Proponents will make available to creditors entitled to vote on the Plan such additional information as may be required by applicable law prior to the Voting Deadline, the delivery of this Disclosure Statement will not under any circumstances imply that the information herein is correct as of any time after the date hereof.

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[2] Except as otherwise provided herein, capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the First Amended Joint Plan of Reorganization Proposed by Debtors and Debtors in Possession and the Creditors' Committee (as amended, supplemented and modified from time to time, the "Plan"), attached hereto as Exhibit 1.

ALL CREDITORS ENTITLED TO VOTE ON THE PLAN ARE ENCOURAGED TO READ AND CAREFULLY CONSIDER THIS ENTIRE DISCLOSURE STATEMENT, INCLUDING THE PLAN ATTACHED AS EXHIBIT 1 AND THE RISK FACTORS DESCRIBED UNDER SECTION XI, PRIOR TO SUBMITTING BALLOTS IN RESPONSE TO THIS SOLICITATION.

The summaries of the Plan and other documents contained in this Disclosure Statement are qualified in their entirety by reference to the Plan itself, the exhibits thereto (the "Confirmation Exhibits") and documents described therein as Filed prior to approval of this Disclosure Statement or subsequently as Plan Supplement materials. In the event that any inconsistency or conflict exists between this Disclosure Statement and the Plan, the terms of the Plan will control. Except as otherwise indicated, the Debtors will File all Confirmation Exhibits with the Bankruptcy Court and make them available for review at the Debtors' document website located online at http://cases.primeclerk.com/nii (the "Document Website") no later than seven days before the earlier of the (a) Voting Deadline and (b) deadline for objections to Confirmation of the Plan (or such later date as may be approved by the Bankruptcy Court).

This Disclosure Statement contains, among other things, descriptions and summaries of provisions of the Plan being proposed by the Plan Proponents. The Plan Proponents reserve the right to modify the Plan consistent with section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019.

The statements contained in this Disclosure Statement are made only as of the date of this Disclosure Statement, and there can be no assurance that the statements contained herein will be correct at any time after this date. The information contained in this Disclosure Statement, including the information regarding the history, businesses and operations of the Debtors, the financial information regarding the Debtors and the liquidation analysis relating to the Debtors, is included for purposes of soliciting acceptances of the Plan, but, as to contested matters and adversary proceedings, is not to be construed as admissions or stipulations, but rather as statements made in settlement negotiations as part of the Debtors' attempt to settle and resolve their Liabilities pursuant to the Plan. This Disclosure Statement will not be admissible in any non-bankruptcy proceeding, nor will it be construed to be conclusive advice on the tax, securities or other legal effects of the Plan as to Holders of Claims against, or Interests in, either the Debtors or the Reorganized Debtors. Except where specifically noted, the financial information contained in this Disclosure Statement and in its exhibits has not been audited by a certified public accountant and has not been prepared in accordance with generally accepted accounting principles in the United States.

FORWARD-LOOKING STATEMENTS

This Disclosure Statement contains forward-looking statements based primarily on the current expectations of the Debtors and projections about future events and financial trends affecting the financial condition of the Debtors' and the Operating Companies' businesses and assets. The words "believe," "may," "estimate," "continue," "anticipate," "intend," "expect" and similar expressions identify these forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described below under the caption "Plan-Related Risk Factors" in Section XI. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this Disclosure Statement may not occur, and actual results could differ materially from those anticipated in the forward-looking statements. The Plan Proponents do not undertake any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

This Disclosure Statement has been prepared in accordance with section 1125 of the Bankruptcy Code and Bankruptcy Rule 3016 and not necessarily in accordance with federal or state securities laws or other non-bankruptcy laws. This Disclosure Statement has not been approved or disapproved by the United States Securities and Exchange Commission (the "SEC"), any state securities commission or any securities exchange or association nor has the SEC, any state securities commission or any securities exchange or association passed upon the accuracy or adequacy of the statements contained herein.

QUESTIONS AND ADDITIONAL INFORMATION

If you would like to obtain copies of this Disclosure Statement, the Plan or any of the documents attached hereto or referenced herein, or have questions about the solicitation and voting process or the Debtors' Chapter 11 Cases generally, please contact Prime Clerk LLC, the Voting Agent, by either (i) visiting the Document Website at http://cases.primeclerk.com/nii or (ii) calling (844) 224-1140.

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I. INTRODUCTION

NII Holdings, Inc., Nextel International (Services), Ltd., NII Capital Corp., NII Aviation, Inc., NII Funding Corp., NII Global Holdings, Inc., NII International Telecom S.C.A., NII International Holdings S.à r.l., NII International Services S.à r.l., Airfone Holdings, LLC, McCaw International (Brazil), LLC, NII Mercosur, LLC, and NIU Holdings LLC, as debtors and debtors in possession (collectively, the "Plan Debtors"),[3] and the official committee of unsecured creditors appointed in the Chapter 11 Cases (the "Creditors' Committee" and, together with the Plan Debtors, the "Plan Proponents") submit this Disclosure Statement pursuant to section 1125 of title 11 of the United States Code (the "Bankruptcy Code") in connection with the solicitation of acceptances of the First Amended Joint Plan of Reorganization Proposed by the Plan Debtors and Debtors in Possession and the Official Committee of Unsecured Creditors (as amended, supplemented and modified from time to time, the "Plan"). A copy of the Plan is attached hereto as Exhibit 1.

This Disclosure Statement sets forth certain information regarding the prepetition operating and financial history of NII, the events leading up to the commencement of the Chapter 11 Cases, significant events that have occurred during the Chapter 11 Cases and the anticipated organization, operations and capital structure of the Reorganized Debtors if the Plan is confirmed and becomes effective. This Disclosure Statement also describes terms and provisions of the Plan, including certain effects of Confirmation of the Plan, certain risk factors (including those associated with securities to be issued under the Plan), certain alternatives to the Plan and the manner in which distributions will be made under the Plan. The Confirmation process and the voting procedures that Holders of Claims entitled to vote on the Plan must follow for their votes to be counted are also discussed herein.

The Plan Debtors and the Creditors' Committee — which represents the interest of all unsecured creditors of all of the Plan Debtors — are co-proponents of the Plan and believe that the Plan is the best means to efficiently and effectively pave the way for the Plan Debtors' emergence from bankruptcy. Additional parties who support the Plan include several of the largest holders of the Prepetition Notes (collectively, the "Consenting Noteholders"), each of whom have executed a plan support agreement dated March 5, 2015 (the "Plan Support Agreement") and related plan term sheet (the "Plan Term Sheet") on which the Plan is based.

Except as otherwise provided herein, capitalized terms not otherwise defined in this Disclosure Statement have the meanings ascribed to them in the Plan. Except as otherwise stated herein, all dollar amounts provided in this Disclosure Statement and in the Plan are given in United States dollars.

[On [_____], 2015, the Bankruptcy Court entered an order approving this Disclosure Statement as containing "adequate information," i.e., information of a kind and in sufficient detail to enable a hypothetical reasonable investor typical of the Holders of Claims or Interests to make an informed judgment about the Plan. THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE STATEMENT CONSTITUTES NEITHER A GUARANTY OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN NOR AN ENDORSEMENT OF THE MERITS OF THE PLAN BY THE BANKRUPTCY COURT.]

A. Material Terms of the Plan

As discussed in more detail in Sections IV and V below, the Plan includes a consensual resolution of a number of complex Claims that have been the subject of extensive and vigorous negotiations beginning pre-petition and continuing post-petition among the Plan Debtors, certain of their largest unsecured creditor constituencies, and the Creditors' Committee, once formed. The distributions contemplated by the Plan reflect the impact of an agreed-upon settlement of certain complex disputes, which has been evaluated and approved by an independent manager of one of the Debtors as described in more detail below. The Plan Proponents believe that absent such settlement, these bankruptcy cases would require extensive and potentially prohibitively expensive litigation to the detriment of the Plan Debtors' estates and all stakeholders. Through the integrated settlement of these Claims and all other

[3] Because the Mexico Sale Order (as defined below) contemplates the dismissal of Nextel International (Uruguay), LLC's bankruptcy case, Nextel International (Uruguay), LLC is not a Plan Proponent. The Mexico Sale Order will provide that all Claims previously asserted against Nextel International (Uruguay), LLC will be assigned to and assumed by NIU Holdings LLC.

disputed issues among the Plan Proponents and the Consenting Noteholders, the Plan, in conjunction with the sale of NII Mexico as described below, will allow the Plan Debtors to strengthen their balance sheet by converting $4.35 billion of Prepetition Notes into Reorganized NII Common Stock and Cash and will permit the Plan Debtors to avoid the incurrence of significant litigation costs and delays in connection with the Potential Litigation Claims (as defined in Section IV.A) and exit bankruptcy protection expeditiously and with sufficient liquidity to execute their business plan.

THE PLAN PROPONENTS AND THE CONSENTING NOTEHOLDERS BELIEVE THAT THE IMPLEMENTATION OF THE PLAN IS IN THE BEST INTERESTS OF EACH OF THE PLAN DEBTORS AND ITS STAKEHOLDERS. FOR ALL OF THE REASONS DESCRIBED IN THIS DISCLOSURE STATEMENT, THE PLAN PROPONENTS URGE YOU TO RETURN YOUR BALLOT ACCEPTING THE PLAN BY THE VOTING DEADLINE (I.E., THE DATE BY WHICH YOUR BALLOT MUST BE ACTUALLY RECEIVED), WHICH IS [__], 2015 AT [__].

As set forth in further detail below, the material terms of the Plan are as follows:

Treatment of Claims and Interests

For administrative convenience, the Plan organizes the Plan Debtors into five groups and assigns a letter to each such group (each, a "Debtor Group") and a number to each of the Classes of Claims against or Interests in the Plan Debtors in such Debtor Group. For consistency, similarly designated Classes of Claims and Interests are assigned the same number across each of the Debtor Groups.

The Debtor Groups are as follows:

Letter	Debtor Group
A	**Holdings Debtor Group** NII Holdings, Inc.
B	**Capco Debtor Group** NII Capital Corp.
C	**Capco Guarantors Debtor Group** Nextel International (Services), Ltd. NII Aviation, Inc. NII Funding Corp. NII Global Holdings, Inc.
D	**Luxembourg Debtor Group** Nextel International Holdings S.à r.l. Nextel International Services S.à r.l. NII International Telecom S.C.A.
E	**Transferred Guarantor Debtor Group** NII Mercosur, LLC Airfone Holdings, LLC NIU Holdings LLC (including as assignee of Claims against NIU pursuant to the Mexico Sale Order) McCaw International (Brazil), LLC

As further detailed in the Plan, the Plan contemplates the following treatment of Claims and Interests:[4]

[4] The cash amounts reflected here are estimates based on the expected net proceeds from the Mexico Sale Transaction (as defined below) net of the maximum Retained Cash Amount. These estimates may be adjusted to reflect adjustments to the purchase price, including with respect to outstanding indebtedness of NII Mexico, under the terms of the Purchase Agreement (as defined below).

	• Administrative Claims – Each Holder of an Allowed Administrative Claim will receive Cash equal to the full Allowed amount of such Claim. These Claims are Unimpaired and are unclassified under the Plan. • Priority Tax Claims – Each Holder of an Allowed Priority Tax Claim will receive Cash equal to the full Allowed amount of such Claim. These Claims are Unimpaired and are unclassified under the Plan. • Priority Claims – Each Holder of an Allowed Priority Claim (which does not include Administrative Claims or Priority Tax Claims) will receive Cash equal to the full Allowed amount of such Claim, or such other treatment to render such Claim as Unimpaired. These Claims are Class 1A-1E Claims under the Plan. • Secured Claims – Each Secured Claim will be Reinstated. These Claims are Unimpaired Class 2A–2E Claims under the Plan. • Sale-Leaseback Guaranty Claims – Each Holder of an Allowed Sale-Leaseback Guaranty Claim will receive the New-ATC Guaranty. Such Claims are Impaired Class 3A and 3D Claims under the Plan. • Luxco Note Claims – Each Holder of an Allowed Luxco Note Claim in Class 4A and Class 4D will receive its Pro Rata share of 60.25%[5] of the Plan Distributable Value (as defined below), which will be comprised of (1) the Luxco Notes Stock Allocation (which is expected to be comprised of 60.25% of Reorganized NII Common Stock), subject to dilution by any Management Incentive Plan Shares, and (2) the Luxco Notes Cash Allocation (which is expected to be comprised of $414.5 million in Cash). An amount of Cash equal to the reasonable and documented fees and expenses as of the Effective Date of the Indenture Trustee under each of the Luxco Indentures will be paid to this class of Claims (as to which it is anticipated that such Indenture Trustee will exercise its contractual lien rights prior to distribution). Such Claims are Impaired Class 4A and 4D Claims under the Plan. ***Total recovery rate:*** **100.00%** • Capco Note Claims – Each Holder of an Allowed Capco Note Claim in Classes 5A, 5B and 5C will receive its Pro Rata share of 29.61% of the Plan Distributable Value (as defined below), which will be comprised of (1) the Capco Stock Allocation (which is expected to be comprised of 33.07% of Reorganized NII Common Stock), subject to dilution by any Management Incentive Plan Shares, and (2) the Capco Cash Allocation (which is expected to be comprised of $130.2 million in Cash). An amount of Cash equal to the reasonable and documented fees and expenses outstanding as of the Effective Date of the Indenture Trustees under the Capco Indentures will be paid to this class of Claims (as to which it is anticipated that the applicable Indenture Trustee will exercise its contractual lien rights prior to distribution). Such Claims are Impaired Class 5A, 5B and 5C Claims under the Plan. ***Total recovery rate:*** **29.15%**

[5] Individual percentages in this Disclosure Statement are rounded and may not total 100%.

	• Transferred Guarantor Claims – Each Holder of an Allowed Transferred Guarantor Claim in Class 6E will receive its Pro Rata share of 10.14% of the Plan Distributable Value (as defined below), which will be comprised of (1) the TG Claims Stock Allocation (which is expected to be comprised of 6.68% of Reorganized NII Common Stock), subject to dilution by any shares of Reorganized NII Common Stock issued pursuant to the Management Incentive Plan and (2) the TG Claims Cash Allocation (which is expected to be comprised of $143.2 million in Cash). Such Claims are Impaired Class 6E Claims under the Plan. ***Total recovery rate:*** **21.00% (based on the amount of asserted Claims)** • CDB Documents Claims – Holders of Allowed CDB Documents Claims will receive the CDB Amended Guarantees. Such Claims are Impaired Class 7A Claims under the Plan. • General Unsecured Claims – Each Holder of an Allowed General Unsecured Claims will receive a distribution of Cash in an amount equal to that set forth on the General Unsecured Claims Chart (defined below). Such Claims are Impaired Class 8A–8E Claims under the Plan. • Convenience Claims – Each Holder of an Allowed Convenience Claim will receive Cash equal to the amount of such Allowed Claim. Such Claims are Unimpaired Class 9A–9C Claims under the Plan. • Section 510 Claims – On the Effective Date, Section 510 Claims will be extinguished, cancelled and discharged and Holders of Section 510 Claims will receive no distributions on account of their Claims. Such Claims are Impaired Class 10A–10E Claims under the Plan. • Non-Debtor Affiliate Claims – On the Effective Date, Non-Debtor Affiliate Claims will be Reinstated. Such Claims are Unimpaired Class 11A–11E Claims under the Plan. • NII Interests – On the Effective Date, NII Interests will be extinguished, cancelled and discharged and Holders of such Claims will receive no distributions on account of their Interests. Such Claims are Impaired Class 12A Claims under the Plan. • Subsidiary Debtor Equity Interests – On the Effective Date, Subsidiary Debtor Equity Interests will be reinstated. Such Claims are Unimpaired Class 13B–13E Claims under the Plan.
Settlement and Compromise	As further detailed in Section IV, the Plan contains and effects a compromise and settlement of all Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims (each as defined below) pursuant to section 1123(b)(3) and Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "Settlement"). The Settlement will result in:

	• the recoveries to creditors of the Plan Debtors being calculated as if: o 25% of certain allegedly avoidable transfers were avoided; and o 25% of certain intercompany obligations existing between a Debtor and another Debtor or between a non-Debtor subsidiary of NII Holdings and a Debtor outstanding as of the Petition Date are recharacterized as equity, with the remaining 75% of such obligations treated as unsecured debts against the obligors of such intercompany obligations, except that the Capco Intercompany Note will be treated as a debt obligation in its entirety, but the Claim with respect to the subordination of the intercompany loan represented by the Capco Intercompany Note will be resolved pursuant to the Settlement of the Avoidance Claims. In addition, if a Claim is subject to both Avoidance Claims and Recharacterization Claims, there is a compounding effect on such a Claim resulting from the Settlement; and • the recoveries to Holders of Prepetition Notes being calculated as if 21% of each of the guarantees of the Transferred Guarantors remained in place. The recoveries pursuant to the Settlement, which are taken into account in the treatment of Claims and Interests and related distributions contemplated in the Plan, will be in full satisfaction of any and all potential recoveries that could have been included as part of the Avoidance Claims, Recharacterization Claims or the Transferred Guarantor Claims, regardless of whether such claims are identified above or have been or could have been asserted.
Plan Distributable Value	The Plan Distributable Value is $2.813 billion (the "Plan Distributable Value").
DIP Financing	The Plan Debtors have obtained funding pursuant to a $350 million superpriority debtor-in-possession credit facility (the "DIP Loan"). The members of the Luxco Group provided 65.00% the DIP Loan, with Capital Group and Aurelius providing 20.56% and 14.44% of the DIP Loan, respectively.
Exit Financing	The Plan Debtors may seek exit financing ("Exit Financing") on terms and conditions reasonably acceptable to the Creditors' Committee, Capital Group and Aurelius. The Plan Debtors will consult with the Luxco Group regarding the proposed Exit Financing and the negotiation of the terms thereof and the final terms and conditions of such Exit Financing will be subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; *provided, however,* that if Capital Group or Aurelius participates in the Exit Financing, such financing will be on terms and conditions reasonably acceptable to each of the Plan Proponents and each of the Requisite Consenting Noteholders.
Means of Implementation	The Plan contains standard means of implementation, including provisions for the continued corporate existence of the Reorganized Debtors, the cancellation

	of certain prepetition debt and debt agreements, the cancellation of prepetition equity interests in NII Holdings, the issuance of the Reorganized NII Common Stock and the revesting of Plan Debtors' assets in the Reorganized Debtors.
Reorganized NII Common Stock	The Plan provides for the cancellation of all outstanding NII common stock and the issuance of Reorganized NII Common Stock, par value $0.001 per share, in Reorganized NII. Each share of the Reorganized NII Common Stock will entitle its holder to one vote. NII Holdings will be obligated to register the New NII Common Stock under the Securities Exchange Act of 1934 (the "Exchange Act"). The Plan also provides that, upon emergence, Reorganized NII will amend and restate its charter to, among other things, authorize 150,000,000 shares of Reorganized NII Common Stock, of which up to 100,000,000 shares will initially be issued and outstanding pursuant to the Plan as of the Effective Date. As soon as practicable after the Effective Date, but no later than 60 days after the Effective Date, Reorganized NII will use its commercially reasonable efforts to cause the Reorganized NII Common Stock to be listed for trading on the New York Stock Exchange or the Global Market or Global Select Market of the NASDAQ Stock Market. The Reorganized NII Common Stock will be issued in transactions exempt from the registration requirements of the Securities Act and state securities laws pursuant to and freely tradable in accordance with section 1145 of the Bankruptcy Code or other applicable exemptions. On the Effective Date, Reorganized NII will enter into a registration rights agreement, which will provide parties, together with their affiliates, who receive 10% or more of Reorganized NII Common Stock issued under the Plan with registration rights pursuant to the Registration Rights Agreement.
Management Incentive Plan	On or after the Effective Date, the New Board (as defined below) will adopt the Management Incentive Plan, which will provide for grants of equity-based compensation to members of Reorganized NII's management team, including potential grants of (1) restricted stock units for up to 2.5% of the Reorganized NII Common Stock and (2) options to purchase up to 2.5% of the Reorganized NII Common Stock with any applicable exercise price to be determined by the New Board (collectively, the "Management Incentive Plan Shares"), in each case, on a fully diluted basis. The selection of participants in the Management Incentive Plan, the number of Management Incentive Plan Shares granted to those participants, and the vesting and other terms of the Management Incentive Plan Shares granted under the Management Incentive Plan will be determined by the New Board.
Releases	The Plan provides certain customary release provisions for the benefit of the Plan Debtors, their directors, officers, and agents and their respective attorneys, financial advisors or other specified professionals, the Consenting Noteholders, the Indenture Trustees, the Creditors' Committee, the members of the Creditors' Committee and their respective agents, and each of their respective attorneys, financial advisors or other specified professionals to the extent permitted by applicable law.
Exculpation	The Plan provides certain customary exculpation provisions, which include a full exculpation from liability in favor of the Plan Debtors, the Indenture

	Trustees, the Consenting Noteholders, the Creditors' Committee, the members of the Creditors' Committee and all of the foregoing parties' respective current and former officers, directors, members, employees, advisors, attorneys, professionals, accountants, investment bankers, consultants, agents or other representatives (including their respective officers, directors, employees, members and professionals) from any and all claims and causes of action arising on or after the Petition Date and any and all claims and causes of action relating to any act taken or omitted to be taken in connection with, or related to, formulating, negotiating, preparing, disseminating, implementing, administering, soliciting, confirming or consummating the Plan, the Disclosure Statement or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan or any other act taken or omitted to be taken in connection with or in contemplation of the Chapter 11 Cases or the restructuring of the Plan Debtors, with the exception of willful misconduct or gross negligence.

B. Parties Entitled to Vote on the Plan

Under the provisions of the Bankruptcy Code, not all parties in interest are entitled to vote on a chapter 11 plan. Creditors or equity interest holders whose claims or interests are not impaired by a plan are deemed to accept the plan under section 1126(f) of the Bankruptcy Code and are not entitled to vote. In addition, creditors or equity interest holders whose claims or interests are impaired by the plan and will receive no distribution under the plan are also not entitled to vote because they are deemed to have rejected the plan under section 1126(g) of the Bankruptcy Code. For a discussion of these matters, see Section VII.B below.

The following table sets forth which Classes are entitled to vote on the Plan and which are not, and sets forth the estimated Allowed amount, the estimated recovery and/or the impairment status for each of the separate Classes of Claims provided for in the Plan:

Class(es)	Designation	Impairment	Estimated Allowed Amount[6]	Estimated Recovery Rate[7]	Entitled to Vote
1A – 1E	Priority Claims	Unimpaired	$130,000	100%	Deemed to Accept
2A – 2E	Secured Claims	Unimpaired	$764	100%	Deemed to Accept
3A, 3D	Sale-Leaseback Guaranty Claims	Impaired	See Section IV.I.2.	See Section IV.I.2.	Entitled to Vote
4A, 4D	Luxco Note Claims[8]	Impaired	$1,694.9 million	100%	Entitled to Vote
5A – 5C	Capco Note Claims[8]	Impaired	$2,858.1 million	29.15%	Entitled to Vote
6E	Transferred Guarantor Claims	Impaired	$285.1 million	21.00% (based on the amount of	Entitled to Vote

[6] The Estimated Allowed Amounts are estimates only and actual amounts may be greater or less than those set forth herein.

[7] The Estimated Recovery Rates are estimates only and actual recoveries may be greater or less than those set forth herein based on, among other things, Allowed Claims arising from the rejection of Executory Contracts or Unexpired Leases and resolution of disputed or unliquidated Claims.

[8] The overall recovery rate for Luxco Note Claims, Capco Note Claims and Transferred Guarantor Claims may be subject to change based on the actual amount of General Unsecured Claims and Convenience Claims elections.

Class(es)	Designation	Impairment	Estimated Allowed Amount[6]	Estimated Recovery Rate[7]	Entitled to Vote
				asserted Claims)	
7A	CDB Documents Claims	Impaired	See Section IV.I.1.	See Section IV.I.1.	Entitled to Vote
8A – 8E	General Unsecured Claims	Impaired	See General Unsecured Claims Chart below.	See General Unsecured Claims Chart below.	Entitled to Vote
9A – 9C	Convenience Claims	Unimpaired	$787,908	100%	Deemed to Accept
10A – 10E	Section 510 Claims	Impaired	Unknown	0%	Deemed to Reject
11A – 11E	Non-Debtor Affiliate Claims	Unimpaired	N/A (Reinstated)	N/A	Deemed to Accept
12A	NII Interests	Impaired	N/A (Cancelled)	0%	Deemed to Reject
13B – 13E	Subsidiary Debtor Equity Interests	Unimpaired	N/A (Reinstated)	N/A	Deemed to Accept

The Bankruptcy Code defines "acceptance" of a plan by a class of claims as acceptance by creditors in that class that hold at least two-thirds in dollar amount and more than one-half in number of the claims actually voted to accept or reject the plan. Your vote on the Plan is important. The Bankruptcy Code requires as a condition to confirmation of a plan of reorganization that each class that is impaired and entitled to vote under a plan votes to accept such plan, unless the plan is being confirmed under the "cramdown" provisions of section 1129(b) of the Bankruptcy Code. Section 1129(b) permits confirmation of a plan of reorganization, notwithstanding the non-acceptance of the plan by one or more impaired classes of claims or equity interests, so long as at least one impaired class of claims or interests votes to accept a proposed plan. Under that section, a plan may be confirmed by a bankruptcy court if it does not "discriminate unfairly" and is "fair and equitable" with respect to each non-accepting class.

The following table (the "General Unsecured Claims Chart") sets forth the estimated Allowed amount and the estimated recovery rate for Holders of General Unsecured Claims for each Plan Debtor.[9]

[9] The estimates in the General Unsecured Claims Chart do not assume Claims over $20,000 will elect into the Convenience Class; however, the amounts of Claims in Classes 9A, 9B and 9C are likely to increase, and the amounts of Claims in Classes 8A, 8B and 8C are likely to decrease, based on Holders of Allowed General Unsecured Claims in Classes 8A, 8B and 8C electing into those Classes.

Plan Debtor	Class	Estimated Allowed Amount[10]	Estimated Recovery Rate[11]
NII Holdings, Inc.	8A	$21,192,843	5.64%
NII Capital Corp.	8B	$135,088	20.18%
Nextel International (Services), Ltd.	8C	$284,841	4.51%
NII Aviation, Inc.	8C	$135,088	0.15%
NII Funding Corp.	8C	$135,088	0.24%
NII Global Holdings, Inc.	8C	$135,088	0.18%
Nextel International Holdings S.à r.l.	8D	$0	N/A
Nextel International Services S.à r.l.	8D	$0	N/A
NII International Telecom S.C.A.	8D	$0	N/A
NII Mercosur, LLC	8E	$0	N/A
Airfone Holdings, LLC	8E	$0	N/A
NIU Holdings LLC	8E	$0	N/A
McCaw International (Brazil), LLC	8E	$0	N/A

For a detailed description of the Classes of Claims and Interests and their treatment under the Plan, see Section VI.B.

C. Solicitation Package

The package of materials (the "Solicitation Package") to be sent to Holders of Claims and Interests entitled to vote on the Plan will contain:

1. a cover letter describing (a) the contents of the Solicitation Package, (b) the contents of any enclosed CD-ROM and instructions for use of the CD-ROM and (c) information about how to obtain, at no charge, hard copies of any materials provided on the CD-ROM;

2. a paper copy of the notice of the Confirmation Hearing (the "Confirmation Hearing Notice");

3. a copy – either as a paper copy or in an enclosed CD-ROM – of the Disclosure Statement together with the exhibits thereto, including the Plan, that have been Filed with the Bankruptcy Court before the date of the mailing.

4. a paper copy of the letter from the Creditors' Committee setting forth its recommendations with respect to the Plan;

5. the Disclosure Statement Order; and

[10] The Estimated Allowed Amounts are estimates only and actual amounts may be greater or less than those set forth herein.

[11] The Estimated Recovery Rates are estimates only and actual recoveries may be greater or less than those set forth herein based on, among other things, Allowed Claims arising from the rejection of Executory Contracts or Unexpired Leases and resolution of disputed or unliquidated Claims.

6. for Holders of Claims in voting Classes (i.e., Holders of Claims in Classes 3A, 3D, 4A, 4D, 5A-5C, 6E, 7A and 8A-8E), an appropriate form of Ballot, instructions on how to complete the Ballot and a Ballot return envelope and such other materials as the Bankruptcy Court may direct.

In addition to the service procedures outlined above (and to accommodate creditors who wish to review exhibits not included in the Solicitation Packages in the event of paper service): (1) the Plan, the Disclosure Statement and, once they are filed, all exhibits to both documents will be made available online at no charge at the Document Website (http://cases.primeclerk.com/nii); and (2) the Plan Debtors will provide parties in interest (at no charge) with hard copies of the Plan and/or Disclosure Statement upon written request to NII Ballot Processing, c/o Prime Clerk LLC, 830 Third Avenue, 9th Floor, New York, NY 10022.

D. Voting Procedures, Ballots and Voting Deadline

If you are entitled to vote to accept or reject the Plan, a Ballot(s) has been enclosed in your Solicitation Package for the purpose of voting on the Plan. Please vote and return your Ballot(s) to Prime Clerk LLC (the "Voting Agent") at NII Ballot Processing, c/o Prime Clerk LLC, 830 Third Avenue, 9th Floor, New York, NY 10022, unless you are a beneficial owner of a security who receives a Ballot from a broker, bank, dealer or other agent or nominee (each, a "Master Ballot Agent"), in which case you must return the Ballot to that Master Ballot Agent (or as otherwise instructed by your Master Ballot Agent). Ballots should not be sent directly to the Plan Debtors, the Creditors' Committee, their agents (other than the Voting Agent) or any of the Indenture Trustees.

After carefully reviewing (1) the Plan, (2) this Disclosure Statement, (3) the order entered by the Bankruptcy Court (Docket No. [__]) (the "Disclosure Statement Order") that, among other things, established the voting procedures, scheduled a Confirmation Hearing and set the voting deadline and the deadline for objecting to Confirmation of the Plan and (4) the detailed instructions accompanying your Ballot, please indicate on your Ballot your vote to accept or reject the Plan. In order for your vote to be counted, you must complete and sign your original Ballot (copies will not be accepted) and return it to the appropriate recipient (i.e., either a Master Ballot Agent or the Voting Agent) so that it is actually received by the Voting Deadline by the Voting Agent.

Each Ballot has been coded to reflect the Class of Claims it represents. Accordingly, in voting to accept or reject the Plan, you must use only the coded Ballot or Ballots sent to you with this Disclosure Statement.

If you (1) hold Claims in more than one voting Class, or (2) hold multiple Claims within one Class, including if you (a) hold more than one series of Prepetition Notes, (b) are the beneficial owner of Prepetition Notes held in street name through more than one Master Ballot Agent or (c) are the beneficial owner of Prepetition Notes registered in your own name as well as the beneficial owner of Prepetition Notes registered in street name, you may receive more than one Ballot.

If you are the beneficial owner of Prepetition Notes held in street name through more than one Master Ballot Agent, for your votes with respect to such Prepetition Notes to be counted, your Ballots must be mailed to the appropriate Master Ballot Agents at the addresses on the envelopes enclosed with your Ballots so that such Master Ballot Agent has sufficient time to record the votes of such beneficial owner on a Master Ballot and return such Master Ballot so it is actually received by the Voting Agent by the Voting Deadline.

All other Ballots, in order to be counted, must be properly completed in accordance with the voting instructions on the Ballot and **actually received** no later than the Voting Deadline (i.e., **[_____]**, 2015 at **[__]**:00 p.m. (prevailing Eastern time)) by the Voting Agent via regular mail, overnight courier or personal delivery at the following address: NII Ballot Processing, c/o Prime Clerk LLC, 830 Third Avenue, 9th Floor, New York, NY 10022. Except with respect to Ballots used by Master Ballot Agents for recording votes cast by beneficial owners holding securities (each, a "Master Ballot"), no Ballots may be submitted by electronic mail or any other means of electronic transmission, and any Ballots submitted by electronic mail or other means of electronic transmission will not be accepted by the Voting Agent. Ballots should not be sent directly to the Plan Proponents.

If a Holder of a Claim delivers to the Voting Agent more than one timely, properly completed Ballot with respect to such Claim prior to the Voting Deadline, the Ballot that will be counted for purposes of determining whether sufficient acceptances required to confirm the Plan have been received will be the timely, properly

completed Ballot determined by the Voting Agent to have been received last from such Holder with respect to such Claim.

If you are a Holder of a Claim who is entitled to vote on the Plan as set forth in the Disclosure Statement Order and did not receive a Ballot, received a damaged Ballot or lost your Ballot, or if you have any questions concerning the Disclosure Statement, the Plan, the Ballot or the procedures for voting on the Plan, please contact the Voting Agent (1) by telephone (a) for U.S. callers toll-free at (844) 224-1140 and (b) for international callers at (917) 962-8496, (2) by e-mail at niiballots@primeclerk.com or (3) in writing at NII Ballot Processing, c/o Prime Clerk LLC, 830 Third Avenue, 9th Floor, New York, NY 10022.

FOR FURTHER INFORMATION AND INSTRUCTIONS ON VOTING TO ACCEPT OR REJECT THE PLAN, SEE SECTION VII.

Before voting on the Plan, each Holder of a Claim in Classes 3A, 3D, 4A, 4D, 5A-5C, 6E, 7A and 8A-8E should read, in its entirety, this Disclosure Statement, the Plan, the Disclosure Statement Order, the Confirmation Hearing Notice and the instructions accompanying the Ballots. These documents contain important information concerning how Claims are classified for voting purposes and how votes will be tabulated. Holders of Claims entitled to vote are also encouraged to review the relevant provisions of the Bankruptcy Code and Bankruptcy Rules and/or consult their own attorney.

E. Confirmation Exhibits

The Plan Debtors will separately file copies of all Confirmation Exhibits with the Bankruptcy Court no later than seven days before the earlier of the (a) Voting Deadline and (b) deadline for objections to Confirmation of the Plan (or such later date as may be approved by the Bankruptcy Court). All Confirmation Exhibits will be made available on the Document Website once they are Filed. The Plan Proponents reserve the right, in accordance with the terms of the Plan, to modify, amend, supplement, restate or withdraw any of the Confirmation Exhibits after they are Filed and will promptly make such changes available on the Document Website.

F. Confirmation Hearing and Deadline for Objections to Confirmation

The Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing on whether the Plan Proponents have fulfilled the confirmation requirements of section 1129 of the Bankruptcy Code. The Confirmation Hearing has been scheduled for **[_____], 2015 at [__:__] [a][p].m.**, prevailing Eastern time, before the Honorable Judge Shelley C. Chapman, United States Bankruptcy Judge for the Southern District of New York, in a courtroom to be determined at the United States Bankruptcy Court for the Southern District of New York, located at One Bowling Green, New York, NY 10004. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice.

Any objection to Confirmation must (1) be in writing, (2) state the name and address of the objecting party and the nature of the Claim or Interest of such party and (3) state with particularity the basis and nature of such objection. Any such objections must be Filed and served upon the persons designated in the Confirmation Hearing Notice in the manner and by the deadline described therein.

II. THE DEBTORS' BUSINESS AND CORPORATE STRUCTURE

A. The Debtors' Business and Corporate Structure[12]

NII Holdings, Inc. ("NII Holdings"), a Delaware corporation, is the ultimate parent and holding company for each of the Debtors and thirty-two non-debtor affiliates (collectively, the "Non-Debtor Affiliates" and, together with the Debtors, "NII"). Certain of the Debtors' Non-Debtor Affiliates (the "Operating Companies") provide

[12] Certain figures and percentages reflected in this Section II have been approximated.

wireless communication services for businesses and consumers in Brazil, Argentina and, until the consummation of the Mexico Sale Transaction (as defined below), Mexico.[13]

Debtor NII Holdings is a public reporting company under the Securities and Exchange Act of 1934. Until September 25, 2014, NII Holdings' shares of common stock, par value $0.001, were publicly traded under the symbol NIHD on the NASDAQ Global Select Market and since that date have been traded under the symbol NIHDQ on the OTC Bulletin Board. As of March 1, 2015, there were 172,363,259 shares of NII Holdings' common stock outstanding.

Because the Plan Debtors are primarily holding companies, the principal assets of NII Holdings and almost all the other Plan Debtors are (1) their intercompany accounts receivable, (2) their equity interests in their respective subsidiaries (if they have any) and (3) Cash held by NII Holdings, Nextel International (Services), Ltd. ("NIS"), NII Capital Corp. ("Capco"), NII International Telecom S.C.A. ("Luxco"), NII Funding Corp. ("NII Funding") and NII Global Holdings, Inc. ("NII Global"). Of the Plan Debtors, only NIS has any property, plant and equipment on its balance sheet.

1. NII Holdings and NIS

NII Holdings has the exclusive right to use the Nextel™ brand in its markets pursuant to a trademark license agreement with a subsidiary of Sprint Corporation and offers unique push-to-talk ("PTT") services associated with the Nextel™ brand in Latin America. NII Holdings has entered into intercompany license and sublicense agreements with the Operating Companies that cover the trademarks, patents and related improvements related to the NII business and licensed to or owned by NII Holdings including the license to use the Nextel brand pursuant to the trademark license agreement.

NII Holdings also employs the Plan Debtors' work force and leases the building for the NII Holdings' headquarters in Reston, Virginia (the "Headquarters Office"). NII Holdings and NIS own or lease certain of the office equipment for the Headquarters Office. As of March 1, 2015, NII Holdings had 65 full-time employees. NIS pays substantially all of the costs and expenses associated with the operation of the Plan Debtors, including employee wages and benefits. On an as-needed basis, NII Holdings provides funds to NIS to pay costs and expenses, and records such fund transfers as capital contributions to NIS.

Employees of NII Holdings historically provided a variety of services to the Operating Companies pursuant to certain intercompany services agreements or similar arrangements. In the past, such services included, among other things, services related to business development, strategy, product development, sourcing, procurement, vendor management, sales, customer care, finance, legal and communications support activities. As part of the Plan Debtors' cost-cutting efforts, as described in greater detail in Section II.C below, the Plan Debtors significantly reduced the number of NII Holdings' employees, and many of the services previously performed by NII Holdings' employees are now being performed directly by employees of the Operating Companies. The remaining employees of NII Holdings continue to provide certain services related to the finance, legal, corporate governance, network engineering support, information technology support and strategic management functions.

2. Other U.S.-Based Plan Debtors

NII Aviation, Inc. ("NII Aviation") was a party to certain agreements related to the Plan Debtors' corporate aircraft, which was sold in early July 2014. NII Funding is no longer used for any significant purpose, and NII Global serves as a holding company in the Plan Debtors' corporate organizational structure. Notwithstanding the limited existence of these corporate entities, as described in greater detail below, all three of these entities, along with NII Holdings and NIS, are guarantors of the senior unsecured notes issued by Capco.

[13] Each of the Operating Companies is referred to by the country in which it operates, i.e., NII Brazil and NII Argentina. NII previously also had operations in Chile and Peru, but such operations were sold in 2013 and 2014, respectively, as described in greater detail below. The Bankruptcy Court has approved the sale of NII Mexico [Docket No. 575], which sale is pending consummation, as further described at Section III.H.3.

3. The Luxembourg Entities

NII International Holdings S.à r.l. ("International Holdings") and NII International Services S.à r.l. ("International Services" and, together with Luxco and International Holdings, the "Luxembourg Entities") jointly own Luxco.[14]

4. The Operating Companies

The services offered by the Operating Companies, all of which are provided under the Nextel™ brand, include: (a) mobile telephone voice service; (b) wireless data services, including text messaging services, mobile internet services and email services; and (c) PTT services, including Direct Connect®, Prip and International Direct Connect® services. The Operating Companies also offer (x) other value-added services, including location-based services, which include the use of Global Positioning System technologies, digital media services, and a wide ranging set of applications available via NII's content management system, as well as the Android™ open application market; (y) business solutions, such as security, work force management, logistics support and other applications that help business subscribers improve their productivity; and (z) voice and data roaming services. Since 2013, Luxco has transferred funds to certain of the Operating Companies to (a) support their operating costs and working capital, (b) to repay certain local debt and (c) to fund (i) the build out of the third-generation (3G) networks ("3G Networks") utilizing wideband code division multiple access ("WCDMA") technology (as described in greater detail below) and (ii) other capital expenditures. Historically, such transfers were effected pursuant to intercompany loan agreements with, or in the form of equity investments in, the relevant Operating Company, depending on what was most beneficial to Luxco and the relevant Operating Company with respect to each particular transaction. Advancing such funds to the Operating Companies is necessary to ensure the Operating Companies are not at risk of breaching various covenants under their local lending agreements or of having insufficient cash to operate. During the Chapter 11 Cases, Luxco has continued, and is anticipated to, to transfer funds to NII Brazil and NII Mexico, as needed, in the form of intercompany loans based on forecasts prepared by the Plan Debtors. These forecasts are part of a long-term business plan to return the Operating Companies to profitability.

a. NII Brazil

NII Brazil provides wireless services in major business centers in Brazil, including Rio de Janeiro, São Paulo, Belo Horizonte and Brasilia, in areas in the northeast region of Brazil, including Salvador, Fortaleza and Recife, as well as in Vitoria, which is in the southeast region of Brazil and along related transportation corridors and in a number of smaller markets. NII Brazil's operations are headquartered in São Paulo, with branch offices in Rio de Janeiro and various other cities.

For the year ended December 31, 2014, NII Brazil recorded operating revenues of $1,848.9 million. This represented 50.0% of NII's consolidated operating revenues for the year ended December 31, 2014. As of December 31, 2014, NII Brazil had assets of $3.0 billion and liabilities of $3.3 billion (which includes intercompany liabilities).

b. NII Mexico

NII Mexico provides wireless services in major business centers, including Mexico City, Guadalajara, Puebla, Leon, Monterrey, Toluca, Tijuana, Torreon, Ciudad Juarez and Cancun, as well as in smaller markets and along related transportation corridors throughout Mexico. NII Mexico is headquartered in Mexico City and has many regional offices throughout Mexico.

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[14] International Holdings was created to serve as the general partner of Luxco, and International Services was created to serve as the limited partner of Luxco. Other than a de minimis amount of cash, the only assets of these two Luxembourg entities are their respective ownership interests in Luxco. Despite their status as Luxembourg entities, certain members of the Board of Managers of both International Holdings and International Services reside in, and telephonically participate in meetings from, the United States.

For the year ended December 31, 2014, NII Mexico recorded operating revenues of $1,417.2 million. This represented 38% of NII's consolidated operating revenues for the year ended December 31, 2014. As of December 31, 2014, NII Mexico had assets of $1.7 billion and liabilities of $1.2 billion.

On March 23, 2015, the Bankruptcy Court approved the sale of 100% of NII's indirect ownership interests in NII Mexico [Docket No. 575], as further described below.

c. NII Argentina

NII Argentina provides wireless services in major business centers, including Buenos Aires, Cordoba, Rosario and Mendoza, along related transportation corridors and in a number of smaller markets. NII Argentina is headquartered in Buenos Aires and has regional offices in Mar del Plata, Rosario, Mendoza and Cordoba, and numerous branches in the Buenos Aires area.

For the year ended December 31, 2014, NII Argentina recorded operating revenues of $425.0 million. This represented 12% of NII's consolidated operating revenues for the year ended December 31, 2014. As of December 31, 2014, NII Argentina had assets of $279.7 million and liabilities of $146.2 million.

d. Recently Divested Operations

In connection with the strategic evaluation of its business described in greater detail below, in August 2014, NII sold its operations in Chile. At the time of its divestiture, NII Chile accounted for less than 2% of NII's consolidated operating revenues. Previously, in August 2013, NII sold its operations in Peru, which, in the year prior to its sale, accounted for 6% of NII's consolidated operating revenues.

e. Royalty, Services and Similar Fees

Under intercompany intellectual property licensing agreements between NII Holdings and NII Brazil, NII Brazil is only to be charged royalty fees after achieving certain financial milestones, which have not yet been achieved.[15]

While NII Brazil previously was party to an intercompany services agreement with NIS, the relevant services agreement and the payment of Services Fees by NII Brazil were discontinued as of January 1, 2013.[16] Instead, beginning in 2013, NIS has recorded an intercompany claim against NII Brazil in its books and records for services provided directly to NII Brazil under certain intercompany agreements (described below) in accordance with International Financial Reporting Standards, such as the costs of certain expatriate employees, handset development charges, software management fees and other similar charges. While such charges accrue quarterly, they are invoiced annually with any past due amounts accruing interest at the rate of 2% per annum until paid. As of August 31, 2014, NII Brazil owed NIS $15 million in Services Fees.

NIS and NII Holdings also are parties to service agreements with NII Brazil and NII Argentina under which those Operating Companies provide services in Latin America to NIS and NII Holdings and charge a fee equal to the cost of providing such services plus 6% (NII Brazil) and 10% (NII Argentina), with past due amounts accruing interest at the rate of 2% per annum.

NIS has incurred costs with respect to the development of handsets that are equipped to provide NII's PTT feature on NII's new 3G Network in Brazil. These development costs are separately charged to NII Brazil pursuant

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[15] Royalty Fee obligations for NII Argentina were suspended in 2013, with accrued obligations recorded as intercompany payables owing to NII Holdings. While the Debtors have intercompany balances for royalty and service fees owed by NII Mexico to Holdings, after considering such balances for purposes of the Settlement, such amounts are expected to be cancelled in connection with the sale of NII Mexico. As stated in the proposed Sale Order, the netting of such intercompany obligations upon consummation of the Mexico Sale Transaction shall be disregarded solely for purposes of allocating the net proceeds of the Mexico Sale Transaction among the Plan Debtors, which shall be allocated pursuant to the Plan.

[16] Historically, NII Argentina also was charged Services Fees, but these charges were discontinued in 2013.

to intercompany agreements, and NIS has recorded intercompany claims against NII Brazil with respect to such charges.[17]

Certain of the Plan Debtors engage in transactions with the Operating Companies on an as-needed basis. For example, NII Holdings has sometimes paid certain intellectual property licensing fees or amounts due under certain master agreements on behalf of certain Operating Companies and recorded an intercompany claim on account of such payments against the applicable Operating Company.

While NII Holdings anticipates that payment of the various fees that have been charged to the Operating Companies will be paid by the applicable Operating Companies in the future when their performance improves, the ability of NII Brazil to repay amounts owed to the Plan Debtors are limited by the terms of certain of their local lending agreements.[18]

B. The Plan Debtors' Prepetition Capital Structure

As of the Petition Date, the Plan Debtors had $4.35 billion in outstanding principal amount of senior unsecured notes (defined in the Plan as the "Prepetition Notes"). The Prepetition Notes consist of three series of senior unsecured notes issued by Capco (the "Capco Notes") and two series of senior unsecured notes issued by Luxco (the "Luxco Notes"). The proceeds of the Capco Notes were used primarily for general corporate purposes, including, without limitation, for (1) capital expenditures, (2) acquisition of telecommunications spectrum licenses and (3) deployment of new network technologies. The proceeds of the Luxco Notes were used primarily for general corporate purposes and to (a) repay in full (i) an NII Mexico Mexican peso-denominated term loan facility with three Mexican banks and (ii) an NII Brazil bank loan with Banco Bradesco S.A. and (b) repay or repurchase certain other loans of NII Brazil. The table below summarizes certain data related to each series of Prepetition Notes.

Issue Date	Issuer	Guarantor(s)[19]	Principal Amount (in millions)	Ranking	Interest Rate	Interest Payment Dates	Maturity Date
August 18, 2009	Capco	NII Holdings NIS NII Aviation NII Funding NII Global	$800	Senior unsecured	10%	February 15 August 15	August 15, 2016
December 15, 2009	Capco	NII Holdings NIS NII Aviation NII Funding NII Global	$500	Senior unsecured	8.875%	June 15 December 15	December 15, 2019
March 29, 2011 and December 8, 2011	Capco	NII Holdings NIS NII Aviation NII Funding NII Global	$1,450	Senior unsecured	7.625%	April 1 October 1	April 1, 2021
February 19, 2013 and April 15, 2013	Luxco	NII Holdings	$900	Senior unsecured	11.375%	February 15 August 15	August 15, 2019
May 23, 2013	Luxco	NII Holdings	$700	Senior unsecured	7.875%	February 15 August 15	August 15, 2019

[17] No handset development fees are charged to NII Argentina because NII Argentina continues to operate on a legacy 2G network and does not have a 3G network in development.

[18] The local lending agreements of NII Brazil are described in greater detail below.

[19] As discussed below, at the time of the issuance of two series of the Capco Notes in 2009, the Transferred Guarantors were guarantors of such notes. Certain Holders of the Capco Notes issued in 2009 assert that the guarantees by the Transferred Guarantors of such Capco Notes were not released and remain in effect.

1. Other Prepetition Liabilities of the Plan Debtors

Other than the Prepetition Notes, only NII Holdings, NIS and Luxco have a material amount of liabilities to third parties. The other Plan Debtors generally have negligible amounts of third-party liabilities.

For NII Holdings, its material third-party liabilities (other than its guarantee obligations in respect of the Prepetition Notes) are primarily related to (a) deferred tax liabilities, (b) certain liabilities associated with global supply agreements to which NII Holdings is party, (c) obligations owed to NII Holdings' employees, (d) obligations under the lease for the Headquarters Office and (e) certain contingent indemnification liabilities arising out of the sale of NII Peru in 2013. For NIS, its material third-party liabilities (other than its guarantee obligations in respect of the Capco Notes) are primarily related to certain third party service providers and other costs and expenses of operating the Plan Debtors.

In addition, NII Holdings and Luxco guarantee certain obligations of NII Brazil and NII Mexico.[20] Specifically, in July 2011, NII Mexico entered into U.S. dollar-denominated loan agreements with China Development Bank Corporation ("CDB"), which provided for an aggregate loan commitment of $375 million (the "NII Mexico CDB Agreements") to be used to finance infrastructure equipment and certain other costs related to the deployment of NII Mexico's 3G Network.[21] As of the Petition Date, there was $346.1 million principal amount outstanding under the NII Mexico CDB Agreements. In April 2012, NII Brazil entered into U.S. dollar-denominated loan agreements with CDB, which provided for an aggregate loan commitment of $500 million (the "NII Brazil CDB Agreements" and, together with the CDB Mexico Agreements and various related agreements, the "CDB Agreements").[22] As of the Petition Date, there was $366.9 million principal amount outstanding under the NII Brazil CDB Agreements.

In connection with certain modifications to the CDB Agreements required in connection with the Tower Transactions (as defined below), NII Holdings provided a guarantee of NII Mexico's obligations under the NII Mexico CDB Agreements and NII Brazil's obligations under the NII Brazil CDB Agreements. While these guarantees are in effect, each of NII Brazil and NII Mexico has historically been required to maintain a minimum cash balance and has been prevented in certain circumstances from making any payments on account of intercompany indebtedness, including amounts owed under services and royalty agreements.

In August 2013, NII Brazil and NII Mexico entered into sale-leaseback transactions with respect to 2,790 and 1,666 communication towers, respectively, with the ATC Counterparties and other affiliates of American Tower Corporation ("ATC") in two separate transactions for total estimated proceeds based on foreign currency exchange rates at the time of $432 million and $391 million, respectively (together, the "Tower Transactions"). Luxco agreed to provide certain credit support with respect to the lease obligations of NII Brazil, including a guarantee of repayment by NII Brazil up to a maximum amount of R$746,439,616 (Brazilian *reais*) (subject to certain adjustments) and an agreement to subordinate, under certain circumstances, any right to repayment of amounts owed by NII Brazil to Luxco to obligations owed to the applicable ATC affiliate in connection with the Tower Transactions. In addition, NII Holdings provided guarantees in favor of affiliates of ATC in connection with sale-leaseback transactions among such ATC affiliates, NII Mexico and NII Brazil that were consummated in 2004 and 2005.

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[20] Other material indebtedness incurred by NII Brazil that is not guaranteed by any of the Debtors includes unsecured loans in the amount, as of December 31, 2014, of R$512 million (Brazilian *reais*) and R$400 million (Brazilian *reais*) with Caixa Econômica Federal and Banco do Brasil S.A., respectively.

[21] This financing has a final maturity of ten years, with a three-year borrowing period and a seven-year repayment term commencing in 2014. The obligations of NII Mexico to CDB that are guaranteed by NII Holdings will be repaid in connection with the sale of NII Mexico as described below.

[22] This financing has a final maturity of ten years, with a three-year borrowing period and a seven-year repayment term commencing in 2015.

C. Recent Financial Performance and Events Leading to the Commencement of the Chapter 11 Cases

1. NII's Business in Recent Years

Historically, NII's second-generation networks ("2G Networks"), using a technology developed and provided by Motorola referred to as "iDEN" (Integrated Digital Enhanced Network), provided high-quality services that were attractive to business users and other professionals that NII targeted as customers (including the PTT feature that is the hallmark of the Nextel™ brand). This gave NII a unique competitive advantage.

However, beginning in 2009 NII's competitive advantage slowly began to erode because its competitors launched new third-generation networks ("3G Networks") that provided significantly enhanced data capabilities and the introduction of the smart-phone to the Latin American market place. Because smart-phones generally require faster data transmission speeds, facilitate internet browsing and often integrate the use of GPS technology — little of which is supported by iDEN networks — customers who wanted the benefits of a wider range of data services began to switch to NII's competitors to gain access to the services supported by their 3G Networks, including the wider range of services and functionality provided on smart-phones.[23]

In response to these competitive pressures, over the past several years, NII has focused substantial resources on acquiring spectrum that could support more advanced services, and deploying 3G Networks in Brazil and Mexico — NII's two largest markets, which together generated 88% of NII's total consolidated operating revenues in 2014 — to complement NII's 2G Networks in those markets (and ultimately replace them). The deployment of these 3G Networks is essential to the continued survival and growth of the Operating Companies for three principal reasons. First, as described above, consumers in Latin America — including in Brazil and Mexico — are increasingly demanding high-speed wireless networks with the capacity to support the data services available using smart-phones and their related applications. Second, the WCDMA technology of the 3G Network is a more widely utilized standards-based platform, which is supported by a broader range of suppliers of network equipment and handsets, enabling NII to obtain equipment and handsets on more favorable pricing terms and to support cutting edge handsets. Finally, other wireless communications providers have deactivated or announced plans to deactivate their iDEN networks, including Sprint, which was the largest operator of iDEN-based networks and deactivated its iDEN-based network the United States in June 2013. This transition of operators away from the technology means (a) fewer handsets that operate using iDEN networks will be available, (b) vendors may not continue the same level of research and development, maintenance, optimization and other ongoing support of iDEN networks and subscriber equipment and (c) consumers with iDEN handsets will not be able to roam onto the wireless networks of other carriers.[24]

In connection with the acquisition of spectrum and deployment of its 3G Networks, between 2011 and 2013, NII spent $3.4 billion in capital expenditures across its markets (excluding NII Peru and NII Chile). These capital expenditures were financed with proceeds of the Prepetition Notes (through equity investments or intercompany loans from Capco and Luxco), operating cash flows from the Operating Companies, debt raised by NII Brazil and NII Mexico and the Tower Transactions.

As NII was pursuing the build out of its 3G Networks, it was experiencing increasing turnover of its customer base as customers were offered more attractive services by its competitors on their 3G Networks. This forced NII to (a) offer lower-priced wireless plans and implement more aggressive subscriber-retention programs in an effort to stem the continuing loss of its 2G customers to competitors with 3G Networks and (b) relax its credit policies to try to attract new customers. These actions, in turn, led to lower average revenue per subscriber, higher customer turnover rates, and an increase in bad debt expense. In response to these trends, NII Brazil introduced new rate plans in 2012 designed to improve its average revenue per subscriber and made adjustments to its credit

[23] Because iDEN does not support the data speeds typical of 3G networks, smart-phones simply were not manufactured to function on an iDEN network or to support PTT services.

[24] All but a very few handsets that function on iDEN networks do not function on other network platforms. Thus, when iDEN networks are deactivated, consumers with iDEN devices are unable to roam on the non-iDEN replacement networks, substantially reducing the geographic area in which consumers can use their iDEN handsets.

policies, including the implementation of more stringent credit policies for new subscribers, while concurrently taking steps to accelerate the deactivation of certain subscribers who were identified as being unprofitable. This action resulted in a net loss of nearly 300,000 subscribers in Brazil during the fourth quarter of 2012.

Macroeconomic factors also imposed pressure on NII's performance. Beginning in late 2011 and continuing throughout 2012 and 2013, uncertainty in worldwide economic conditions drove a significant decline in the value of the currencies in Latin America relative to the U.S. dollar — particularly in Brazil and Argentina. This had a significant effect on NII's reported results because nearly all of its revenues are earned in foreign currencies, while a significant portion of its capital and operating expenditures, including expenditures to purchase imported network equipment and handsets, and a substantial portion of its outstanding debt, are denominated in U.S. dollars. From 2011 to 2012, the depreciation of foreign currencies resulted in an approximate 11% decrease in NII's consolidated operating revenues. From 2012 to 2013, the depreciation of foreign currencies resulted in an approximate 5% decrease in NII's consolidated operating revenues.

Similarly, economic growth in both Brazil and Mexico slowed significantly from 2010 and 2013. In Brazil, annual GDP growth fell from 7.5% in 2010 to 2.7% in 2011, to 0.9% in 2012 and recovered nominally to 2.3% in 2013. In Mexico, annual GDP growth fell from 5.1% in 2010 to 4% in 2011, to 3.8% in 2012 and to just 1.1% in 2013. This general economic slowdown in NII's two largest markets also impacted NII's profitability as slower economic growth dampened consumer demand for NII's services.

The combination of these conditions began to affect NII's financial results in 2011 and 2012. In 2011, NII generated consolidated operating revenue of $6.4 billion — an increase of more than $1 billion over consolidated operating revenues in 2010 — but experienced a decline in net income of over $100 million from 2010 to 2011, from $339 million to $225 million. In 2012, NII's consolidated operating revenue declined to $5.7 billion and it recorded a net loss of $765 million.

In addition, over the course of the last two years, NII has continued to experience increased competition and operational challenges in its markets, particularly in Brazil and Mexico, as the 3G Networks have been deployed. During the second half of 2013, these factors, and a failure to effectively execute plans to address them, continued to have a negative impact on NII's results, which was intensified by Sprint's decision to deactivate its iDEN network in the U.S. Because of the sharp influx of subscribers that were migrated to NII Mexico's 3G Network upon the deactivation of Sprint's iDEN network, customers experienced various network outages and increased dropped calls on NII Mexico's 3G Network. In addition, the deactivation of Sprint's iDEN network resulted in changes to the connections previously available between NII's customers and their contacts in the U.S., as well as changes in their ability to roam in the U.S., making NII Mexico's services less attractive to its subscribers who used their iDEN handsets both to communicate with Sprint iDEN customers using PTT and to communicate with both Sprint and NII Mexico iDEN customers when roaming in the U.S. These changes had an adverse impact on NII customers' experience using NII's services and created a negative perception of the 3G Network in Mexico. This, in turn, led to a loss of existing customers and a decrease in new customers, particularly customers living in areas near the border of Mexico and the U.S. As a result, (a) NII Mexico's operating revenues for the year ended December 31, 2014 declined year-over-year by 24% from $1.87 billion to $1.42 billion and (b) NII Mexico's segment earnings for the year ended December 31, 2014 declined year-over-year from $179.9 million in 2013 to segment losses of $90.5 million in 2014.

Similarly, to avoid network quality and go-to-market readiness concerns in Brazil, the launch of the 3G Networks there was delayed until late 2013 to ensure an optimized roll-out, leading to 2013 subscriber and revenue growth rates that were significantly lower than originally planned, although revenue and growth rates in Brazil have recovered somewhat since the 3G Network was launched. At the same time, NII Brazil continued to collect lower revenues as a result of the incentives it was required to provide to retain customers on its 2G Networks in the face of competition. As a result of these factors, as well as a continuing decline in the value of the Brazilian *real* relative to the U.S. dollar, (a) NII Brazil's operating revenues for the year ended on December 31, 2014 declined year-over-year by 16% from $2.21 billion to $1.85 billion, and (b) NII Brazil's segment earnings for the year ended December 31, 2014 declined year-over-year from $311.1 million in 2013 to segment losses of $133.7 million in 2014.

As a result of the various factors described above, and others described in the various SEC filings of NII Holdings, for the year ended December 31, 2014, NII recorded a net loss of $1.96 billion on consolidated operating

revenues of $3.69 billion. As of December 31, 2014, utilizing unaudited book values, on a consolidated basis NII had assets of $5.4 billion and liabilities of $7.4 billion.

2. Mitigating Strategies and the Development of a Turnaround Plan

NII took a number of steps over the course of 2013 and 2014 to reduce its operating costs and realign its operations to be more efficient consistent with recent operating trends.

For example, NII undertook a comprehensive strategic review of its business with the help of various outside consultants and developed a plan to strengthen and improve NII's performance in its core markets of Brazil and Mexico while exploring possible strategic transactions with respect to its non-core operations.

Consistent with this approach, in August 2013, NII completed the sale of all of its outstanding equity interests of NII Peru to Empresa Nacional de Telecomunicaciones S.A. and one of its subsidiaries, Entel Inversiones S.A., for $406 million in cash, which included $50 million that was deposited in escrow on NII's behalf to satisfy potential indemnification claims.[25]

In December 2013, NII signed agreements with Telefonica Moviles ("Telefonica"), under which Telefonica agreed to provide NII Brazil and NII Mexico with nationwide roaming voice and data coverage services on Telefonica's networks. This has allowed NII Brazil and NII Mexico to enhance their service offerings by expanding areas in which customers using NII's 3G Networks can access voice and data services without requiring the capital expenditures that would have been required in connection with the physical expansion of those networks.

To streamline operations and reduce its cost structure, NII re-evaluated the services provided by employees of NII Holdings to the Operating Companies. As part of this ongoing evaluation, NII has been in the process of migrating many of the services previously provided to the Operating Companies by employees of NII Holdings downstream to the Operating Companies themselves. As functions such as marketing strategy, vendor management and procurement were migrated to the Operating Companies, NII Holdings reduced its headcount at the Headquarters Office accordingly. Over the last two years, NII Holdings went from over 300 employees to 65 employees as of March 1, 2015. Since January 1, 2014, the Plan Debtors have reduced their workforce by approximately 172 employees.

NII also has implemented a number of cost-savings measures at the Operating Companies. For example, NII Brazil has, among other things: steadily reduced its headcount by over 1,700 employees over the past twenty-one months; begun the process of closing forty-eight under-performing locations; and renegotiated certain significant contracts. Similarly, NII Mexico has, among other things, reduced its workforce by approximately 1,100 employees over the last eleven months.

Finally, NII completed the sale of its operations in Chile in August. On August 14, 2014, NII's operations in Chile, which generated continuing losses, were sold to Fucata S.A., a *sociedad anónima* existing under the laws of the Oriental Republic of Uruguay ("Fucata"), for a de minimis amount. NII also continues to explore the possible sale of its operations in Argentina. Although NII Argentina, unlike NII Chile, was historically profitable, the unavailability of affordable spectrum suitable to support 3G technology combined with the implementation by the Argentinean government of capital controls and restrictions on repatriation of funds has negatively affected NII's ability to realize benefits, or repatriate any cash, from those operations. While NII has been focused on growing and improving its businesses in Brazil and Mexico, it has continued to explore a variety of options for those markets and various strategic transactions, including the sale of NII Mexico (the "Mexico Sale Transaction"), as further detailed below in Section III.H.3.

3. The Decision to File Chapter 11

Because of the difficulties experienced by the Operating Companies, including the impact of the overall decline in the size of the subscriber base and average revenue per subscriber, increased capital needs and slower than

[25] To date, $9.5 million of the amount deposited in escrow has been released as a result of the settlement of certain indemnification claims, and remaining amounts will continue to be held in escrow to satisfy potential future indemnification claims.

expected growth in customers on its 3G Networks, the Debtors determined in early 2014 that they would not have sufficient cash to continue making interest payments on the Prepetition Notes while continuing to fund the capital expenditures and operational needs of the Operating Companies.

In an effort to find a solution to their future liquidity issues, towards the end of the first quarter of 2014, the Debtors began to engage certain Holders of significant amounts of the Prepetition Notes (collectively, the "Cross-Holder Group") and their respective legal and financial advisors regarding a potential restructuring of the Prepetition Notes.

On March 4, 2014, Aurelius Capital Management, LP ("Aurelius") sent a letter to NII Holdings, Capco, NII Global, McCaw International Brazil, LLC, Airfone Holdings, LLC and Nextel International (Uruguay), LLC (the latter three Debtors, collectively, the "Transferred Guarantors") alleging that (a) the inter-company transfer of equity interests in the Transferred Guarantors in 2009 violated the terms of the indenture governing the 10% Capco Notes and the 8.875% Capco Notes, (b) the purported release of the Transferred Guarantors in 2009 from their guarantees of the 10% Capco Notes and the 8.875% Capco Notes was ineffective and such guarantees remain in full force and effect (Claims relating to and/or arising from the matters described in the immediately preceding clauses (a) and this clause (b) and relating to and/or arising from the intercompany transfer of equity interests of NII Mercosur, LLC and purported release of NII Mercosur, LLC from its guarantees of the 10% Capco Notes and the 8.875% Capco Notes on May 28, 2010, the "Transferred Guarantor Claims") and (c) certain intercompany transactions undertaken in connection with the issuance in 2013 of the Luxco Notes allegedly constituted fraudulent transfers. An additional letter was sent to interested Holders of Prepetition Notes by Aurelius on September 5, 2014 (together with the March 4, 2014 letter, the "Aurelius Letters"), containing additional allegations and potential claims. A more detailed discussion of these allegations and claims is set forth in Section IV.A below.

On March 19, 2014, Cede & Co., in its capacity as the Holder of record of the 8.875% Capco Notes, delivered on behalf of Aurelius, in its capacity as the beneficial owner of more than 25% of the 8.875% Capco Notes, to NII Holdings and Capco a notice of default (the "Aurelius Notice of Default") alleging that certain transactions undertaken by NII in 2009 described above violated the terms of, and gave rise to a default under, the 8.875% Capco Note Indenture.

On March 25, 2014, the Cross-Holder Group delivered to Wilmington Trust Company ("Wilmington Trust"), then-trustee under the 8.875% Capco Note Indenture, a purported waiver of the alleged defaults asserted in the Aurelius Notice of Default, which was effective for an initial 30-day period and later extended for an additional 45 days from April 23, 2014.[26]

In an effort to avoid unnecessary litigation expenses and distract key personnel from focusing on NII's business and a holistic restructuring of the Prepetition Notes, in April 2014, the Debtors opened discussions with a group of Holders of Capco Notes (the "Capco Group") including Aurelius, regarding (a) the allegations in the March 4, 2014 Aurelius Letter and the Aurelius Notice of Default and (b) a potential restructuring of the Prepetition Notes.

While engaging in discussions and conducting diligence of NII, the Capco Group identified and raised certain additional issues that were not addressed in the March 4, 2014 Aurelius Letter or the Aurelius Notice of Default, including the Nextel Peru Claims and the Recharacterization Claims (each as described in Section IV.A below).

The advisors for the Cross-Holder Group and the Capco Group were provided with access to a data room containing a voluminous body of information and documentation relating to NII's operations, and the Debtors responded to, and participated in numerous meetings regarding, extensive diligence requests from such advisors. On June 18, 2014, certain of the Debtors, the Capco Group and the Cross-Holder Group entered into a forbearance agreement with respect to certain alleged defaults asserted by Aurelius in the Aurelius Notice of Default (the "Forbearance Agreement").

[26] Because the Cross-Holder Group no longer owned or controlled over 50% of the 8.875% Capco Notes, further extension of this waiver was not sought and it was allowed to expire.

The Forbearance Agreement expired as of August 15, 2014, the same day on which NII publicly announced that it had elected not to pay $118.8 million in interest due on August 15, 2014 on certain of the Prepetition Notes, and entered a 30-day grace period with respect to such interest payments under the applicable indentures. Also, on August 15, 2014, NII publicly disclosed a broad array of information that was previously furnished to certain Holders of Prepetition Notes in the interest of fostering informed restructuring discussions. This information bears on many issues related to the Plan (including the Intercompany Claims described in Section IV.A) and remains available at the Investor Relations page of NII's website (www.nii.com) under "Bondholder Information."

At the same time that the Debtors were in discussions with the Cross-Holder Group and the Capco Group, NII commenced discussions with certain significant lenders of NII Brazil and NII Mexico regarding potential covenant relief or other modifications to the CDB Agreements and certain other local lending agreements of those operations. On June 27, 2014, CDB granted waivers to NII Brazil and NII Mexico, the borrowers under the CDB Agreements, of their obligations to maintain compliance, as of the calculation date of June 30, 2014, with certain financial covenants under the applicable CDB Agreements. In August 2014, NII Brazil, NII Mexico and CDB reached a preliminary agreement in principle regarding the terms of proposed amendments to the CDB Agreements. Since that agreement in principle was reached, NII Brazil, NII Mexico and CDB have entered into the definitive documentation for these amendments.

Similarly, prior to the Petition Date, NII engaged in discussions with NII Brazil's two major local lenders, Banco do Brasil S.A. ("BdB") and Caixa Econômica Federal ("Caixa"), regarding potential waivers and amendments to the terms of the credit agreements with these lenders (the "Brazilian Credit Agreements") that would address the financial covenants and amortization schedule under each agreement. These discussions have since resulted in NII Brazil's entry into standstill agreements with each of BdB and Caixa under which BdB and Caixa agreed that they would not seek remedies under the Brazilian Credit Agreements related to NII Brazil's failure to satisfy the financial covenants in the Brazilian Credit Agreements in the period before September 15, 2015 and that further principal repayment obligations due between the signing date and September 15, 2015 would be suspended. In addition, the standstill agreements formally commit BdB and Caixa to sign amendments once certain conditions are met that implement permanent amendments to the terms of the Brazilian Credit Agreements, including with respect to the financial covenants and principal repayment schedule for these loans.

Even as discussions with significant creditor constituencies were ongoing, and despite NII's best efforts to mitigate its losses and stabilize operations, NII Brazil and NII Mexico continued to experience a number of challenges in the first half of 2014 related to the various factors discussed above. For the nine months ended September 30, 2014, NII experienced a consolidated net loss of $1.4 billion on operating revenues of $2.8 billion. As of September 30, 2014, utilizing unaudited book values, on a consolidated basis NII had assets of $6.2 billion and liabilities of $6.5 billion. Accordingly, given continuing losses through the half-year that ended on June 30, 2014 and the expiration of the 30-day grace period during which NII could elect to make the August interest payments on the Prepetition Notes and cure any potential non-payment claims, and after engaging in extensive negotiations with the Cross-Holder Group[27] and the Capco Group during the months leading up to the Petition Date, the Debtors determined to commence these Chapter 11 Cases to complete the negotiation of, and propose and confirm, a plan of reorganization.

III. THE CHAPTER 11 CASES

A. Voluntary Petitions

On September 15, 2014 (the "Petition Date"), certain of the Plan Debtors commenced these cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. On October 8, 2014, the Transferred Guarantors and NII Mercosur, LLC also filed chapter 11 bankruptcy petitions in this District. On January 25, 2015, NIU Holdings LLC also filed a chapter 11 bankruptcy petition in this District. All of the Debtors' chapter 11 cases have been consolidated for procedural purposes only and are being administered jointly.

[27] Shortly prior to the commencement of the Chapter 11 Cases, a group of Holders of Luxco Notes withdrew from the Cross-Holder Group and retained separate advisors (the "Luxco Group").

The Debtors have continued, and will continue until the Effective Date, to manage their properties as debtors-in-possession, subject to the supervision of the Bankruptcy Court and in accordance with the provisions of the Bankruptcy Code. An immediate effect of the filing of the Chapter 11 Cases was the imposition of the automatic stay under section 362 of the Bankruptcy Code, which, with limited exceptions, enjoined the commencement or continuation of: (1) all collection efforts by creditors; (2) enforcement of liens against any assets of the Plan Debtors; and (3) litigation against the Debtors.

B. First Day Relief

On the Petition Date, the Debtors filed a number of motions and other pleadings (the "First Day Motions"), the most significant of which are described below. The First Day Motions were proposed to ensure the Debtors' orderly transition into chapter 11.

The First Day Motions included:

- motions relating to case administration, joint administration and the use of Prime Clerk LLC as the Debtors' Notice and Claims Agent;
- a motion to confirm the protections of the automatic stay;
- a motion to approve the payment of certain employee wages and benefits;
- a motion relating to the continued use of the Debtors' existing cash management system;
- a motion for approval of the Debtors' payment of certain prepetition taxes;
- a motion for approval of the Debtors' ability to renew or extend its insurance policies and make related payments; and
- a motion to establish procedures for transfers of equity securities, and to establish a record date for notice and sell down procedures for trading in claims against the Debtors' estates.

The First Day Motions were granted with certain adjustments or modifications to accommodate the concerns of the Bankruptcy Court, the United States Trustee for the Southern District of New York (the "U.S. Trustee") and other parties in interest.[28]

C. Retention of Advisors for the Debtors

Soon after the commencement of the Chapter 11 Cases, the Debtors obtained Bankruptcy Court approval of the retention of (1) Jones Day as the Debtors' primary bankruptcy counsel; (2) Prime Clerk as their administrative advisor; (3) Alvarez & Marsal North America, LLC as restructuring consultant to the Debtors; (4) Rothschild, Inc. as their financial advisor and investment banker ("Rothschild"); (5) KPMG LLP as their auditor; (6) Deloitte Tax LLP as their tax advisor; (7) McKinsey Recovery & Transformation Services U.S., LLC as their turnaround advisor; and (8) Ernst & Young LLP to provide certain accounting services to the Debtors. NII Holdings also subsequently obtained approval for the retention of Togut, Segal & Segal LLP as conflicts counsel solely for NII Holdings and PricewaterhouseCoopers LLC to complete certain prior-year audits on behalf of the Debtors.

These applications were granted with certain adjustments or modifications to accommodate the concerns of the Bankruptcy Court, the U.S. Trustee, the Creditors' Committee, and other parties in interest. In connection with these applications, the Debtors sought and obtained approval to establish procedures for interim monthly compensation of professionals. The Debtors also sought and obtained approval to employ certain professionals not involved in the administration of the Chapter 11 Cases in the ordinary course of business.

[28] The motion relating to the continued use of the Debtors' cash management system has been approved on an interim basis but has not yet been heard on a final basis.

D. The Creditors' Committee

On September 29, 2014, the U.S. Trustee appointed the Creditors' Committee in these Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code.

The Creditors' Committee as fully formed consists of the following seven members: (1) Wilmington Trust, National Association; (2) Capital Research and Management Company ("Capital Group"); (3) Aurelius Investment, LLC; (4) Wilmington Savings Fund Society, FSB; (5) American Tower do Brasil – Cessao de Infraestruturas Ltda.; (6) Motorola Mobility LLC; and (7) U.S. Bank National Association. Counsel to the Creditors' Committee is Kramer Levin Naftalis & Frankel LLP. The Creditors' Committee also retained FTI Consulting, Inc. ("FTI") as its financial advisor.

Since its appointment, the Creditors' Committee has been actively involved with the Debtors in overseeing the administration of the Chapter 11 Cases as a fiduciary for all unsecured creditors of all Debtors in these Chapter 11 Cases, and has consulted with the Debtors on various matters relevant to the Chapter 11 Cases. The Debtors have also discussed their business operations with the Creditors' Committee and their advisors and have negotiated with the Creditors' Committee regarding actions and transactions outside of the ordinary course of business. The Creditors' Committee has participated actively in reviewing NII's business operations, operating performance and business plan. The Creditors' Committee has also conducted an investigation into the Potential Litigation Claims described in Section IV and also actively participated in and negotiated the Settlement of the Potential Litigation Claims that are embodied in the Plan.

E. Further Motions and Related Events in the Chapter 11 Cases

Since the Petition Date, the Debtors have sought and obtained approval for a number of additional motions to aid in the efficient administration of the Chapter 11 Cases. These include: (1) approval to reject certain unexpired leases; (2) approval to establish certain notice, case management and administrative procedures; (3) approval to establish procedures for the sale, transfer or abandonment of miscellaneous and de minimis assets; and (4) approval of the Debtors' entry into an amendment to their Headquarters Office lease.

1. The KERP / KEIP Motions

On November 20, 2014, the Debtors sought approval of their Key Employee Retention Plan (the "KERP") developed prior to the Petition Date for twelve (12) of the Debtors' non-insider employees (the "Key Employees") who are critical to the Debtors' continued operation and a successful restructuring. Given recent and significant headcount reductions, the Debtors formulated the KERP to incentivize Key Employees, many of whom have unique institutional knowledge of the Debtors, to remain with the Debtors before, during and after these chapter 11 cases, both to ensure the Debtors' continued operation and to avoid the significant costs associated with obtaining and training replacements.

The KERP proposes to make retention payments to Key Employees over a two-year period, with the first payment being due the earlier of (a) the Effective Date of the Plan Debtors' approved Plan or (b) the one-year anniversary of the date the retention agreement was executed. The second payment is due one year from the first payment. The total cost of the KERP is expected to be $1.26 million, assuming there is no attrition among Key Employees. The KERP also proposes a small discretionary pool of not more than $250,000 in the aggregate for the Debtors' senior management to award as retention payments in their discretion or on an as-needed basis to prevent the attrition of non-insider employees that are not currently KERP participants. The Plan Debtors will likely assume the KERP agreements with the Key Employees in connection with the Plan. The Creditors' Committee reviewed the terms of the KERP, the timing of the payments, the criticality of the Key Employees, and determined that the KERP was reasonable and appropriate under the circumstances. The Bankruptcy Court approved the KERP on December 10, 2014 [Docket No. 290].

On March 30, 2015, the Debtors filed a motion seeking approval of an amendment to the KERP to (a) include the participation of twenty-five (25) additional individuals (the "Additional Participants") in the KERP and (b) authorize payments to the Additional Participants [Docket No. 605] (the "KERP Amendment Motion"). The KERP Amendment Motion is scheduled to be heard on April 20, 2015.

On November 26, 2014, the Debtors filed a motion (the "KEIP Motion") seeking approval of (a) their Key Employee Incentive Plan (the "KEIP") for eight (8) of the Debtors' senior management employees (the "Senior Management Employees") who are responsible for implementing an aggressive business plan for NII's operations that is vital to a successful restructuring of the Plan Debtors' business, (b) cash bonus incentive payments for three (3) employees who were excluded from the relief sought in one of the First Day Motions with respect to the Cash Bonus Incentive Plan because of the possibility that they might be deemed "insiders" under the Bankruptcy Code and (c) potential severance payments to certain insider employees in the event that such employees are terminated postpetition. Subsequent to the filing of the KEIP Motion but prior to the Bankruptcy Court's approval of the same, the KEIP was modified to accommodate the concerns of the Creditors' Committee and certain other parties in interest.

As modified, the KEIP awards incentive payments to Senior Management Employees based on two components: (a) cash bonus incentive payments tied to the achievement of certain financial and operational metrics; and (b) a restructuring metric, the achievement of which provides an additional cash payment tied to (i) the timing of the Plan Debtors' restructuring and, to the extent applicable, (ii) a sale of all or a portion of the Debtors' assets based on the incremental value achieved for the asset(s) over the threshold value assigned to the asset(s) (the "Restructuring Metric"). The estimated total cost of the KEIP, assuming the achievement of target performance under each metric, would be approximately $8.62 million. On December 23, 2014, the Bankruptcy Court entered an order approving the modified KEIP [Docket No. 328].

2. The Stay of Prepetition Securities Litigation

On March 4, 2014, a purported class action lawsuit was filed against NII Holdings, Capco and certain of the Debtors' current and former directors and executive officers in the United States District Court for the Eastern District of Virginia on behalf of a putative class of persons who purchased or otherwise acquired the securities of NII Holdings or Capco between February 25, 2010 and February 27, 2014. The lawsuit is captioned *In re NII Holdings, Inc. Secs. Litig.,* Case No. 14-CV-227 (the "Securities Litigation"). On July 18, 2014, the parties that have been designated as the lead plaintiffs in the Securities Litigation filed a second amended complaint against only NII Holdings and three current and former officers, which generally alleges that the defendants made false or misleading statements or concealed material adverse information about NII Holdings' financial condition and operations in violation of Section 10(b), Rule 10b-5 and Section 20(a) of the Securities Exchange Act of 1934. The complaint seeks class certification and unspecified damages, fees and injunctive relief.

On September 22, 2014, the Securities Litigation was stayed pursuant to the filing of these Chapter 11 Cases [Docket No. 146]. On October 6, 2014, NII Holdings' and the individual defendants' motion to dismiss was denied [Docket No. 149], and the Securities Litigation is currently continuing as to the remaining individual defendants. On November 3, 2014, at the request of the parties, the court ordered that the case against the three individual defendants be stayed indefinitely [Docket No. 162], and on January 7, 2015, the court extended the stay until the earlier of May 22, 2015 or the Effective Date [Docket No. 166].

F. Plan Exclusivity

Upon commencement of these Chapter 11 Cases, Section 1121(d) of the Bankruptcy Code provided the Debtors with the exclusive right to file and solicit a chapter 11 plan through and including January 13, 2015 and March 14, 2015, respectively. The Bankruptcy Court granted an extension of the Debtors' exclusive periods in January 2015, granting the Debtors the exclusive right (i) to file a plan through and including April 13, 2015, and (ii) solicit votes through and including June 12, 2015 [Docket No. 375]. The Debtors requested this extension to give them sufficient time to, among other things, reach accord with the major parties in interest on a consensual plan and pursue confirmation of such a plan of reorganization.

On April 1, 2015, the Debtors filed a motion seeking a further extension of the exclusive right (i) to file a plan through and including July 13, 2015, and (ii) solicit votes through and including September 10, 2015, without prejudice to the Debtors' right to seek further extensions of such periods [Docket No. 610] (the "Exclusivity Motion"). The Exclusivity Motion is scheduled to be heard on April 15, 2015.

G. Claims Process and Bar Date

On October 15, 2014 the Debtors filed their Schedules identifying the assets and liabilities of their Estates. On October 31, 2014 the Transferred Guarantors and NII Mercosur, LLC filed their Schedules identifying the assets and liabilities of their Estates, and certain of the Debtors also filed amended Schedules. In addition, pursuant to an order dated November 13, 2014 [Docket No. 218] (the "Bar Date Order"), the Bankruptcy Court established the following bar dates for the filing of Proofs of Claim in these Chapter 11 Cases:

1. the general bar date (the "General Bar Date") for all Claims, except as noted below, of December 23, 2014;

2. a bar date for government units holding Claims against the Debtors of April 6, 2015;

3. a bar date for Claims amended or supplemented by the Debtors' amended Schedules by the later of (a) the General Bar Date; and (b) the date that is thirty (30) days after the date that notice of the applicable amendment to the Schedules is served on the claimant;

4. a bar date for any claims arising from or relating to the rejection of executory contracts or unexpired leases, in accordance with section 365 of the Bankruptcy Code and pursuant to an order of the Bankruptcy Court entered prior to the confirmation of the (any such order, a "Rejection Order"), the later of (a) the General Bar Date and (b) the date that is thirty (30) days after the entry of the applicable Rejection Order; and

5. a bar date for Claims against Nextel International (Uruguay), LLC ("NIU") relating to or arising from any grant by NIU from and after the Petition Date applicable to NIU of a lien on or security interest in any of its property must file a Proof of Claim in writing so that such proof of claim is actually received on or before the later of (a) the General Bar Date and (b)(i) the date that is thirty (30) days after the date on which the documents creating and perfecting such lien or security interest are delivered to such entity as authorized by an order of the Bankruptcy Court or (ii) in the event no such order is granted, such other date as the Bankruptcy Court will determine.

The Debtors provided notice of the bar dates above as required by the Bar Date Order. To date, Proofs of Claim for approximately 192 General Unsecured Claims have been Filed against the Debtors, totaling approximately $60,867,570.79. The Plan Proponents expect amended Proofs of Claim to be Filed in the future, including amended Proofs of Claim originally Filed with no designated value. To date, the Debtors have filed five omnibus objections to certain Claims [Docket Nos. 462, 463, 464, 465 and 466], including objections seeking to disallow and expunge certain Claims and objections seeking to modify or reclassify certain Claims.

H. Exploration of Strategic Alternatives and Asset Sales

As discussed in Section II.C.2 above, prior to the Petition Date, NII explored the possible sale of its operations in Argentina and a variety of options for its operations in Brazil and Mexico, including various strategic transactions. These efforts continued postpetition.

1. NII Argentina

Prior to the Petition Date, NII Holdings retained Citigroup as a financial advisor in connection with the possible sale of NII Argentina and, since the first quarter of 2013, NII Holdings and Citigroup have contacted over 20 potential purchasers. These potential purchasers included both financial and strategic buyers for NII Argentina. Following these initial communications, approximately 13 of the 20 potential purchasers signed nondisclosure agreements and were provided access to an extensive electronic data room that was specifically created for the NII Argentina sale process.

The Debtors received non-binding proposals to purchase NII Argentina from eight of the 13 parties that received access to the data room.

A unique set of factors has affected the applicable Debtors' ability to reach an agreement relating to the sale of NII Argentina including the status of the Argentine economy, the impact of Argentina's recent default on sovereign debt and deterioration in the value of the Argentine peso. In addition, the sale of NII Argentina requires approval by the Argentine telecommunications regulatory agency. Accordingly, while the Debtors continue to explore the possible sale of NII Argentina including by continuing to evaluate the proposals that have been received and in some cases engage in negotiations with the parties making them, the Debtors have not entered into a definitive agreement to sell NII Argentina as of the date of this Disclosure Statement, and there is no assurance that the Debtors or Reorganized Debtors will sell NII Argentina in the future.

2. NII Brazil and NII Mexico

The Debtors have been engaged in an effort to explore the sale of their businesses, including a sale of NII Brazil and NII Mexico, since early 2014. In connection with these efforts, NII Holdings retained UBS Securities LLC ("UBS") as a financial advisor in the first quarter of 2014 to explore and advise the company on potential strategic opportunities, including a potential sale of NII Brazil and/or NII Mexico. The Debtors and UBS developed a list of more than 50 potential purchasers and solicited initial interest in a sale transaction of the Debtors' businesses. These potential purchasers included both financial and strategic buyers. Following these initial communications, approximately six parties executed nondisclosure agreements and were provided access to an extensive electronic data room that was specifically created for the sale of the Debtors' businesses.

The Debtors and UBS engaged in preliminary discussions with five potential purchasers. However, such discussions never moved to a formal offer or indication of intent from any of the prospective purchasers prior to the Petition Date.

Following the commencement of these cases, the Debtors renewed their efforts to explore the possible sale of one or more of their businesses with the assistance of Rothschild. Rothschild launched a formal sale process on September 22, 2014, pursuant to which it ultimately contacted 35 potential purchasers. This included all of the parties that had expressed some interest in the prepetition process run by UBS, as well as a number of new potential strategic and financial purchasers.

The deadline for potential purchasers to submit offers in connection with the Debtors' postpetition sale efforts was October 23, 2014. By that time, the Debtors received one indication of interest with respect to the sale of NII Mexico, as further described below. The Debtors ultimately received no offers in connection with the potential sale of NII Brazil.

3. Mexico Sale Transaction

The Debtors continued to negotiate with the potential purchaser of NII Mexico following the receipt of its initial indication of interest on the terms of the proposed purchase price and the other terms of agreement and ultimately reached agreement on the definitive terms of such a transaction.

On January 26, 2015, Debtor NII Holdings publicly announced that it had reached an agreement relating to the sale of the company's operations in Mexico pursuant to a Purchase and Sale Agreement (the "Purchase Agreement") with an affiliate of AT&T (the "Purchaser") for $1.875 billion, which will be subject to higher or otherwise better offers (the "Mexico Sale Transaction"). On January 26, 2015, the Debtors also filed the Notice of Support Stipulation [Docket No. 398] (the "Support Stipulation"), whereby certain of the parties to the Plan Support Agreement stated their support of the Mexico Sale Transaction.

On January 27, 2015, the Debtors filed the Motion of Debtors and Debtors in Possession for (I) an Order (A) Approving Bidding Procedures for the Sale of NII Mexico, (B) Approving Bidder Protections and (C) Scheduling a Final Sale Hearing and Approving the Form and Manner of Notice Thereof; and (II) an Order (A) Authorizing the Sale of NII Mexico Free and Clear of Liens, Claims, Interests and Encumbrances, (B) Dismissing the Bankruptcy Case of Nextel International (Uruguay), LLC and (C) Granting Related Relief [Docket No. 408] seeking approval of the Mexico Sale Transaction pursuant to section 363 of the Bankruptcy Code and other relief, including the dismissal of the Chapter 11 Case of NIU and the assignment of Claims against NIU to Debtor NIU Holdings LLC.

On February 17, 2015, the Bankruptcy Court approved the bidding procedures related to the Mexico Sale Transaction [Docket No. 472] (the "Bidding Procedures Order"). The Bidding Procedures Order established March 17, 2015 as the deadline for submission of Qualified Bids (as defined in the Bidding Procedures Order). No Qualified Bids were received by that time, and accordingly, the Debtors cancelled the auction on March 17, 2015 [Docket No. 539].

On March 23, 2015, the Bankruptcy Court entered an order approving the Mexico Sale Transaction [Docket No. 575] (as such order may be amended from time to time, the "Mexico Sale Order"). The Mexico Sale Transaction is scheduled to close no later than June 30, 2015, but may be extended under certain conditions to September 30, 2015. The consummation of the Mexico Sale Transaction is a condition to the effectiveness of the Plan.

I. Nextel International Share Pledge Motion

As discussed in Section IV.I.1 below, on February 4, 2015, the Debtors filed the Nextel International Share Pledge Motion (the "Share Pledge Motion") seeking Bankruptcy Court approval to enter into the Share Pledge Agreement (as defined below). On February 25, 2015, the Bankruptcy Court entered an order approving the Share Pledge Motion.

J. DIP Loan Motion

On March 5, 2015, the Debtors filed a motion seeking authorization by the Bankruptcy Court to enter into a debtor-in-possession bridge financing agreement (the "DIP Loan Motion"). The DIP Loan Motion requested Bankruptcy Court approval of a secured superpriority single-draw term loan facility in an aggregate principal amount of $350 million (with the net proceeds reflecting original issue discount) (the "DIP Loan"), 100% of which was to be drawn on the closing date of the DIP Loan. On March 23, 2015, the Bankruptcy Court entered an order approving the DIP Loan Motion [Docket No. 573], and the DIP Loan was drawn on March 24, 2015. The members of the Luxco Group provided 65.00% of the DIP Loan, with Capital Group and Aurelius providing 20.56% and 14.44% of the DIP Loan, respectively. The DIP Loan matures at the earliest of (i) the date that is 12 months after the entry of the order approving the DIP Loan Motion, (ii) no later than the second business day following the consummation of the Mexico Sale Transaction, (iii) the Effective Date and (iv) acceleration of the DIP Loan facility.

The DIP Loan is the result of a robust and arms'-length marketing process designed to attract multiple financing proposals from a focused set of lenders with the sophistication and capacity to provide the Debtors with substantial financing in a relatively short period of time. This process was also geared towards promoting competition and obtaining financing on the best terms available to fit the Debtors' anticipated needs. The Debtors and Rothschild sought proposals from 16 potential financing sources, which included both third party lenders and certain of the Debtors' existing constituents. The Debtors received three proposed commitment letters and related term sheets for possible debtor-in-possession financing, two from third party lenders, and one from the Luxco Group, which was joined by Aurelius and Capital Group. Ultimately, the Debtors determined that the DIP Loan provided by the Luxco Group, Aurelius and Capital Group was the most favorable offer.

K. Plan Support Agreement

On March 5, 2015 the Consenting Noteholders and the Plan Proponents entered into the Plan Support Agreement. On March 5, 2014, the Debtors filed a notice of filing of the Plan Support Agreement and Plan Term Sheet [Docket No. 506]. In addition to outlining the main terms of the Plan and the resolution of the complex legal issues and potential litigation Claims raised by creditors, the Plan Support Agreement also provides a number of relevant milestones that must be satisfied, including:

- not later than March 24, 2015, the Bankruptcy Court must have entered an order approving the Mexico Sale Transaction;
- not later than April 20, 2015, the Bankruptcy Court must have entered an order approving this Disclosure Statement;
- not later than June 3, 2015, the Bankruptcy Court must have held the Confirmation Hearing;

- not later than June 12, 2015, the Bankruptcy Court must have entered the Confirmation Order;

- not later than June 26, 2015, the Effective Date must have occurred, unless the only remaining condition to the Effective Date is the completion of the Mexico Sale Transaction and the only remaining conditions to the completion of the Mexico Sale Transaction are the receipt of all governmental approvals for the Mexico Sale Transaction and the completion of deliveries that are required to be made at the closing of the Mexico Sale Transaction by the respective parties to the Purchase Agreement; and

- not later than September 30, 2015, the Mexico Sale Transaction must be consummated.

In the event that any of these milestones are not satisfied, the Creditors' Committee and each of the Requisite Consenting Noteholders may terminate its support of the Plan and the Plan Term Sheet.

On March 24, 2015, the Debtors filed a motion seeking authorization by the Bankruptcy Court to enter into the Plan Support Agreement [Docket No. 590] (the "PSA Motion"). The PSA Motion is scheduled to be heard on June 3, 2015.

IV. POSTPETITION PLAN NEGOTIATIONS

A. The Potential Litigation Claims

As discussed in more detail above, prior to the Petition Date, Aurelius sent the Aurelius Letters to the Debtors and to Holders of Prepetition Notes (disseminated through major trading desks) identifying certain potential litigation claims that it believed could be asserted against one or more of the Debtors. The Claims identified in the Aurelius Letters, as well as certain additional inter-debtor Claims later identified by the Capco Group and/or other parties in interest, including the Nextel Peru Claims and the Recharacterization Claims (collectively, the "Potential Litigation Claims"), can be broadly broken down into the following three categories:

1. Avoidance Claims

The first group of Potential Litigation Claims consists of certain claims and causes of action that could be asserted (a) against any of the Plan Debtors by any other Debtor and (b) against any non-debtor subsidiary of any of the Plan Debtors by any of the Plan Debtors, including, without limitation, claims and causes of action pursuant to chapter 5 of the Bankruptcy Code (the "Avoidance Claims"). The Avoidance Claims include, but are not limited to, claims to avoid and/or recover the following:

- NII Holdings' guarantees of the Luxco Notes;

- Capco's agreement to subordinate its $644 million loan receivable from Luxco (the "Capco Intercompany Note") to the Luxco Notes;

- the release or transfer of intercompany receivables or obligations (the "2013 Intercompany Claims") by various Plan Debtors that had been owed to them by other Plan Debtors or Non-Debtor Affiliates, including approximately (a) $614 million of receivables owed to NII Holdings by NII Brazil and transferred to Luxco in February 2013 and (b) $48 million owed to NII Holdings, NIS and NII Funding Corp. from McCaw International (Brazil), LLC; and

- the release or transfer in April 2013 by NIS and NII Holdings of approximately $93 million in intercompany receivables owed to them by Nextel del Peru S.A. (the "Nextel Peru Claims").

2. Recharacterization Claims

Another category of the Potential Litigation Claims are claims to recharacterize as equity the intercompany obligations existing between a Debtor and another Debtor or between a non-Debtor subsidiary of NII Holdings and a Debtor outstanding as of the Petition Date (the "Recharacterization Claims" and, together with the Avoidance Claims, the "Intercompany Claims"). The Recharacterization Claims include, but are not limited to, the following:

- the 2013 Intercompany Claims;
- the Capco Intercompany Note;
- the Nextel Peru Claims;
- $19.6 million owing from NII Brazil to NII Holdings and NIS; $151.8 million owing from NII Mexico to NII Holdings, NIS and NII Funding Corp.; and $16.4 million owing from NII Argentina to NII Holdings, NIS and NIS Funding Corp.;
- $3.06 billion owing from NII Holdings to Capco;
- $788 million owing from NIS to NII Holdings;
- $214 million owing from NII Funding to NII Holdings; and
- certain other intercompany claims owed to Luxco, including intercompany notes owing from NII Brazil to Luxco in the aggregate principal amount of $1.38 billion.

3. The Transferred Guarantor Claims

The third category of Potential Litigation Claims is the Transferred Guarantor Claims, which include Claims alleging that (a) various components of the inter-company transfers (the "2009 Transfers") of equity interests of the Transferred Guarantors in 2009 violated the terms of the indentures (the "2009 NII Capital Notes Indentures") governing the 10% Capco Notes and the 8.875% Capco Notes (the "2009 NII Capital Notes"); and (b) the purported releases of the Transferred Guarantors in 2009 from their guarantees of the 2009 NII Capital Notes were ineffective and such guarantees remain in full force and effect or, alternatively, should be reinstated.

Specifically, in December 2009, all the outstanding equity interests in McCaw International (Brazil), LLC and NIU, originally held as subsidiaries of NII Holdings, were transferred through a series of inter-company transactions, to Capco, NII Global, then to International Holdings, and then to Luxco. Holders of the Transferred Guarantor Claims have alleged that the transfer from NII Global to International Holdings violated Section 10.04 of the 2009 NII Capital Notes Indentures, which sets forth the circumstances under which a guarantor of the 2009 NII Capital Notes (a "2009 NII Capital Notes Guarantor") (here, NII Global) may dispose of substantially all of its assets. While not raised in the Aurelius Letters, it could also be argued that the initial transfer of assets from NII Holdings violated Section 5.01 of the 2009 Capital Notes Indentures, which sets forth the circumstances and conditions under which NII Holdings may transfer substantially all of its and its Restricted Subsidiaries' assets. In March 2010, supplemental indentures to the 2009 NII Capital Notes Indentures pertaining to the 2009 Transfers were entered into by Capco and the then-existing Indenture Trustee evidencing the purported releases of the guarantees of the 2009 NII Capital Notes by the Transferred Guarantors on the ground that the 2009 Transfers had caused the Transferred Guarantors to become "Foreign Restricted Subsidiaries," leading to a release of their guarantees pursuant to Section 10.05(a)(v) of the 2009 NII Capital Notes Indentures. The supplemental indentures were publicly filed with the SEC in March 2014. It is alleged that, pursuant to the terms of these 2009 NII Capital Notes Indentures, the 2009 Transfers' compliance with the relevant terms of the 2009 NII Capital Notes Indentures was a condition to a valid release of the guarantees under Section 10.05; that the 2009 Transfers did not comply with Sections 10.04 and 5.01; that the purported releases of the Transferred Guarantor's guarantees of the 2009 NII Capital Notes was therefore ineffective; and that the guarantees remain in full force and effect or, alternatively, should be reinstated.

In the months since the Debtors' receipt of the Aurelius Letters, Jones Day has reviewed tens of thousands of documents and e-mails and conducted interviews of numerous employees of the Debtors in connection with its own analysis regarding the merits of the Potential Litigation Claims. The Plan Debtors have used Jones Day's analysis of the Potential Litigation Claims in their efforts to negotiate a consensual restructuring as discussed in Section IV.C below.

B. Committee Investigation of Potential Litigation Claims

Immediately after its appointment, the Creditors' Committee commenced a comprehensive investigation into the merits of each of the Potential Litigation Claims discussed above. The Debtors — and each of the creditor constituencies — urged the Creditors' Committee to conduct a thorough and independent investigation into the Potential Litigation Claims on an expedited timeframe in light of the constraints on the Debtors' businesses if the bankruptcy cases were prolonged. In furtherance of its investigation, on October 9, 2014, the Creditors' Committee delivered an informal document request to the Debtors, seeking the documents and e-mails relating to each of the Potential Litigation Claims, and the events surrounding those claims.

Over the course of approximately 45 days, the Creditors' Committee conducted its investigation, during which the professionals for the Creditors' Committee reviewed and analyzed thousands of pages of documents made available by the Debtors, as well as tens of thousands of documents and e-mails provided voluntarily by the Debtors in response to the Creditors' Committee's informal document request. To facilitate its investigation, professionals for the Creditors' Committee met with each of the potential parties to litigation surrounding the Potential Litigation Claims on multiple occasions — including lengthy meetings and calls with representatives of and advisors to the Debtors, Aurelius, Capital Group, and the ad hoc group of holders of the Luxco Notes (the "Luxco Group") in early October and again in early November. For purposes of furthering its understanding of the Debtors' solvency and capitalization, together with the historical, business, and legal relationships among the Debtors and Non-Debtor Affiliates, the Creditors' Committee retained FTI to assist its counsel in this analysis.

Based on its analysis of each of the Potential Litigation Claims, the professionals for the Creditors' Committee determined that litigation of the Potential Litigation Claims would be lengthy, expensive and complex, with an ultimately uncertain outcome. As discussed below, certain of the Potential Litigation Claims — including the potential fraudulent conveyance and recharacterization claims — are also highly fact-based and would require significant evidence and expert testimony if brought to trial.

The professionals for the Creditors' Committee presented their views relating to the Potential Litigation Claims to the Creditors' Committee on November 12, 2014. Among other things, the Creditors' Committee used its professionals' analysis of the Potential Litigation Claims in negotiating a consensual restructuring as discussed in Section IV.C below.

C. The Settlement and the Plan Support Agreements

As discussed above in Section II.C.3, beginning in the spring of 2014, the Debtors actively engaged in good-faith negotiations with certain Holders of significant amounts of the Prepetition Notes (including Aurelius, Capital Group and the Luxco Group) and their advisors to negotiate the terms of a restructuring proposal that could form the basis of a confirmable chapter 11 plan. In order for the Debtors' various competing creditor constituencies to understand the scope and complexity of both the Debtors' businesses, including current operations and expected future financial performance, as well as the Potential Litigation Claims, the principals of Aurelius and Capital Group and their advisors, as well as the advisors to the Luxco Group, were provided with access to a data room containing a voluminous body of information and documentation relating to NII's operations, and the Debtors, Rothschild and Jones Day responded to, and participated in numerous meetings regarding, extensive diligence requests from such advisors. In addition, multiple in-person meetings were held at the offices of Rothschild and Jones Day in New York with various professionals and representatives of such Holders, and the parties engaged in near constant communications via telephone and email over the terms of a potential restructuring in the months leading up to the Petition Date.

These extensive negotiations continued during the several months since the Petition Date. Such negotiations included the exchange of multiple plan term sheets and settlement proposals. All groups were made aware that the Plan Debtors were pursuing simultaneous negotiation tracks, with the goal that the groups' awareness of the parallel negotiations would push each group towards a deal more favorable to, and inuring to the ultimate benefit of, the Plan Debtors' estates as a whole. Further, given Capital Group's substantial holdings across different series of the Notes, it played an important role in negotiations and remains a key constituency whose support is needed to move forward with any restructuring given the voting and acceptance requirements in section 1126 of the Bankruptcy Code. In addition, the Creditors' Committee joined in these discussions after its formation, with its

participation in negotiations informed by its ongoing investigation. The role of the Creditors' Committee in attempting to broker a deal and facilitate due diligence has been particularly important given that the members of the Creditors' Committee represent a cross section of holders of Notes, as well as other important unsecured creditor constituencies in the Plan Debtors' bankruptcy cases.

In November 2014, after nearly nine months of ongoing, intense negotiations, the Plan Proponents, Capital Group and Aurelius reached an agreement in principle on the material terms of a plan of reorganization (the "Initial Plan"), as set forth in a plan term sheet (the "Initial Plan Term Sheet"). Jones Day and Rothschild concluded and recommended to the Debtors' and the NII Holdings' board of directors and, separately, the board of managers of International Holdings (in its capacity as the sole manager of Luxco) (the "Board of Managers") that the Initial Plan Term Sheet represented the best path forward.

In order to reach agreement on the Initial Plan Term Sheet, the parties extensively analyzed and compared the Initial Plan Term Sheet to other restructuring proposals, including proposals that would have preserved the Potential Litigation Claims to be resolved until after the Effective Date of the plan (an "all reserve" plan), partial-reserve plans and plans involving various litigation and arbitration alternatives. To conduct this analysis, Jones Day and Rothschild coordinated multiple working sessions with the advisors and principals of Aurelius, Capital Group and the Luxco Group, as well as advisors to the Creditors' Committee, to assist parties in understanding the workings of the financial waterfall model, including the impact on plan distributions based on the waterfall model that would flow from a variety of potential outcomes if some or all of the Potential Litigation Claims were litigated to conclusion. These discussions also considered the impact that the creation of a litigation reserve relating to the Potential Litigation Claims would potentially have on creditor recoveries in these Chapter 11 Cases and the operation of the businesses of the Plan Debtors and the Operating Companies.

To memorialize their respective commitments to support the Initial Plan Term Sheet and to undertake the necessary steps to implement the Initial Plan, on November 24, 2014, certain creditors, including Capital Group and Aurelius, and the Plan Proponents entered into a plan support agreement (the "Initial Plan Support Agreement"). On December 22, 2014, the Debtors filed a motion seeking approval of the Initial Plan Support Agreement [Docket No. 320] as well as the initial version of this Disclosure Statement [Docket No. 323] and the Initial Plan [Docket No. 322].

However, because the transactions contemplated pursuant to the Mexico Sale Transaction have altered the economics and structure of the terms of the Initial Plan Term Sheet and Initial Plan, the Debtors exercised their right to terminate the Initial Plan Support Agreement, and re-engaged with all of their major stakeholders in an effort to gain support for consensual modifications to the Initial Plan that would allow the Plan Debtors to emerge from chapter 11. These subsequent negotiations resulted in the Plan Term Sheet, which enjoys the support of the parties to the Initial Plan Support Agreement as well as the Luxco Group and encompasses a fully consensual, global settlement, as discussed below.

To memorialize their respective commitments to support the Plan Term Sheet and to undertake the necessary steps to implement the Plan, on March 5, 2015 the Consenting Noteholders and the Plan Proponents entered into the Plan Support Agreement. On March 5, 2014, the Debtors filed a notice of filing of the Plan Support Agreement and Plan Term Sheet [Docket No. 249].

Ultimately, the Plan Proponents concluded that the Plan Term Sheet represented the best path forward, not only because such agreement was supported by the Plan Debtors, the Creditors' Committee, and important creditor constituencies consisting of holders of over 70% in amount of the Capco Notes and approximately 72% in amount of the Luxco Notes, but also, importantly, because it reflects a consensual resolution of a number of complex intercreditor issues.

The Plan Term Sheet includes significant concessions by the Luxco Group, including, but not limited to, the relinquishment of their claims for accrued postpetition interest on their Luxco Note Claims and of the right to receive a greater proportion of their recoveries from the cash proceeds of the Mexico Sale Transaction and any additional recovery on account of their Claims in the event that the Debtors accepted a higher and better offer for the

Mexico Sale Transaction pursuant to the auction.[29] In addition, the Plan Term Sheet contemplates the complete and final settlement of the Potential Litigation Claims, eliminating the cost of such litigation, as discussed in more detail below. As a result, unlike certain alternative structures that had been discussed during the course of the negotiations, the Plan Term Sheet eliminates the prospect of protracted litigation and significant uncertainty and delay resulting from such litigation.

Among other things, the Plan Term Sheet includes a comprehensive and integrated settlement of certain of the Potential Litigation Claims (the "Settlement"), as follows:

- ***Avoidance Claims***. As a compromise of any and all Avoidance Claims, the Settlement will result in the recoveries to creditors of the various Plan Debtors being calculated as if 25% of the transfers underlying the Identified Avoidance Claims were avoided.

- ***Recharacterization Claims***. The Settlement will result in the recoveries to creditors of the various Plan Debtors being calculated as if 25% of the Recharacterization Claims are recharacterized as equity, with the remaining 75% of such obligations treated as unsecured debts against the obligors. However, the Settlement provides that the Capco Intercompany Note will be treated entirely as debt, but that the claim to avoid the subordination of the Capco Intercompany Note will be resolved in accordance with the terms of the Settlement pertaining to Avoidance Claims. In addition, if a Claim is subject to both Avoidance Claims and Recharacterization Claims, there is a compounding effect on such a Claim resulting from the Settlement.

- ***Transferred Guarantor Claims***. The Settlement will result in the recoveries to Holders of Transferred Guarantor Claims being calculated as if 21% of the guarantees of the Transferred Guarantors above remained in full force and effect.

The Settlement will be proposed and effectuated through the Plan, pursuant to Bankruptcy Code section 1123(b)(3) and Bankruptcy Rule 9019. Bankruptcy Rule 9019(a) provides that, "[o]n motion by the trustee, after notice and a hearing, the court may approve a compromise or settlement." Fed. R. Bankr. P. 9019. Bankruptcy courts exercise their oversight role by only approving compromises and settlements that are fair and equitable, in the best interest of the debtor's estate, and fall above the "lowest point in the range of reasonableness." As discussed in detail below, the Settlement — as an integrated compromise of the Potential Litigation Claims as well as other Plan-related issues — is well within the range of reasonableness and is fully supported by the Plan Proponents and the Consenting Noteholders. In addition, as discussed in further detail in Section IV.G below, the Settlement has been evaluated and approved by the Independent Manager (as defined below).

D. Rationale for the Settlement; Governing Standards for Potential Litigation Claims Absent Settlement

As described above, the Plan Proponents have spent months investigating and reviewing the Potential Litigation Claims. The Plan Proponents have reviewed and analyzed tens of thousands of documents and e-mails relevant to the Potential Litigation Claims through a robust and cooperative informal discovery process and have spent countless hours in discussions regarding the Settlement. Through numerous meetings between and among the Plan Proponents as well as the respective advisors for the various noteholder constituencies, each of the Plan Proponents not only have formed their own views of the merits of the various claims, but also heard the various legal views of the advisors to the various other creditor constituencies in these Chapter 11 Cases in an attempt to bring forth a global resolution of the Potential Litigation Claims.

Through this analysis, the Plan Proponents understand that the legal standards and factual issues surrounding each of the Potential Litigation Claims render them inherently complex, and the litigation of any one of these Potential Litigation Claims could result in lengthy and potentially prohibitively expensive litigation. As a result, each of the Plan Proponents believes that the Settlement of the Potential Litigation Claims pursuant to the

[29] As described in greater detail above, the Debtors did not receive any competing bids for the Mexico Sale Transaction and cancelled the auction.

Plan constitutes a reasonable compromise of complex disputes, will avoid the significant expense and delay that would have been incurred had the Potential Litigation Claims been litigated and will allow the Plan Debtors to exit bankruptcy efficiently and without the uncertainty attendant to litigation of these disputes as described in further detail below.

1. Avoidance Claims

Fraudulent transfer actions may be brought under section 548 of the Bankruptcy Code, and state law causes of action under fraudulent transfer theories may be brought pursuant to section 544(b) of the Bankruptcy Code. While the precise analysis of state law causes of action for both actual and constructive fraudulent transfer claims varies by state, certain general principles are set forth below.

An actual fraudulent transfer will be found where a transfer of property is made or an obligation is incurred with actual intent to hinder, delay or defraud present or future creditors. Actual intent often is proven by pointing to certain "badges of fraud" which include, but are not limited to: (a) a close relationship between the parties to the transaction; (b) lack or inadequacy of consideration; (c) knowledge of the transferor's inability to satisfy liabilities; and (d) retention of control over property after the transfer.

A constructive fraudulent transfer will be found where: (a) a transfer of property was made or an obligation was incurred for less than reasonably equivalent value; and (b) the transferor either (i) was insolvent at the time or was rendered insolvent as a result of such transfer, (ii) was left with unreasonably small capital as a result of the transfer or (iii) intended to or believed it would incur debts beyond its ability to pay as they matured.

The adjudication of the Avoidance Claims would have been a very fact-intensive undertaking. An analysis and litigation of the Avoidance Claims would have necessarily involved an analysis of the solvency and/or capitalization of the transferors (namely, NII Holdings and Capco, as applicable), as well as the value, if any, transferred or received in the applicable transactions. The solvency prong of this analysis would have required significant discovery into the Debtors' businesses at the time of each of the transactions, and would have necessarily involved the use of experts — by both those prosecuting and defending the Avoidance Claims — to testify regarding the solvency or insolvency of the applicable Debtor entities. Because it would have likely been so fact-dependent, solvency litigation in connection with the Avoidance Claims would likely have been hotly contested, as the litigants could have opted to employ different tests to establish their position regarding the solvency of the relevant Debtors, including (a) the balance sheet test, analyzing whether an entities' liabilities exceed the market value of its assets, (b) the cash flow test, analyzing whether an entity is paying its debts as they become due, and (c) the capital adequacy test, analyzing whether the entity has adequate capital to operate its business. In addition, even within the balance sheet test, the litigants' experts could have employed different methodologies for establishing solvency, including, among others, the "income approach," or a discounted cash flow analysis, a "market approach" using data available from the market, or an "asset-based" approach. Competing approaches would have had to be reconciled by the court to determine whether an entity was solvent or insolvent at the time of the applicable transfer. Accordingly, the solvency analysis would have been complex and likely would have resulted in prolonged and expensive litigation.

If the adjudicating court ultimately found that the applicable transferor was insolvent or undercapitalized at the time of the relevant transaction, the party pursuing the Avoidance Claims would have also been required to establish that no reasonably equivalent value was given in exchange for the transfer. Because the Avoidance Claims are inter-debtor in nature and involve "downstream" transfers or guarantees (i.e., a transfer or guarantee from a parent entity to its subsidiary), the Avoidance Claims would have become increasingly complex in part because the court may have applied a rebuttable "presumption" that a transfer to a solvent subsidiary is made for reasonably equivalent value. In that event, the solvency of Luxco and/or any other transferees would necessarily have become an issue in any litigation of the Avoidance Claims. Adding yet another layer of complexity would have been the existence of any "intermediate" subsidiaries between the transferor and the transferee. Parties pursuing the Avoidance Claims could have claimed that, if such intermediate subsidiaries were insolvent, this would have rebutted or rendered inapplicable any presumption of reasonably equivalent value. In such a scenario, the defendants in the Avoidance Claims litigation may have attempted to establish that reasonably equivalent value was nevertheless received as a result of the applicable transfer, and the plaintiffs likely would have argued that it was not,

all of which would likely have required expert testimony. For these reasons, the analysis as to whether reasonably equivalent value was received in each transaction would have been highly fact-based and complicated.

In light of these considerations, each of the Plan Proponents believe that, while several factors could have supported a conclusion that these transfers and obligations (or a subset of them) should not be avoided as fraudulent transfers, certain other factors could have supported a contrary argument. Litigation of the Avoidance Claims would have required extensive discovery and fact finding, as well as expert testimony, which would have been a significant drain on estate resources, and could have taken an extended period to resolve. The Settlement incorporates a compromise of these complex issues and avoids the delay, expense and uncertainty that would have been attendant to their litigation. Thus, the Settlement falls well within the range of reasonableness, is in the best interests of the Plan Debtors and the Plan Debtors' economic stakeholders, and is fully supported by the Plan Proponents and the Consenting Noteholders.

2. Recharacterization Claims

Pursuant to the Bankruptcy Code, claims among co-debtors generally receive the same treatment as other claims of the same relative priority; however, courts often examine such claims to determine whether they are properly characterized as valid debt obligations or whether they should be recharacterized in the bankruptcy cases as equity (capital contributions) or vice versa. The factors considered by the courts when making such a determination include the following:

- **The names given to the instruments, if any, evidencing the indebtedness.** An absence of notes or other instruments reflecting debt suggests that an advance may be a capital contribution rather than a loan.
- **The presence or absence of a fixed maturity date and schedule of payments.** The absence of a fixed maturity date and payment schedule suggests that an advance may be a capital contribution rather than a loan.
- **The presence or absence of a fixed rate of interest and interest payments.** The absence of a fixed interest rate and regularly scheduled interest payments suggests that an advance may be a capital contribution rather than a loan.
- **The source of repayments.** Repayment that is dependent on the success of the borrower's business suggests that an advance may be a capital contribution rather than a loan.
- **The identity of interest between the creditor and the stockholder.** Evidence that a shareholder made an advance in proportion to such shareholder's equity interest suggests that such advance may be a capital contribution rather than a loan.
- **The adequacy or inadequacy of capitalization.** Thin or inadequate capitalization at the time of the initial capitalization and/or at the time of an advance suggests that the advance may be a capital contribution rather than a loan.
- **The security, if any, for the advances.** The absence of collateral securing an advance suggests that the advance may be a capital contribution rather than a loan.
- **The corporation's ability to obtain financing from outside lending institutions.** The fact that the debtor had other financing options available on similar terms at the time an advance is made is generally thought to suggest that a transaction is a loan rather than a capital contribution.
- **The extent to which the advances were contractually subordinated to the claims of outside creditors.** Subordination of a creditor's advances to the claims of other creditors suggests that the advance may be a capital contribution rather than a loan.

- **The extent to which advances were used to acquire capital assets.** The use of advances to meet the debtor's daily needs, rather than for the purchase of capital assets, suggests that advances may be loans rather than infusions of equity.

- **The presence or absence of a sinking fund to provide repayments.** The failure to establish a sinking fund for repayment suggests that an advance may be a capital contribution rather than a loan.

No single factor is determinative, and courts may analyze some, all, or additional factors to those described above when assessing whether to recharacterize intercompany balances as equity.

The adjudication of the Recharacterization Claims would have been a very fact-intensive undertaking. Although the Plan Proponents believe that several of the relevant factors could have supported a conclusion that the Intercompany Claims (or a subset of them) are or should be debt obligations, certain other factors could have supported an argument that the Intercompany Claims (or a subset of them) are or should be treated as capital contributions. The Settlement incorporates a compromise of these complex issues and avoids the delay, expense and uncertainty that would have been attendant to their litigation. Accordingly, the Settlement is in the best interests of the Plan Debtors' economic stakeholders, and is fully supported by the Plan Proponents and the Consenting Noteholders.

3. Transferred Guarantor Claims

The determination of whether the Transferred Guarantor Claims properly allege violations of the terms of the 2009 Capital Notes Indentures, and, if the 2009 NII Capital Notes Indentures were violated, the consequences of and appropriate remedy for the violation, depends on the language of the 2009 Capital Notes Indentures, contractual interpretation of such language and, possibly, extrinsic evidence regarding the intentions, conduct and reasonable expectations of an array of parties during the relevant time period.

Alleged Violation. Section 10.04 of the 2009 NII Capital Notes Indentures provides that a 2009 NII Capital Notes Guarantor may not dispose of substantially all of its assets to another person, other than NII Holdings, Capco or another 2009 NII Capital Notes Guarantor, except in certain circumstances. Among the excepted circumstances is a disposition that "complies with" Section 4.10 of the 2009 NII Capital Notes Indentures, which embodies a restriction on dispositions of assets. There is a vigorous dispute as to the meaning of the term "complies with," and whether, based on the appropriate interpretation, the transfer from NII Global to International Holdings can be said to have complied with Section 4.10. It could also be argued that the initial transfer from NII Holdings violated Section 5.01, which sets forth conditions regarding the disposal of substantially all assets by NII Holdings that, if applicable, were not met. However, there is a dispute over whether Section 5.01 applies to a transfer among NII Holdings, Capco and their Restricted Subsidiaries, and how to interpret language in Section 5.01 that gives rise to inferences that the Section does apply to such transfers.

Release of the Guarantees. Even if the 2009 Transfer breached Sections 10.04 and/or 5.01 of the 2009 NII Capital Notes Indentures, litigation of the Transferred Guarantor Claims would also require a determination of the consequence of the breaches. Section 10.05(a)(v) of the 2009 NII Capital Notes Indentures provides that a 2009 NII Capital Notes Guarantor is released from its guarantee of the 2009 NII Capital Note if it becomes a "Foreign Restricted Subsidiary." It is not disputed that the Transferred Guarantors became Foreign Restricted Subsidiaries as a result of the 2009 Transfer. Section 10.05(a)(v) contains two express exceptions to the release, but there is a question whether the release of guarantees under Section 10.05(a)(v) can occur if a 2009 NII Capital Notes Guarantor becomes a Foreign Restricted Subsidiary as a result of a transfer that violates the 2009 NII Capital Notes Indentures or, in particular, Sections 10.04 or 5.01. If it cannot, as certain holders of the 2009 NII Capital Notes have vigorously contended, the guarantees of the Transferred Guarantors were never released, which would increase the value of the Claims held by holders of the 2009 NII Capital Notes significantly. There is the further question whether, assuming the guarantees were released, it would be an appropriate remedy for breach to reinstate the guarantees or otherwise provide Claims against the Transferred Guarantors.

Laches. Assuming that the 2009 NII Capital Notes Indentures were breached such that the holders of the 2009 NII Capital Notes are entitled to a remedy, there exists the question of whether a remedy may be foreclosed based on the principle of laches. The purported breaches were not asserted for over four years following the 2009

Transfer in December 2009. During this time, the 7.625% Capco Notes and the Luxco Notes were issued to investors that may have had reason to believe that the Transferred Guarantors were not guarantors of the 2009 NII Capital Notes and may have relied on such belief in making the investment. The resolution of this question may depend on the weight given to the failure of NII Holdings and Capco to publicly file the supplemental indentures evidencing the 2009 Transfer, or make any other express disclosure of the 2009 Transfer, until March 2014, and whether the holders of the 2009 NII Capital Notes may have been on notice of the 2009 Transfer based on other disclosures made by NII Holdings and Capco during the intervening period.

An analysis of all of the issues relevant to the Transferred Guarantor Claims likely would have been a complex legal undertaking for the Bankruptcy Court and may have required extensive discovery; further, a ruling by the Bankruptcy Court would have been subject to appeal. The judicial process could have potentially delayed distributions under a chapter 11 plan or required a substantial proportion of the shares of the reorganized parent entity to be "reserved" until the litigation had been finally adjudicated. In addition, NII Brazil's principal lenders required, in connection with the amendments to the Operating Company Credit Agreements, that the Debtors complete their restructuring efforts by mid- to late September 2015 (the "Restructuring Deadline"). Lengthy litigation could potentially cause the Plan Debtors to fail to confirm a chapter 11 plan before the Restructuring Deadline and thereby cause NII Brazil to be in default of or lose certain concessions with respect to the Operating Company Credit Agreements. The Settlement incorporates a compromise of these complex and vigorously contested issues and avoids the delay, expense and uncertainty attendant to litigation of these disputes pursuant to a settlement that is in the best interests of the Plan Debtors' economic stakeholders. For this reason, the Settlement is fully supported by the Plan Proponents and the Consenting Noteholders.

E. Postpetition Interest

Pursuant to the Bankruptcy Code, when a debtor proves to be solvent, postpetition interest which accrues on unsecured claims may be allowed. See In re Manville Forest Prods. Corp., 43 B.R. 293, 300 (Bankr. S.D.N.Y. 1984), aff'd in part, 60 B.R. 403 (S.D.N.Y. 1986) (stating that when a debtor is solvent, postpetition interest that accrues on allowed unsecured claims may be paid in full before any money is allowed to revert back to the debtor or its shareholders); In re Allegheny Int'l, Inc., 118 B.R. 282, 314-15 (Bankr. W.D. Pa. 1990) (same).

Based on Plan Distributable Value, in the absence of the Settlement, Luxco may have been determined to have been solvent upon the closing of the sale of NII Mexico. In such event, Holders of Allowed Claims against Luxco could have been entitled to postpetition interest on their Claims. However, as an important concession and as an integrated element to the Settlement, the Consenting Noteholders comprising Holders of Luxco Notes have agreed to waive their entitlement to the full amount of postpetition interest on their Allowed Luxco Note Claims.

F. Potential Recoveries Absent Settlement

The following table illustrates the range of recoveries (expressed in percentages and value of Plan Distributable Value) to be received by Holders of the Prepetition Note Claims pursuant to the Settlement as well as illustrative recoveries in a status quo scenario in the absence of the Settlement and in a worst-case scenario for each of the identified categories of Prepetition Note Claims. The worst-case scenarios for each of the identified categories of Prepetition Note Claims are derived from differing combinations of litigation outcomes for each of the Transferred Guarantor Claims, Avoidance Claims and Recharacterization Claims.

	Illustrative Pre-Settlement and Compromise[1]		Settlement and Compromise[1]		Recovery Under 12/22/14 Plan[2]		Worst Case Recovery[1,3]	
	PDV[4] (%)	PDV[4] ($)	PDV[4] (%)	PDV[4] ($)	PDV[4] (%)	PDV[4] ($)	PDV[4] (%)	PDV[4] ($)
Luxco 11.375% Note Claims	34.20%	$962.1	34.20%	$962.1	36.05%	$872.8	16.52%	$464.6
Luxco 7.875% Note Claims	26.05%	732.8	26.05%	732.8	27.46%	664.9	12.58%	353.8
Total Luxco Note Claims	*60.25%*	*$1,694.9*	*60.25%*	*$1,694.9*	*63.51%*	*$1,537.7*	*29.09%*	*$818.4*
Capco 10% Note Claims	11.79%	$331.5	15.10%	$424.8	15.86%	$384.0	11.79%	$331.5
Capco 8.875% Note Claims	7.11%	199.9	9.11%	256.1	9.57%	231.8	7.11%	199.9
Capco 7.625% Note Claims	20.86%	586.8	15.54%	437.2	11.06%	267.8	2.64%	74.2
Total Capco Notes Claims	*39.75%*	*$1,118.2*	*39.75%*	*$1,118.2*	*36.49%*	*$883.6*	*21.53%*	*$605.7*

Notes:
1) Based on total enterprise value of $4.463 billion (assumes $1.875 billion sale of NII Mexico consummated on or before April 30, 2015).
2) Based on distributable equity value of $2.421 billion and before taking into account rights offering contemplated thereunder.
3) Minimum recovery based on binary litigation scenarios of 0% and 100% with respect to Transferred Guarantor Claims and Avoidance Claims. Intercompany obligations recharacterized as equity in 25% increments between, and including, 0% and 100%.
4) "PDV" means Plan Distributable Value or its equivalent under the applicable scenario.

G. Settlement Procedures; the Independent Manager

In accordance with the settlement procedures set forth in the Initial Plan Support Agreement and the Initial Plan Term Sheet, on December 11, 2014 the Debtors, with the support of the Creditors' Committee, Aurelius, Capital Group and the Luxco Group, stipulated their agreement to appoint Scott W. Winn as an independent manager and part of the Board of Managers of International Holdings (in its capacity as the sole manager of Luxco) (the "Independent Manager") to evaluate and advise the managers of International Holdings regarding the reasonableness of the Settlement to Luxco and to determine following an initial 45-day evaluation period (the "Evaluation Period") whether to recommend that Luxco join in the Settlement. While the Debtors believed that their existing directors and other governing bodies and officers, including the Board of Managers, were fully capable and legally authorized to discharge their fiduciary duties to each of the Debtors in connection with resolving these potential intercompany disputes, the Debtors determined, in order to avoid undue expense and delay with their reorganization and emergence efforts, to appoint the Independent Manager to evaluate the Settlement and recommend to the Board of Managers whether to cause Luxco to join the Settlement.

The Independent Manager, who is with the firm Zolfo Cooper Management, LLC, retained Quinn Emanuel Urquhart & Sullivan, LLP ("Quinn Emanuel") as his counsel to assist him in his evaluation of the Settlement. The Bankruptcy Court approved the retention of Quinn Emanuel on December 29, 2014. On December 31, 2014, the Bankruptcy Court entered an order approving the Plan Debtors' engagement agreement with the Independent Manager and Zolfo Cooper Management, LLC. Between January 26, 2015 and February 20, 2015, the Bankruptcy Court entered a series of stipulations resulting in the ultimate extension of the Independent Manager's determination to February 27, 2015.

Upon his appointment, the Independent Manager, with the assistance of Quinn Emanuel and Zolfo Cooper, immediately commenced the process of reviewing the Settlement and documentation related to the Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims. This included meeting with his advisors and the professionals for the Debtors, the Creditors' Committee, Aurelius, Capital Group and the Luxco Group in order to facilitate fact discovery and other necessary coordination matters with the Independent Manager and his counsel related to the Settlement and his evaluation thereof.

On February 25, 2015, the Board of Managers convened a meeting of its managers in Luxembourg. At the meeting, the Independent Manager recommended to the Board of Managers to cause Luxco to enter into the Settlement. The Board of Managers subsequently authorized Luxco's agreement to the Plan Term Sheet and entry into the Plan Support Agreement.

The appointment of the Independent Manager thus further ensured the integrity of the Plan Debtors' claims resolution process relevant to the Settlement and facilitated an expeditious resolution to the Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims in furtherance of the Plan Debtors' emergence efforts.

The Independent Manager will be available to provide deposition testimony in connection with Confirmation and to testify at the Confirmation Hearing.

H. Post-Emergence Governance and Management

On the Effective Date, the term of any current members of the board of directors of NII Holdings not identified as members of the new board of directors for Reorganized NII (the "New Board") will expire and such directors will tender their resignation effective on the Effective Date.

The New Board will consist of seven (7) directors, including (i) the chief executive officer, (ii) three (3) directors designated by Capital Group, (iii) one (1) director designated by Aurelius and (iv) two (2) directors designated by the Luxco Group. Each of the individuals designated as nominees to be directors (other than the chief executive officer of Reorganized NII) will (i) be independent under the rules of the New York Stock Exchange or the NASDAQ Stock Market, as applicable, and the independence requirements for members of audit committees under the rules of the SEC and (ii) not be employees of Capital Group, Aurelius or any member of the Luxco Group. These board designation rights will not continue after the selection of the New Board.

The boards of directors for the direct and indirect subsidiaries of Reorganized NII will be identified and selected by the New Board. Reorganized NII will continue to be a reporting company with the SEC following the Effective Date.

I. Amendments to the Operating Company Agreements

1. The CDB Agreements

As discussed in Section II.B.1 above, in July 2011 and April 2012, NII Mexico and NII Brazil, respectively, entered into the applicable CDB Agreements with CDB. NII Mexico and NII Brazil used the proceeds borrowed under these credit agreements to finance infrastructure equipment and certain other costs related to the deployment of their 3G Networks.

NII Mexico's obligations under the NII Mexico CDB Facility are secured by certain telecommunications equipment and other assets that were financed with the proceeds of such facility and are critical to NII Mexico's 3G Network and the overall operations of NII Mexico. This collateral is governed by a security sharing and collateral agency agreement between CDB, in its capacities as the administrative agent, arranger and lender, and HSBC México, S.A. ("HSBC"), in its capacity as security agent and pledgee, and a non-possessory pledge agreement between NII Digital, S. de R.L. de C.V. ("NII Digital") and HSBC, which effected a first priority lien (*prenda sin transmisión de posesión*) over such collateral. In addition, NII Mexico and HSBC entered into two non-possessory pledge agreements (together with the foregoing non-possessory pledge agreement, the "Asset Pledges") governing the grant of liens on debt service reserve accounts related to the NII Mexico CDB Facility.

NII Brazil's obligations under the NII Brazil CDB Facility are secured by certain assets that are critical to NII Brazil's 3G Network and the overall operations of NII Brazil, and such security is governed by a collateral agency agreement among NII Brazil, CDB, in its capacities as assignee and lender, and Planner Trustee DTVM ("Planner"), in its capacity as security agent, and a fiduciary assignment agreement among such parties, which effected a first priority lien *(propiedade resolúvel)* over these assets.

In July 2011, NII Holdings and CDB, in its capacity as administrative agent under the NII Mexico CDB Agreements, entered into a shareholder undertaking agreement (the "Mexico Shareholder Undertaking Agreement") which requires NII Holdings, so long as the NII Mexico CDB Agreements remain outstanding, among others, to (a) refrain from, directly or indirectly, creating or permitting any lien on or against the Equity Interests (as defined therein) unless such a lien is created (i) in favor of CDB on a *pari passu* basis, or (ii) with the prior written consent of CDB, (b) hold, directly or indirectly, at least fifty one percent of the aggregate Equity Interests and (c) refrain from disposing (or permitting the disposal of) any Equity Interest that would result in a Change of Control (as defined therein).

In April 2012, NII Holdings and CDB, in its capacity as administrative agent under the NII Brazil CDB Agreements, entered into a shareholder undertaking agreement (the "Brazil Shareholder Undertaking Agreement")

which requires NII Holdings, so long as the NII Brazil CDB Agreements remain outstanding, among others, to (a) refrain from, directly or indirectly, creating or permitting any lien on or against the Equity Interests (as defined therein) unless such a lien is created (i) in favor of CDB on a *pari passu* basis, or (ii) with the prior written consent of CDB, (b) hold, directly or indirectly, at least fifty percent plus one of the aggregate Equity Interests and (c) not dispose (or permit the disposal of) any Equity Interest which would result in a Change of Control (as defined therein).

On December 13, 2012, NII Holdings, NII Brazil, the obligors party thereto and CDB, executed a loan subordination agreement (the "CDB Brazil Loan Subordination Agreement"), which sets forth the respective priorities, rights and remedies with respect to the payments of the NII Brazil CDB Agreements and certain Subordinated Restricted Intercompany Indebtedness (as defined therein), with such Subordinated Restricted Intercompany Indebtedness being subordinated and junior in right of payment and upon liquidation as provided therein. Historically, all intercompany loans to NII Brazil have been made subject to the CDB Brazil Loan Subordination Agreement and deemed "Subordinated Restricted Intercompany Indebtedness" thereunder, which means these intercompany loans are subordinated in right of payment to NII Brazil's payment in full of the NII Brazil CDB Agreements.

On September 13, 2013, NII Holdings, NII Mexico, the obligors party thereto and CDB executed a loan subordination agreement (the "CDB Mexico Loan Subordination Agreement" and, together with the CDB Brazil Loan Subordination Agreement, the "CDB Loan Subordination Agreements"), which sets forth the respective priorities, rights and remedies with respect to the payments of the NII Mexico CDB Agreements and certain Subordinated Restricted Intercompany Indebtedness (as defined therein), with such Subordinated Restricted Intercompany Indebtedness being subordinated and junior in right of payment and upon liquidation as provided therein.

The CDB Agreements were amended in 2013 in connection with the Tower Transactions (the "First CDB Amendments"). In connection with the First CDB Amendments, NII Holdings provided guarantees of NII Mexico's and NII Brazil's respective obligations under the CDB Agreements in favor of CDB (collectively, the "CDB Guarantees").

Before the Petition Date, based on the financial results for NII Mexico and NII Brazil for the period ended June 30, 2014, NII Mexico and NII Brazil anticipated that they would be unable to satisfy certain of the financial covenants under the applicable CDB Agreements. Accordingly, NII Mexico and NII Brazil commenced discussions with CDB with respect to potential defaults arising from non-compliance with such financial covenants as well as the possibility of a more holistic amendment of the CDB Agreements. As stated above, on June 27, 2014, CDB granted waivers to NII Brazil and NII Mexico in connection with their non-compliance with such financial covenants as of the calculation date of June 30, 2014.

On December 5, 2014, each of NII Mexico and NII Brazil, the applicable subsidiary guarantors of the CDB Agreements and CDB executed amendments to the CDB Agreements (the "Second CDB Amendments" and each, as applicable, a "Second CDB Amendment"), which will provide for, among other things, covenant relief, a revised amortization schedule upon prepayment of an agreed upon amount, and the grant of additional collateral to secure the obligations of the borrowers under the CDB Agreements. The Second CDB Amendments related to the NII Brazil CDB Agreements will be Filed as part of the Plan Supplement.

Concurrently, NII Mexico, NII Digital and HSBC executed a second ratification agreement to ratify the existence, validity and effectiveness of the Asset Pledges. Under the terms of the Second CDB Amendment, the parties thereto, Nextel International and Servicios NII, S. de R.L. de C.V. ("Servicios NII" and, together with Nextel International, the "Pledgors") entered into a share pledge agreement (the "Share Pledge Agreement"), the consummation of which was subject to the approval of the Bankruptcy Court in connection with the Share Pledge Motion. The Share Pledge Motion was filed on February 4, 2015 and approved by the Bankruptcy Court on February 25, 2015.

Pursuant to the Share Pledge Agreement, as security for the complete and timely payment and ratification of the obligation under the NII Mexico CDB Agreements, the Pledgors proposed to grant in favor of HSBC a first-priority security interest *(prenda)* in all of the Pledgors' fully paid and subscribed shares of NII Mexico. Nextel International agreed to pledge 7,575,738,489 NII Mexico shares, representing 99.9% of the capital stock of NII

Mexico. Servicios NII agreed to pledge 3,595 NII Mexico shares, representing less than .01% of the capital stock of NII Mexico.

Upon the closing of the Mexico Sale Transaction, the outstanding amounts borrowed under the NII Mexico CDB Agreements will be repaid in full from the proceeds of the Mexico Sale Transaction and CDB will release the liens granted under the Share Pledge Agreement.

In addition, in the weeks before and following the commencement of the Chapter 11 Cases, there were intercompany loans to NII Brazil totaling $147 million that had not been formally made the subject of a notice of subordination, but which in all other respects have been treated as Subordinated Restricted Intercompany Indebtedness pursuant to the CDB Brazil Loan Subordination Agreement. In connection with the Share Pledge Motion, Luxco obtained Bankruptcy Court approval to comply with the NII CDB Brazil Agreements and to deliver a notice of subordination to CDB with respect to the additional intercompany loans.

In connection with the Second CDB Amendments, NII Holdings will amend the terms and conditions of the CDB Guarantee (the "CDB Amended Guarantee"), and the effectiveness of the CDB Amended Guarantee will be subject to the approval and authorization of the Bankruptcy Court pursuant to the Confirmation Order. On the Effective Date, pursuant to the Plan, NII Holdings, or its legal successor under the Plan, will consummate the CDB Amended Guarantee, and the CDB Loan Subordination Agreement and CDB Shareholder Undertaking Agreement will remain in place unaffected by the Plan. The CDB Amended Guarantee will be Filed as part of the Plan Supplement.

Lastly, as noted above, in connection with the Second CDB Amendments, the Debtors have committed to a Restructuring Deadline of September 30, 2015, by which date their restructuring efforts must be completed.

2. Sale-Leaseback Guarantees

The Plan provides for the same treatment to both the Holders of Claims arising under or evidenced by either the Luxco Sale-Leaseback Guarantee or any of the Holdings Sale-Leaseback Guarantees (collectively, the "Sale-Leaseback Guarantees"). On the Effective Date, pursuant to the Plan, each of the Sale-Leaseback Guarantees previously issued by NII Holdings and Luxco as credit support for the Tower Transactions and other sale-leaseback transactions with various affiliates of ATC will be extinguished and replaced with the New NII-ATC Guaranty to be entered into by Reorganized Luxco or its legal successor (the "Reorganized Guarantor").

The material terms of the New NII-ATC Guaranty include, without limitation:

- A term of 5 years;
- A maximum guaranteed amount payable in Brazilian *reais* and an amortization schedule consistent with the Luxco Sale-Leaseback Guarantee; and
- The right to obtain, upon the occurrence of a change of control with respect to NII Brazil, a replacement guarantor (a "Replacement Guarantor") that will assume all of the Reorganized Guarantor's obligations to ATC under the New NII-ATC Guaranty with respect to NII Brazil.

The New NII-ATC Guaranty will be Filed as part of the Plan Supplement.

V. THE PLAN

THE FOLLOWING SUMMARY HIGHLIGHTS CERTAIN OF THE SUBSTANTIVE PROVISIONS OF THE PLAN, AND IS NOT, NOR IS IT INTENDED TO BE, A COMPLETE DESCRIPTION OR A SUBSTITUTE FOR A FULL AND COMPLETE REVIEW OF THE PLAN. THE PLAN DEBTORS URGE ALL HOLDERS OF CLAIMS AND INTERESTS TO READ AND STUDY CAREFULLY THE PLAN, A COPY OF WHICH IS ATTACHED HERETO AS EXHIBIT 1.

Section 1123 of the Bankruptcy Code provides that, except for Administrative Claims and Priority Tax Claims, a plan of reorganization must categorize claims against and equity interests in a debtor into individual classes. Although the Bankruptcy Code gives a debtor significant flexibility in classifying claims and interests,

section 1122 of the Bankruptcy Code dictates that a plan of reorganization may only classify a claim or an equity interest with claims or equity interests, respectively, that are substantially similar.

The Plan creates eleven Classes of Claims and two Classes of Interests. These Classes take into account the differing nature and priority of Claims against and Interests in the Plan Debtors. Administrative Claims and Priority Tax Claims are not classified for purposes of voting or receiving distributions under the Plan (as is permitted by section 1123(a)(1) of the Bankruptcy Code) but are treated separately as unclassified Claims.

The Plan provides specific treatment for each Class of Claims and Interests. Only Holders of Claims that are impaired under the Plan and who will receive distributions under the Plan are entitled to vote on the Plan.

The following discussion sets forth the classification and treatment of all Claims against, or Interests in, the Plan Debtors. It is qualified in its entirety by the terms of the Plan, which is attached hereto as Exhibit 1, and which you should read carefully before deciding whether to vote to accept or reject the Plan.

VI. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

All Claims and Interests, except Administrative Claims and Priority Tax Claims, are placed in the Classes set forth below. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims, as described in Section II.A of the Plan, are not classified in the Plan. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any remainder of the Claim or Interest qualifies within the description of such other Classes.

If the Plan is confirmed by the Bankruptcy Court, unless a Holder of an Allowed Claim consents to different treatment, (A) each Allowed Claim in a particular Class will receive the same treatment as the other Allowed Claims in such Class, whether or not the Holder of such Claim voted to accept the Plan and (B) each Allowed Interest in a particular Class will receive the same treatment as the other Allowed Interests in such Class. Such treatment will be in exchange for and in full satisfaction, release and discharge of, the Holder's respective Claims against or Interests in a Debtor, except as otherwise provided in the Plan. Moreover, upon Confirmation, the Plan will be binding on (A) all Holders of Claims regardless of whether such Holders voted to accept the Plan and (B) all Holders of Interests.

A. Unclassified Claims

1. Administrative Claims

a. *Administrative Claims in General*

Except as specified in Section II.A.1 of the Plan, and subject to Section II.A.1.d of the Plan and subject to the bar date provisions therein, unless otherwise agreed by the Holder of an Administrative Claim and the applicable Reorganized Debtor, each Holder of an Allowed Administrative Claim will receive, in full satisfaction of its Administrative Claim, Cash equal to the Allowed amount of such Administrative Claim on either (i) the latest to occur of (A) the Effective Date (or as soon thereafter as practicable), (B) the date such Claim becomes an Allowed Administrative Claim and (C) such other date as may be agreed upon by the Reorganized Debtors and the Holder of such Claim or (ii) on such other date as the Bankruptcy Court may order.

b. *Statutory Fees*

All fees payable pursuant to 28 U.S.C. § 1930 after the Effective Date will be paid by the applicable Reorganized Debtor in accordance therewith until the earlier of the conversion or dismissal of the applicable Chapter 11 Case under section 1112 of the Bankruptcy Code or the closing of the applicable Chapter 11 Case pursuant to section 350(a) of the Bankruptcy Code.

c. *Ordinary Course Postpetition Administrative Liabilities*

Administrative Claims based on liabilities incurred by a Plan Debtor in the ordinary course of its business, including Administrative Claims arising from or with respect to the sale of goods or provision of services on or after the Petition Date, Administrative Claims of governmental units for Taxes (including Tax audit Claims related to Tax years or portions thereof ending after the Petition Date), Administrative Claims arising under Executory Contracts and Unexpired Leases and all Intercompany Administrative Claims, will be paid by the applicable Reorganized Debtor, pursuant to the terms and conditions of the particular transaction giving rise to those Administrative Claims, without further action by the Holders of such Administrative Claims or further approval by the Bankruptcy Court. Holders of the foregoing Claims will not be required to File or serve any request for payment of such Administrative Claims.

d. *Requisite Consenting Noteholders Professionals Fees/Expenses*

Pursuant to the Plan Support Agreement, the Debtors have sought to obtain authorization pursuant to the Plan Support Agreement Order (as defined in the Plan) to pay in full in Cash the Requisite Consenting Noteholders Professionals Fees/Expenses (as defined in the Plan), subject to the limitations set forth in Section I.A.158 of the Plan. To the extent the Requisite Consenting Noteholders Professionals Fees/Expenses are not paid in full in Cash pursuant to the Plan Support Agreement Order, in light of the substantial contribution that each of the Requisite Consenting Noteholders and their respective Requisite Consenting Noteholders Professionals have made to the Chapter 11 Cases resulting in an actual and demonstrable benefit to the Estates and all creditors, the Requisite Consenting Noteholders Professionals Fees/Expenses shall constitute Allowed Administrative Claims and shall be paid in full in Cash, subject to the limitations set forth in Section I.A.158 of the Plan.

e. *Professional Compensation*

Professionals or other Entities asserting a Fee Claim for services rendered before the Effective Date must File and serve on the Reorganized Debtors and such other Entities who are designated by the Bankruptcy Rules, the Fee Order, the Confirmation Order or other order of the Bankruptcy Court an application for final allowance of such Fee Claim no later than sixty (60) days after the Effective Date; *provided*, *however*, that any party who may receive compensation or reimbursement of expenses pursuant to the Ordinary Course Professionals Order may continue to receive such compensation and reimbursement of expenses for services rendered before the Effective Date pursuant to the Ordinary Course Professionals Order without further Bankruptcy Court review or approval (except as provided in the Ordinary Course Professionals Order); *provivided, further, however,* that the Requisite Consenting Noteholders Professionals will not be required to seek allowance of their fees or expenses. Objections to any Fee Claim must be Filed and served on the Reorganized Debtors and the requesting party no later than ninety (90) days after the Effective Date. To the extent necessary, the Confirmation Order will amend and supersede any previously entered order of the Bankruptcy Court regarding the payment of Fee Claims.

f. *Post-Effective Date Professionals' Fees and Expenses*

Except as otherwise specifically provided in the Plan, on and after the Effective Date, the Reorganized Debtors will, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented fees and expenses of the Professionals or other fees and expenses incurred by the Reorganized Debtors on or after the Effective Date, in each case, related to implementation and consummation of the Plan. Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code or any order of the Bankruptcy Court entered before the Effective Date governing the retention of, or compensation for services rendered by, Professionals after the Effective Date will terminate, and the Reorganized Debtors may employ or pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

g. *Claims Under the DIP Credit Agreement*

Upon consummation of the Mexico Sale Transaction, Allowed DIP Claims will be paid in Cash in an amount equal to the full amount of those Claims in accordance with the DIP Credit Agreement (as defined in the

Plan) and to the extent such Allowed DIP Claims have not been otherwise paid pursuant to a separate order(s) of the Bankruptcy Court.

h. *Bar Dates for Administrative Claims*

Except as otherwise provided in the Plan, requests for payment of Administrative Claims (other than DIP Claims, Fee Claims, Requisite Consenting Noteholder Professionals Fees/Expenses, Claims described in paragraph 47 of the Mexico Sale Order and Administrative Claims based on Liabilities incurred by a Plan Debtor in the ordinary course of its business as described in Section II.A.1.c of the Plan) must be Filed and served on the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by such date will be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Plan Debtors or their property and such Administrative Claims will be deemed discharged as of the Effective Date. Objections to such requests, if any, must be Filed and served on the Reorganized Debtors and the requesting party no later than the Administrative Claims Objection Deadline.

2. Payment of Priority Tax Claims

a. **Priority Tax Claims**

Pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, unless otherwise agreed by the Holder of a Priority Tax Claim and the Plan Proponents (with the consent of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed), each Holder of an Allowed Priority Tax Claim will receive, in full satisfaction of its Allowed Priority Tax Claim that is due and payable on or before the Effective Date, on account of and in full and complete settlement, release and discharge of such Claim, Cash equal to the amount of such Allowed Priority Tax Claim on the later of: (i) the Effective Date (or as soon as reasonably practicable thereafter); and (ii) the date such Priority Tax Claim becomes an Allowed Priority Tax Claim, or as soon as practicable thereafter; *provided*, *however*, that all Allowed Priority Tax Claims that are not due and payable on or before the Effective Date will be paid in the ordinary course of business by the Reorganized Debtors as they become due.

b. **Other Provisions Concerning Treatment of Priority Tax Claims**

Notwithstanding Section II.A.2.a of the Plan, any Claim on account of any penalty arising with respect to or in connection with an Allowed Priority Tax Claim that does not compensate the Holder for actual pecuniary loss will be treated as a General Unsecured Claim, and the Holder (other than as the Holder of a General Unsecured Claim) may not assess or attempt to collect such penalty from the Reorganized Debtors or their respective property.

B. Classified Claims and Interests

1. General

Pursuant to sections 1122 and 1123 of the Bankruptcy Code, Claims and Interests are classified for voting and distribution pursuant to the Plan, as set forth in the Plan. A Claim or Interest will be deemed classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and will be deemed classified in a different Class to the extent that any remainder of such Claim or Interest qualifies within the description of such other Class. Holders of Allowed Claims may assert such Claims against each Plan Debtor obligated with respect to such Claim, and such Claims will be entitled to share in the recovery provided for the applicable Class of Claims against each obligated Plan Debtor based upon the full Allowed amount of the Claim. Notwithstanding the foregoing, and except as otherwise specifically provided for in the Plan, the Confirmation Order or other order of the Bankruptcy Court, or required by applicable bankruptcy law, in no event will the aggregate value of all property received or retained under the Plan on account of an Allowed Claim exceed 100% of the underlying Allowed Claim.

Section 1129(a)(10) of the Bankruptcy Code will be satisfied for the purposes of Confirmation by acceptance of the Plan by an Impaired Class of Claims; *provided*, *however*, that in the event no Holder of a Claim with respect to a specific Class for a particular Plan Debtor timely submits a Ballot in compliance with the Disclosure Statement Order indicating acceptance or rejection of the Plan, such Class will be deemed to have accepted the Plan. The Plan Proponents may seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests.

For administrative convenience, the Plan organizes the Plan Debtors into five (5) groups and assigns a letter to each such group (each, a "Debtor Group") and a number to each of the Classes of Claims against or Interests in the Plan Debtors in such Debtor Group. Notwithstanding this organizing principle, Claims against or Interests in a Debtor belonging to a Debtor Group consisting of more than one Debtor will be deemed to be classified in a single Class of Claims against or Interests in such Debtor for all purposes under the Bankruptcy Code, including voting. To the extent a Holder has a Claim that may be asserted against more than one Plan Debtor in a Debtor Group, the vote of such Holder in connection with such Claims will be counted as a vote of such Claim against each Plan Debtor in such Debtor Group against which such Holder has a Claim. For consistency, similarly designated Classes of Claims and Interests are assigned the same number across each of the Debtor Groups. Any non-sequential enumeration of the Classes is intentional to maintain consistency.

Claims against and Interests in each Debtor Group are classified in up to 13 separate Classes as follows:

Letter	Debtor Group
A	**Holdings Debtor Group** NII Holdings, Inc.
B	**Capco Debtor Group** NII Capital Corp.
C	**Capco Guarantors Debtor Group** Nextel International (Services), Ltd. NII Aviation, Inc. NII Funding Corp. NII Global Holdings, Inc.
D	**Luxembourg Debtor Group** Nextel International Holdings S.à r.l. Nextel International Services S.à r.l. NII International Telecom S.C.A.
E	**Transferred Guarantors Debtor Group** NII Mercosur, LLC Airfone Holdings, LLC NIU Holdings LLC[30] McCaw International (Brazil), LLC

Number	Designation
1	Priority Claims
2	Secured Claims
3	Sale-Leaseback Guaranty Claims
4	Luxco Note Claims
5	Capco Note Claims
6	Transferred Guarantor Claims
7	CDB Documents Claims
8	General Unsecured Claims
9	Convenience Claims
10	Section 510 Claims
11	Non-Debtor Affiliate Claims
12	NII Interests
13	Subsidiary Debtor Equity Interests

2. Identification of Classes of Claims Against and Interests in the Plan Debtors

The following table designates the Classes of Claims against and Interests in the Plan Debtors and specifies which Classes are (a) Impaired or Unimpaired by the Plan, (b) entitled to vote to accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code or (c) deemed to accept or reject the Plan.

Class(es)	Designation	Impairment	Entitled to Vote
1A – 1E	Priority Claims	Unimpaired	Deemed to Accept
2A – 2E	Secured Claims	Unimpaired	Deemed to Accept
3A, 3D	Sale-Leaseback Guaranty Claims	Impaired	Entitled to Vote
4A, 4D	Luxco Note Claims	Impaired	Entitled to Vote

[30] As assignee of Claims asserted against NIU and assigned to NIU Holdings LLC pursuant to the Mexico Sale Order.

5A – 5C	Capco Note Claims	Impaired	Entitled to Vote
6E	Transferred Guarantor Claims	Impaired	Entitled to Vote
7A	CDB Documents Claims	Impaired	Entitled to Vote
8A – 8E	General Unsecured Claims	Impaired	Entitled to Vote
9A – 9C	Convenience Claims	Unimpaired	Deemed to Accept
10A – 10E	Section 510 Claims	Impaired	Deemed to Reject
11A – 11E	Non-Debtor Affiliate Claims	Unimpaired	Deemed to Accept
12A	NII Interests	Impaired	Deemed to Reject
13B – 13E	Subsidiary Debtor Equity Interests	Unimpaired	Deemed to Accept

3. Treatment of Claims

a. *Priority Claims (Classes 1A through 1E)*

Priority Claims are Claims that are entitled to priority in payment pursuant to section 507(a) of the Bankruptcy Code and that are not Administrative Claims, DIP Claims or Priority Tax Claims. On the later of (i) the Effective Date and (ii) the date on which such Priority Claim becomes an Allowed Priority Claim, unless otherwise agreed to by the Plan Proponents (with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) and the Holder of an Allowed Priority Claim (in which event such other agreement will govern), each Holder of an Allowed Priority Claim against a Plan Debtor will receive on account and in full and complete settlement, release and discharge of such Claim, at the Plan Debtors' election (following consultation with the Creditors' Committee and with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed), (i) Cash in the amount of such Allowed Priority Claim in accordance with section 1129(a)(9) of the Bankruptcy Code and/or (ii) such other treatment required to render such Claim unimpaired pursuant to section 1124 of the Bankruptcy Code. All Allowed Priority Claims against the Plan Debtors that are not due and payable on or before the Effective Date will be paid by the Reorganized Debtors when such Claims become due and payable in the ordinary course of business in accordance with the terms thereof.

Claims in Classes 1A, 1B, 1C, 1D and 1E are Unimpaired. Each Holder of an Allowed Claim in Class 1A, 1B, 1C, 1D or 1E is deemed to have accepted the Plan and is, therefore, not entitled to vote.

b. *Secured Claims (Classes 2A through 2E)*

Secured Claims are Claims, including Secured Tax Claims, that are secured by a lien on property in which an Estate has an interest or that are subject to a valid right of setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Claim Holder's interest in such Estate's interest in such property or to the extent of the amount subject to such valid right of setoff, as applicable, as determined pursuant to section 506 of the Bankruptcy Code. Unless otherwise agreed by the Holder of a Secured Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, each Holder of a Secured Claim will receive the following treatment at the option of the Plan Proponents (with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed): (i) such Allowed Secured Claim will be Reinstated; (ii) payment in full (in Cash) of any such Allowed Secured Claim; (iii) satisfaction of any such Allowed Secured Claim by delivering the collateral securing any such Allowed Secured Claim and paying any interest required to be paid under section 506(b) of the Bankruptcy Code; or (iv) providing such Holders with such treatment in accordance with section 1129(b) of the Bankruptcy Code as may be determined by the Bankruptcy Court.

Claims in Classes 2A, 2B, 2C, 2D and 2E are Unimpaired. Each Holder of an Allowed Claim in Class 2A, 2B, 2C, 2D or 2E is deemed to have accepted the Plan and is, therefore, not entitled to vote.

c. *Sale-Leaseback Guaranty Claims (Classes 3A and 3D)*

Sale-Leaseback Guaranty Claims are all Claims arising under or evidenced by either the Luxco Sale-Leaseback Guarantee or any of the Holdings Sale-Leaseback Guarantees. Unless otherwise agreed by the Holder of

a Sale-Leaseback Guaranty Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, the Luxco Sale-Leaseback Guarantee and each of the Holdings Sale-Leaseback Guarantees will be extinguished and each Holder of an Allowed Sale-Leaseback Guaranty Claim will receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim the New NII-ATC Guaranty.

Claims in Classes 3A and 3D are Impaired. Each Holder of an Allowed Claim in Class 3A or 3D is entitled to vote.

d. *Luxco Note Claims (Class 4A and 4D)*

Luxco Note Claims are all Claims against Luxco or NII Holdings under or evidenced by the Luxco 7.875% Note Indentures, the Luxco 7.875% Notes, the Luxco 11.375% Note Indenture or the Luxco 11.375% Notes, including any obligations of NII Holdings with respect to any of the foregoing. On the Effective Date, the Luxco Note Claims for principal and interest obligations under the Luxco Notes and Luxco Indentures will be deemed Allowed Claims under the Plan in their entirety in the amount of the Allowed Luxco Note Claims Amount against each of NII Holdings and Luxco, and not subject to challenge, reduction, recharacterization, defense, offset or counterclaims.

Unless otherwise agreed by the Holder of a Luxco Note Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there will be distributed:

- to each Holder of an Allowed Luxco Note Claim in Classes 4A and 4D, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata share of the Luxco Notes Distributable Value Allocation (*i.e.*, the amount equal to 60.25% multiplied by the Plan Distributable Value), and with respect to specific distributions on account of Claims in each of Class 4A and Class 4D will be comprised of: (i) with respect to each Holder of an Allowed Luxco Note Claim in Class 4D, its Pro Rata share of the Luxco Notes Distributable Value Allocation; and (ii) having satisfied such Claims in full as a result of distributions to Holders of Class 4D Claims, no further distribution with respect to each Holder of an Allowed Luxco Note Claim in Class 4A; and

- an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustee under the Luxco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise its contractual lien rights prior to distribution).

Claims in Classes 4A and 4D are Impaired. Each Holder of an Allowed Claim in Class 4A or 4D is entitled to vote.

e. *Capco Note Claims (Classes 5A, 5B and 5C)*

Capco Note Claims are all Claims against Capco or any of the Capco Guarantors under or evidenced by the Capco 7.625% Note Indenture, the Capco 7.625% Notes, the Capco 8.875% Note Indenture, the Capco 8.875% Notes, the Capco 10% Note Indenture or the Capco 10% Notes, including Claims related to any obligations of any Capco Guarantors with respect to any of the foregoing. On the Effective Date, the Capco Note Claims for principal and interest obligations under the Capco Notes and the Capco Indentures, as applicable, will be deemed Allowed Claims under the Plan in their entirety in the amount of the Allowed Capco Note Claims Amount against each of NII Holdings, NIS, Capco, NII Aviation, Inc., NII Funding Corp., and NII Global Holdings, Inc., and not subject to challenge, reduction, recharacterization, defense, offset or counterclaims.

Unless otherwise agreed by the Holder of a Capco Note Claim and the applicable Plan Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there will be distributed:

- to each Holder of an Allowed Capco Note Claim in Classes 5A, 5B and 5C, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for,

such Claim, its Pro Rata share of the Capco Distributable Value Allocation (*i.e.*, the amount equal to 29.61% multiplied by the Plan Distributable Value), and with respect to specific distributions on account of Claims in each of Class 5A, 5B and 5C will be comprised of: (i) with respect to each Holder of an Allowed Capco Note Claim in Class 5A, its Pro Rata share of 19.34% of the Capco Distributable Value Allocation; and (ii) with respect to each Holder of an Allowed Capco Note Claim in Class 5B, its Pro Rata share of 69.22% of the Capco Distributable Value Allocation; and (ii) with respect to each Holder of an Allowed Capco Note Claim in Class 5C, its Pro Rata share of 11.44% of the Capco Distributable Value Allocation; and

- an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustees under the Capco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise their contractual lien rights prior to distribution).

Claims in Classes 5A, 5B and 5C are Impaired. Each Holder of an Allowed Claim in Class 5A, 5B or 5C is entitled to vote.

f. *Transferred Guarantor Claims (Class 6E)*

Transferred Guarantor Claims are all Claims, obligations, suits, judgments, damages, debts, rights, remedies, causes of action, avoidance powers or rights, liabilities of any nature whatsoever, and legal or equitable remedies against any Entity arising from or related to any alleged default under the Capco 8.875% Note Indenture or the Capco 10% Note Indenture, or any event giving rise to the right to declare such a default, including, but not limited to, (a) the alleged defaults described in the purported notice of default under the Capco 8.875% Note Indenture dated March 19, 2014 delivered by Cede & Co. to NII Holdings and Capco, (b) the transfer of certain direct or indirect equity interests in the Transferred Guarantors from NII Global Holdings, Inc. to Nextel International Holdings S.à r.l. on or about December 30, 2009 and the transfer of certain direct or indirect equity interests in NII Mercosur, LLC from NII Global Holdings, Inc. to Nextel International Holdings S.à r.l. on or about May 28, 2010, and (c) the purported release of guarantees of the Transferred Guarantors and NII Mercosur, LLC under the Capco 8.875% Note Indenture and the Capco 10% Note Indenture that occurred on or around December 30, 2009 and on or about May 28, 2010. On the Effective Date, the Transferred Guarantor Claims will be deemed Allowed Claims under the Plan in their entirety in the amount of the Allowed TG Claims Amount against each of NII Mercosur, LLC, Airfone Holdings, LLC, NIU Holdings, LLC and McCaw International (Brazil), LLC and not subject to challenge, reduction, recharacterization, defense, offset or counterclaims.

Unless otherwise agreed by the Holder of a Transferred Guarantor Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there will be distributed to each Holder of an Allowed Transferred Guarantor Claim in Class 6E, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata share of the TG Claims Distributable Value Allocation (*i.e.*, the amount equal to 10.14% multiplied by the Plan Distributable Value).

Claims in Class 6E are Impaired. Each Holder of an Allowed Claim in Class 6E is entitled to vote.

g. *CDB Documents Claims (Class 7A)*

CDB Documents Claims are all Claims against NII Holdings under or evidenced by any of the CDB Documents, including any obligations of NII Holdings with respect thereto. The CDB Documents include, collectively, the (a) CDB Guarantee, (b) CDB Loan Subordination Agreement and (c) CDB Shareholder Undertaking Agreement. Unless otherwise agreed by the Holder of a CDB Documents Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, each Holder of an Allowed CDB Documents Claim, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, will receive the CDB Amended Guarantee. Claims in Class 7A are Impaired. Each Holder of an Allowed Claim in Class 7A is entitled to vote.

h. *General Unsecured Claims (Classes 8A through 8E)*

General Unsecured Claims are all Claims that are not an Administrative Claim, Priority Claim, Priority Tax Claim, Secured Claim, Sale-Leaseback Guaranty Claim, CDB Documents Claim, Capco Note Claim, Luxco Note Claim, Transferred Guarantor Claim, Section 510 Claim, Prepetition Intercompany Claim or a Non-Debtor Affiliate Claim.

Unless otherwise agreed by the Holder of a General Unsecured Claim and the applicable Debtor and the Creditors' Committee and each of the Requisite Consenting Noteholders, on the Effective Date, each Holder of an Allowed General Unsecured Claim in Classes 8A, 8B, 8C, 8D and 8E will receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, a distribution equal to the following:

- with respect to each Holder of an Allowed General Unsecured Claim in Class 8A, Cash in an amount equal to 5.64% of its Allowed General Unsecured Claim against Holdings;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8B, Cash in an amount equal to 20.18% of its Allowed General Unsecured Claim against Capco;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NIS, Cash in an amount equal to 4.51% of its Allowed General Unsecured Claim;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Aviation, Inc., Cash in an amount equal to 0.15% of its Allowed General Unsecured Claim;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Funding Corp., Cash in an amount equal to 0.24% of its Allowed General Unsecured Claim;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Global Holdings, Inc., Cash in an amount equal to 0.18% of its Allowed General Unsecured Claim;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Holdings S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Holdings S.à r.l.;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Services S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Services S.à r.l.;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against Luxco, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against Luxco;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against NIU Holdings LLC, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NIU Holdings LLC;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against McCaw International (Brazil), LLC, its share of the property available for distribution of McCaw International (Brazil), LLC ratably with all other Allowed unsecured Claims against McCaw International (Brazil), LLC;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against Airfone Holdings, LLC, its share of the property available for distribution of Airfone Holdings, LLC ratably with all other Allowed unsecured Claims against Airfone Holdings, LLC; and

- with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against NII Mercosur, LLC, its share of the property available for distribution of NII Mercosur, LLC ratably with all other Allowed unsecured Claims against NII Mercosur, LLC.

Claims in Classes 8A, 8B, 8C, 8D and 8E are Impaired. Each Holder of an Allowed Claim in Class 8A, 8B, 8C, 8D or 8E is entitled to vote.

i. *Convenience Claims (Classes 9A through 9C)*

Convenience Claims are all General Unsecured Claims against any of the Plan Debtors that otherwise would be classified in Classes 8A, 8B or 8C, but, with respect to each such Claim, either (i) the aggregate amount of such Claim is equal to or less than $20,000 or (ii) the aggregate amount of such Claim is reduced to $20,000 pursuant to an election by the Holder of a Claim made on the Ballot provided for voting on the Plan by the Voting Deadline; *provided*, *however*, that where any portion(s) of a single Claim has been transferred to a transferee, (i) the amount of all such portions will be aggregated to determine whether a Claim qualifies as a Convenience Claim and for purposes of the Convenience Claim election and (ii) unless all transferees make the Convenience Claim election on the applicable Ballots, the Convenience Claim election will not be recognized for such Claim.

Unless otherwise agreed by the Holder of a Convenience Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, each Holder of an Allowed Convenience Claim will receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, Cash equal to the amount of such Allowed Claim (as reduced, if applicable, pursuant to an election by the Holder thereof in accordance with Section I.A.54 of the Plan). Claims in Classes 9A, 9B and 9C are Unimpaired. Each Holder of an Allowed Claim in Class 9A, 9B or 9C is deemed to have accepted the Plan and, therefore, is not entitled to vote.

j. *Section 510 Claims (Classes 10A through 10E)*

Section 510 Claims are all Claims against a Debtor arising from rescission of a purchase or sale of a security of the Debtors or an Affiliate, for damages arising from the purchase or sale of such a security, or for reimbursement or contribution allowed under section 502 of the Bankruptcy Code on account of such a Claim and any other claim subject to subordination under section 510 of the Bankruptcy Code. No property will be distributed to or retained by the Holders of Section 510 Claims, and such Claims will be extinguished on the Effective Date. Holders of Section 510 Claims will not receive any distribution pursuant to the Plan.

Claims in Classes 10A, 10B, 10C, 10D and 10E are Impaired. Each Holder of an Allowed Claim in Class 10A, 10B, 10C, 10D or 10E will be deemed to have rejected the Plan and, therefore, is not entitled to vote.

k. *Non-Debtor Affiliate Claims (Classes 11A through 11E)*

Non-Debtor Affiliate Claims are all Claims held by a Non-Debtor Affiliate against (i) a Plan Debtor or (ii) NIU, as assigned to NIU Holdings LLC pursuant to the Mexico Sale Order, in each case, that arose prior to the Petition Date. On the Effective Date, all Non-Debtor Affiliate Claims will be Reinstated. Claims in Classes 11A, 11B, 11C, 11D and 11E are Unimpaired. Each Holder of an Allowed Claim in Class 11A, 11B, 11C, 11D or 11E will be deemed to have accepted the Plan and, therefore, is not entitled to vote.

l. *NII Interests (Class 12A)*

NII Interests are all Interests in NII Holdings, which include the rights of the Holders of the common stock, membership interests or partnership interests issued by a Plan Debtor and outstanding immediately prior to the Petition Date, and any options, warrants or other rights with respect thereto, or any other instruments evidencing an ownership interest in a Plan Debtor and the rights of any Entity to purchase or demand the issuance of any of the foregoing, including: (i) redemption, conversion, exchange, voting, participation and dividend rights (including any rights in respect of accrued and unpaid dividends); (ii) liquidation preferences; and (iii) stock options and warrants. On the Effective Date, all NII Interests will be cancelled and extinguished. Holders of NII Interests will not receive any distribution pursuant to the Plan.

Interests in Class 12A are Impaired. Each Holder of an Allowed Interest in Class 12A will be deemed to have rejected the Plan and, therefore, is not entitled to vote.

m. *Subsidiary Debtor Equity Interests (Classes 13B through 13E)*

Subsidiary Debtor Equity Interests are, as to a particular Subsidiary Debtor, any Interests in such Debtor. Interest means the rights of the Holders of the common stock, membership interests or partnership interests issued by a Plan Debtor and outstanding immediately prior to the Petition Date, and any options, warrants or other rights with respect thereto, or any other instruments evidencing an ownership interest in a Plan Debtor and the rights of any Entity to purchase or demand the issuance of any of the foregoing, including: (a) redemption, conversion, exchange, voting, participation and dividend rights (including any rights in respect of accrued and unpaid dividends); (b) liquidation preferences; and (c) stock options and warrants. Classes 13B, 13C, 13D and 13E consist of all Subsidiary Debtor Equity Interests. On the Effective Date, all Subsidiary Debtor Equity Interests will not receive any distribution pursuant to the Plan and will be Reinstated, subject to Section III.C.1 of the Plan.

Interests in Classes 13B, 13C, 13D and 13E are Unimpaired. Each Holder of an Allowed Interest in Class 13B, 13C, 13D or 13E will be deemed to have accepted the Plan and, therefore, is not entitled to vote.

C. Special Provision Regarding Prepetition Intercompany Claims, Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims

Any and all Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims (including any such Claims against or in favor of NIU to which NIU Holdings LLC will succeed pursuant to the Mexico Sale Order) will be settled and compromised pursuant to Section III.H.2 of the Plan. Distributions on account of the Allowed Claims resulting from such settlement and compromise will be effected through the distributions to Holders of Allowed Claims pursuant to the Plan. Notwithstanding the foregoing, Prepetition Intercompany Claims may be deemed settled, cancelled, extinguished or otherwise Reinstated, in whole or in part, as of the Effective Date, in each case, at the discretion of the Plan Debtors or Reorganized Debtors, with the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed; *provided*, *however*, that such treatment will not affect or be deemed to affect or modify (1) the settlement and compromise of the Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims pursuant to the terms of the Plan or (2) the releases contained in the Plan.

D. Special Provision Governing Unimpaired Claims

Except as otherwise provided in the Plan, nothing under the Plan will affect the Plan Debtors' or the Reorganized Debtors' rights regarding any Unimpaired Claim, including all rights regarding legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claim.

E. Postpetition Interest on Claims

Except as required by applicable bankruptcy law, postpetition interest will not accrue or be payable on account of any Claim; *provided, however*, in connection with the settlement and compromise of the Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims set forth in the Plan, certain Holders of the Luxco Note Claims relinquished their right to assert additional claims for postpetition interest on their Luxco Note Claims.

F. Insurance

Notwithstanding anything to the contrary in the Plan, if any Allowed Claim is covered by an insurance policy, such Claim will first be paid from proceeds of such insurance policy, with the balance, if any, treated in accordance with the provisions of the Plan governing the Class applicable to such Claim.

G. Treatment of Executory Contracts and Unexpired Leases

1. Assumption and Rejection of Executory Contracts and Unexpired Leases

On the Effective Date, except as otherwise provided in the Plan, each of the Plan Debtors' Executory Contracts and Unexpired Leases not previously assumed or rejected pursuant to an order of the Bankruptcy Court will be deemed rejected as of the Effective Date in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code except any Executory Contract or Unexpired Lease (a) identified on Exhibit G to the Plan (which will be Filed as part of the Plan Supplement) as an Executory Contract or Unexpired Lease designated for assumption, (b) which is the subject of a separate motion or notice to assume or reject Filed by the Plan Debtors and pending as of the Confirmation Hearing, (c) that previously expired or terminated pursuant to its own terms, or (d) that was previously assumed by any of the Plan Debtors.

Entry of the Confirmation Order by the Bankruptcy Court will constitute an order approving the assumptions or rejections of such Executory Contracts and Unexpired Leases as set forth in the Plan, all pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Each Executory Contract and Unexpired Lease assumed pursuant to the Plan or by Bankruptcy Court order, and not assigned to a third party on or prior to the Effective Date, will revest in and be fully enforceable by the applicable contracting Reorganized Debtor in accordance with its terms, except as such terms may have been modified by order of the Bankruptcy Court. To the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption of such Executory Contract or Unexpired Lease (including, without limitation, any "change of control" provision), then such provision will be deemed modified such that the transactions contemplated by the Plan will not entitle the counterparty thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Notwithstanding anything to the contrary in the Plan, the Plan Debtors or Reorganized Debtors, as applicable, reserve the right to alter, amend, modify, or supplement Exhibit G to the Plan in their discretion (subject to the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) prior to the Effective Date on no less than three (3) days' notice to the counterparty thereto.

2. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan will be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on the Effective Date, subject to the limitation described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (a) the amount of any payments to cure such a default, (b) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed or (c) any other matter pertaining to assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code will be made following the entry of a Final Order or orders resolving the dispute and approving the assumption. No later than the date on which the Plan Supplement is Filed, to the extent not previously Filed with the Bankruptcy Court and served on affected counterparties, the Plan Debtors will provide for notices of proposed assumption and proposed cure amounts to be sent to applicable Executory Contract and Unexpired Lease counterparties, together with procedures for objecting thereto and resolution of disputes by the Bankruptcy Court. Any objection by a contract or lease counterparty to a proposed assumption or related cure amount must be Filed, served, and actually received by the Plan Debtors by the date on which objections to Confirmation are due (or such other date as may be provided in the applicable assumption notice). Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or cure amount will be deemed to have assented to such assumption or cure amount.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise will result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption. Any Proofs of Claim filed with respect to an Executory Contract or Unexpired Lease that has been

assumed will be deemed disallowed and expunged without further notice to or action, order or approval of the Bankruptcy Court.

3. Claims Based on Rejection of Executory Contracts and Unexpired Leases

Unless otherwise provided by a Bankruptcy Court order, any Proofs of Claim asserting Claims arising from the rejection of the Plan Debtors' Executory Contracts and Unexpired Leases pursuant to the Plan or otherwise must be filed with the Notice and Claims Agent within 30 days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection. Any Proofs of Claim arising from the rejection of the Plan Debtors' Executory Contracts and Unexpired Leases that are not timely filed will be disallowed automatically, forever barred from assertion, and will not be enforceable against any Reorganized Debtor without the need for any objection by the Reorganized Debtors or further notice to or action, order, or approval of the Bankruptcy Court. All Allowed Claims arising from the rejection of the Plan Debtors' Executory Contracts and Unexpired Leases will constitute General Unsecured Claims and will be treated in accordance with Section II.C.8 of the Plan.

The Plan Proponents reserve the right to object to, settle, compromise or otherwise resolve any Claim Filed on account of a rejected Executory Contract or Unexpired Lease.

4. Contracts and Leases Entered Into After the Petition Date

Contracts and leases entered into after the Petition Date by any Plan Debtor, including any Executory Contracts and Unexpired Leases assumed by such Plan Debtor, will be performed by the Plan Debtor or Reorganized Debtor liable thereunder in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

5. Reservation of Rights

Neither the exclusion nor inclusion of any contract or lease in the Plan Supplement, nor anything contained in the Plan, nor the Plan Debtors' delivery of a notice of proposed assumption and proposed cure amount to applicable contract and lease counterparties will constitute an admission by the Plan Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any Reorganized Debtor has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Plan Debtors or Reorganized Debtors, as applicable, will have 30 days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

6. Pre-Existing Obligations to the Plan Debtors Under Executory Contracts and Unexpired Leases

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise will not constitute a termination of pre-existing obligations owed to the Plan Debtors or Reorganized Debtors under such Executory Contracts or Unexpired Leases. Notwithstanding any applicable non-bankruptcy law to the contrary, the Plan Debtors and Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties, indemnifications or continued maintenance obligations on goods previously purchased by the contracting Plan Debtors or Reorganized Debtors from counterparties to rejected Executory Contracts or Unexpired Leases.

7. Certain Compensation and Benefit Programs

Notwithstanding anything to the contrary in the Plan, all contracts, agreements, policies, programs and plans in existence on the Petition Date that provided for the issuance of NII Interests or other Interests in any of the Plan Debtors to current or former employees or directors of the Plan Debtors are, to the extent not previously terminated or rejected by the Plan Debtors, rejected or otherwise terminated as of the Effective Date without any further action of the Plan Debtors or Reorganized Debtors or any order of the Court, with rejection damages of $0.00, and any unvested NII Interests or other Interests granted under any such agreements, policies, programs and plans in addition to any NII Interests or other Interests granted under such agreements previously terminated or

rejected by the Plan Debtors to the extent not previously cancelled will be cancelled pursuant to Section III.J of the Plan. Objections to the treatment of these plans or the Claims for rejection or termination damages arising from the rejection or termination of any such plans, if any, must be submitted and resolved in accordance with the procedures and subject to the conditions for objections to Confirmation. If any such objection is not timely Filed and served before the deadline set for objections to the Plan, each participant in or counterparty to any agreement described in Section IV.G of the Plan will be forever barred from (a) objecting to the rejection or termination provided hereunder, and will be precluded from being heard at the Confirmation Hearing with respect to such objection; (b) asserting against any Reorganized Debtor, or its property, any default existing as of the Effective Date or any counterclaim, defense, setoff or any other interest asserted or assertable against the Plan Debtors; and (c) imposing or charging against any Reorganized Debtor any accelerations, assignment fees, increases or any other fees as a result of any rejection pursuant to Section IV.G of the Plan.

8. Obligations to Insure and Indemnify Directors, Officers and Employees

Any and all directors and officers liability and fiduciary insurance or tail policies in existence as of the Effective Date will be reinstated and continued in accordance with their terms and, to the extent applicable, will be deemed assumed or assumed and assigned by the applicable Debtor or Reorganized Debtor, pursuant to section 365 of the Bankruptcy Code and Section IV.A of the Plan. Each insurance carrier under such policies will continue to honor and administer the policies with respect to the Reorganized Debtors in the same manner and according to the same terms and practices applicable to the Plan Debtors prior to the Effective Date.

The applicable Reorganized Debtor will only be obligated to indemnify any person who is serving or has served as one of the Plan Debtors' directors, officers or employees at any time from and after the Petition Date for any losses, claims, costs, damages or Liabilities resulting from such person's service in such a capacity at any time from and after the Petition Date or as a director, officer or employee of a Non-Debtor Affiliate at any time from and after the Petition Date, to the extent provided in the applicable certificates of incorporation, by-laws or similar constituent documents, by statutory law or by written agreement, policies or procedures of or with such Debtor, will be deemed and treated as Executory Contracts that are assumed by the applicable Debtor or Reorganized Debtor pursuant to the Plan and section 365 of the Bankruptcy Code as of the Effective Date. Accordingly, such indemnification obligations will survive and be unaffected by entry of the Confirmation Order.

H. Conditions Precedent to Confirmation of the Plan

The Bankruptcy Court will not be requested to enter the Confirmation Order unless and until the following conditions have been satisfied or duly waived pursuant to Section VII.C of the Plan:

- The Bankruptcy Court will have entered the Disclosure Statement Order in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

- All Plan Documents will (A) be in form and substance reasonably acceptable to the Plan Proponents, Aurelius and Capital Group, and (B) solely with respect to the Plan, the Disclosure Statement, the materials for solicitation of the Plan and Disclosure Statement, the motion to approve the Disclosure Statement, the Disclosure Statement Order, the Confirmation Order, any term sheet and/or commitment letter relating to the DIP Credit Agreement be in form and substance reasonably acceptable to the Luxco Group, and with respect to all other documents, be subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; *provided*, *however*, the Debtors will consult with the Luxco Group regarding a proposed New NII Exit Financing Facility and the negotiation of the terms thereof and the final terms and conditions of such New NII Exit Financing Facility will be subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; provided, further, that if Aurelius or Capital Group participates in the New NII Exit Financing Facility, such financing will be on terms and conditions reasonably acceptable to each of the Plan Proponents and each of the Requisite Consenting Noteholders.

- The Bankruptcy Court will have entered the Plan Support Agreement Order in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

- The Plan and Confirmation Order will be in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

I. Conditions Precedent to the Occurrence of the Effective Date

The Effective Date will not occur, and the Plan will not be consummated unless and until the following conditions have been satisfied or duly waived pursuant to Section VII.C of the Plan.

- All documents and agreements necessary to consummate the Plan will have been effected or executed.

- The Bankruptcy Court will have entered the Mexico Sale Order, subject to any modifications to the form of the Mexico Sale Order appended to the motion seeking approval of the Mexico Sale Transaction [Docket No. 406] being in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

- The Mexico Sale Transaction will have been consummated in accordance with its terms and the Mexico Sale Order.

- The Bankruptcy Court will have entered the Confirmation Order, and the Confirmation Order will be (A) a Final Order and (B) in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

- The Operating Company Credit Agreements will have been amended in form and substance reasonably acceptable to the applicable operating subsidiaries of the Debtors and each of the Requisite Consenting Noteholders (subject to a consultation right in favor of the Creditors' Committee), and any defaults under the Operating Company Credit Agreements will have been cured or waived; *provided that* the foregoing consent rights of each of the Requisite Consenting Noteholders with respect to (A) any amendments, restatements, modifications or refinancings of the NII Brazil CDB Agreement will only apply to such amendments, restatements, modifications or refinancings entered into after December 18, 2014, including any further amendments, restatements, modifications or refinancings of any such amendments, restatements, modifications or refinancings of the NII Brazil CDB Agreement entered into prior to December 18, 2014, and (B) any amendments, restatements, modifications or refinancings of any of the Other Brazilian Credit Agreements will only apply to amendments or modifications to the drafts of such amendments, restatements, modifications or refinancings of such Other Brazilian Credit Agreements delivered to the Requisite Consenting Noteholders on or before February 26, 2015, including any amendments, restatements, modifications or refinancings of any of such drafts.

- Receipt of required governmental approvals (if any) and any and all other steps necessary to consummate the Plan Debtors' proposed restructuring in any applicable jurisdictions have been received and/or effectuated.

- All reasonable and documented Requisite Consenting Noteholders Professionals Fees/Expenses as well as the reasonable out-of-pocket expenses of the Requisite Consenting Noteholders incurred in connection with the Debtors' restructuring that were incurred prior to the Effective Date have been paid in full in Cash pursuant to the terms of the Plan, subject to the limitations set forth in Section I.A.158 of the Plan, and to the extent required by the Plan Support Agreement.

- All other documents and agreements necessary to implement the Plan on the Effective Date that are required to be in form and substance reasonably acceptable to the Plan Proponents and the Requisite Consenting Noteholders will have been executed and delivered and all other actions required to be taken in connection with the Effective Date will have occurred.

- All statutory fees and obligations then due and payable to the Office of the United States Trustee will have been paid and satisfied in full.

J. Waiver of Conditions to Confirmation or the Effective Date

The conditions to Confirmation and the conditions to the Effective Date may be waived in whole or part at any time by the Plan Proponents, with the consent of each of the Requisite Consenting Noteholders, without an order of the Bankruptcy Court.

K. Effect of Nonoccurrence of Conditions to the Effective Date

Subject to the terms of the Plan Support Agreement, the Plan Proponents reserve the right to seek to vacate the Plan at any time prior to the Effective Date. If the Confirmation Order is vacated pursuant to Section VII.D of the Plan: (1) the Plan will be null and void in all respects, including with respect to (a) the discharge of Claims pursuant to section 1141 of the Bankruptcy Code, (b) the assumption, assumption and assignment or rejection of Executory Contracts and Unexpired Leases, as applicable, and (c) the releases described in Section IX.E of the Plan; and (2) nothing contained in the Plan will (a) constitute a waiver or release of any claims by or against, or any Interest in, any Plan Debtor or (b) prejudice in any manner the rights of the Plan Debtors or any other party in interest.

L. Retention of Jurisdiction by the Bankruptcy Court

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court will retain such jurisdiction over the Chapter 11 Cases after the Effective Date as is legally permissible, including jurisdiction to:

- Allow, disallow, estimate, determine, liquidate, reduce, classify, re-classify, estimate or establish the priority or secured or unsecured status of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any objections to the amount, allowance, priority or classification of Claims or Interests;

- Grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan for periods ending on or before the Effective Date;

- Resolve any matters related to the assumption, assumption and assignment or rejection of any Executory Contract or Unexpired Lease to which any Debtor is a party or with respect to which any Debtor or Reorganized Debtor may be liable and to hear, determine and, if necessary, liquidate any Claims arising therefrom;

- Ensure that distributions to Holders of Claims are accomplished pursuant to the provisions of the Plan;

- Decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications Filed in the Bankruptcy Court involving any Debtor or any Reorganized Debtor that may be pending on the Effective Date or brought thereafter;

- Enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases and other agreements or documents entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

- Resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation or enforcement of the Plan or any contract, instrument, release or other agreement or document that is entered into or delivered pursuant to the Plan or any Entity's rights arising from or obligations incurred in connection with the Plan or such documents;

- Modify the Plan before or after the Effective Date pursuant to section 1127 of the Bankruptcy Code; modify the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order; or remedy any defect or omission or reconcile any inconsistency in any

Bankruptcy Court order, the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into, delivered or created in connection with the Plan, the Disclosure Statement or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan;

- Hear and determine any matter, case, controversy, suit, dispute, or Causes of Action regarding the existence, nature and scope of the releases, injunctions, and exculpation provided under the Plan, and issue injunctions, enforce the injunctions contained in the Plan and the Confirmation Order, enter and implement other orders or take such other actions as may be necessary or appropriate to implement, enforce or restrain interference by any Entity with respect to the consummation, implementation or enforcement of the Plan or the Confirmation Order, including the releases, injunctions, and exculpation provided under the Plan;

- Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason or in any respect modified, stayed, reversed, revoked or vacated or distributions pursuant to the Plan are enjoined or stayed;

- Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

- Enforce, clarify or modify any orders previously entered by the Bankruptcy Court in the Chapter 11 Cases;

- Enter a final decree closing the Chapter 11 Cases;

- Determine matters concerning state, local and federal Taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code, including any Disputed Claims for Taxes;

- Recover all assets of the Plan Debtors and their Estates, wherever located; and

- Hear any other matter over which with the Bankruptcy Court has jurisdiction.

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter, including the matters set forth in Section X of the Plan, the provisions of Section X of the Plan will have no effect upon and will not control, prohibit or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

VII. VOTING REQUIREMENTS

The Disclosure Statement Order entered by the Bankruptcy Court approved certain procedures for the Plan Proponents' solicitation of votes to approve the Plan, including setting the deadline for voting, which Holders of Claims or Equity Interests are eligible to receive Ballots to vote on the Plan, and certain other voting procedures.

THE DISCLOSURE STATEMENT APPROVAL ORDER IS HEREBY INCORPORATED BY REFERENCE AS THOUGH FULLY SET FORTH HEREIN. YOU SHOULD READ THE DISCLOSURE STATEMENT APPROVAL ORDER, THE CONFIRMATION HEARING NOTICE, AND THE INSTRUCTIONS ATTACHED TO YOUR BALLOT IN CONNECTION WITH THIS SECTION, AS THEY SET FORTH IN DETAIL, AMONG OTHER THINGS, PROCEDURES GOVERNING VOTING DEADLINES AND OBJECTION DEADLINES.

If you have any questions about the procedure for voting your Claim or the Solicitation Package you received, or if you wish to obtain a paper copy of the Plan, this Disclosure Statement or any Exhibits to such documents, please contact Prime Clerk, the Voting Agent, (A) by telephone (1) for U.S. and Canadian callers toll-free at (844) 224-1140 and (2) for international callers at (917) 962-8496, or (B) in writing at NII Ballot Processing,

c/o Prime Clerk LLC, 830 Third Avenue, 9th Floor, New York, NY 10022 or by email at niiballots@primeclerk.com.

A. Voting Deadline

This Disclosure Statement and the appropriate Ballot(s) are being distributed to all Holders of Claims that are entitled to vote on the Plan. In order to facilitate vote tabulation, there is a separate Ballot designated for each impaired voting Class; however, all Ballots are substantially similar in form and substance, and the term "Ballot" is used without intended reference to the Ballot of any specific Class of Claims.

IN ACCORDANCE WITH THE DISCLOSURE STATEMENT ORDER, IN ORDER TO BE CONSIDERED FOR PURPOSES OF ACCEPTING OR REJECTING THE PLAN, ALL BALLOTS MUST BE RECEIVED BY THE VOTING AGENT NO LATER THAN **5:00 P.M. (PREVAILING EASTERN TIME) ON [_____], 2015**, WHICH IS THE VOTING DEADLINE. BALLOTS SUBMITTED BY BENEFICIAL OWNERS OF PREPETITION NOTES TO A MASTER BALLOT AGENT MUST BE RECEIVED BY SUCH MASTER BALLOT AGENT WITH SUFFICIENT TIME TO ENABLE THE MASTER BALLOT AGENT TO DELIVER A MASTER BALLOT TO THE VOTING AGENT BY THE VOTING DEADLINE. ONLY THOSE BALLOTS ACTUALLY RECEIVED BY THE VOTING AGENT BEFORE THE VOTING DEADLINE WILL BE COUNTED AS EITHER ACCEPTING OR REJECTING THE PLAN. EXCEPT WITH RESPECT TO MASTER BALLOTS, WHICH BALLOTS MAY BE SUBMITTED BY ELECTRONIC MAIL, NO BALLOTS MAY BE SUBMITTED BY ELECTRONIC MAIL OR OTHER MEANS OF ELECTRONIC SUBMISSION, AND ANY BALLOTS OTHER THAN MASTER BALLOTS SUBMITTED BY ELECTRONIC MAIL OR OTHER MEANS OF ELECTRONIC SUBMISSION WILL NOT BE ACCEPTED BY THE VOTING AGENT.

FOR DETAILED VOTING INSTRUCTIONS, SEE THE DISCLOSURE STATEMENT ORDER.

B. Holders of Claims or Interests Entitled to Vote

Under section 1124 of the Bankruptcy Code, a class of claims or equity interests is deemed to be "impaired" under a plan unless (1) the plan leaves unaltered the legal, equitable and contractual rights to which such claim or equity interest entitles the holder thereof; or (2) notwithstanding any legal right to an accelerated payment of such claim or equity interest, the plan (a) cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy), (b) reinstates the maturity of such claim or equity interest as it existed before the default, (c) compensates the holder of such claim or equity interest for any damages resulting from such holder's reasonable reliance on such legal right to an accelerated payment and (d) does not otherwise alter the legal, equitable or contractual rights to which such claim or equity interest entitles the holder of such claim or equity interest.

In general, a holder of a claim or equity interest may vote to accept or reject a plan if (1) the claim or equity interest is "allowed," which means generally that it is not disputed, contingent or unliquidated, and (2) the claim or equity interest is impaired by a plan. However, if the holder of an impaired claim or equity interest will not receive any distribution under the plan on account of such claim or equity interest, the Bankruptcy Code deems such holder to have rejected the plan and provides that the holder of such claim or equity interest is not entitled to vote on the plan. If the claim or equity interest is not impaired, the Bankruptcy Code conclusively presumes that the holder of such claim or equity interest has accepted the plan and provides that the holder is not entitled to vote on the plan.

Except as otherwise provided in the Disclosure Statement Order, the Holder of a Claim against one or more Plan Debtors that is "impaired" under the Plan is entitled to vote to accept or reject the Plan if (1) the Plan provides a distribution in respect of such Claim; and (2) the Claim has been scheduled by the appropriate Debtor (and is not scheduled as disputed, contingent, or unliquidated), the Holder of such Claim has timely Filed a Proof of Claim or a Proof of Claim was deemed timely Filed by an order of the Bankruptcy Court prior to the Voting Deadline.

[AS SET FORTH IN THE CONFIRMATION HEARING NOTICE AND IN THE DISCLOSURE STATEMENT ORDER, HOLDERS OF DISPUTED, CONTINGENT OR UNLIQUIDATED CLAIMS MUST FILE MOTIONS TO HAVE THEIR CLAIMS TEMPORARILY ALLOWED FOR VOTING PURPOSES ON OR BEFORE [_____], 2015.]

A vote on the Plan may be disregarded if the Bankruptcy Court determines, pursuant to section 1126(e) of the Bankruptcy Code, that it was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code. The Disclosure Statement Order also sets forth assumptions and procedures for determining the amount of Claims that each creditor is entitled to vote in these Chapter 11 Cases and how votes will be counted under various scenarios.

C. Vote Required for Acceptance by a Class

A Class of Claims will have accepted the Plan if it is accepted by at least two-thirds (⅔) in amount and more than one-half (½) in number of the Allowed Claims in such Class that have voted on the Plan in accordance with the Disclosure Statement Order.

VIII. CONFIRMATION OF THE PLAN

The Bankruptcy Code requires the Bankruptcy Court, after notice, to conduct a hearing at which it will hear objections (if any) and determine whether to confirm the Plan. At the Confirmation Hearing, the Bankruptcy Court will confirm the Plan only if all of the requirements of section 1129 of the Bankruptcy Code described below are met.

The Confirmation Hearing has been scheduled to begin on **[_____]**, 2015, at **[___]** prevailing Eastern time before the Honorable Shelley C. Chapman, United States Bankruptcy Judge for the Southern District of New York, in a courtroom to be determined at the United States Bankruptcy Court for the Southern District of New York, located at One Bowling Green, New York, New York 10004. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice, except for an announcement of the adjourned date made at the Confirmation Hearing.

A. Deadline to Object to Confirmation

Objections, if any, to the Confirmation of the Plan must: (1) be in writing; (2) state the name and address of the objecting party and the nature of the Claim or Interest of such party; (3) state with particularity the basis and nature of any objection; and (4) be Filed with the Bankruptcy Court, and served on the following parties so that they are received no later than **[__]**:00 **[p]**.m., prevailing Eastern time, on **[_____]**, 2015:

- the Plan Debtors, c/o NII Holdings, Inc., 1875 Explorer Street, Suite 800, Reston, Virginia 20190 (Attn: General Counsel);
- counsel to the Plan Debtors, Jones Day, 222 East 41st Street, New York, New York 10017 (Attn: Scott J. Greenberg, Esq. and Lisa Laukitis, Esq.); Jones Day, North Point, 901 Lakeside Avenue, Cleveland, Ohio 44114 (Attn: David G. Heiman and Carl E. Black, Esq.);
- the Office of the United States Trustee, Southern District of New York, 201 Varick Street, Suite 1006, New York, NY 10014 (Attn: Susan D. Golden, Esq. and Brian Masumoto, Esq.);
- counsel to Wilmington Savings Fund Society, FSB, solely in its capacities as the trustee under the indentures governing the 10% Capco Notes and the 7.625% Capco Notes, respectively;
- counsel to U.S. Bank National Association, solely in its capacity as the trustee under the indenture governing the 8.875% Capco Notes;
- counsel to Wilmington Trust, National Association, solely in its capacities as the trustee under each indenture governing the Luxco 7.875% Notes and the Luxco 11.375% Notes;
- Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022 (Attn: Paul M. Basta, Esq. and Christopher Marcus, Esq.) on behalf of the Luxco Group;
- Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036 (Attn: Daniel H. Golden, Esq. and David H. Botter, Esq.) on behalf of Aurelius;

- Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019 (Attn: Andrew Rosenberg, Esq. and Elizabeth McColm, Esq.) on behalf of Capital Group;

- Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022 (Attn: Paul M. Basta, Esq. and Christopher Marcus, Esq.) on behalf of the Luxco Group;

- counsel to the Creditors' Committee, Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036 (Attn: Kenneth H. Eckstein, Esq. and Stephen D. Zide, Esq.);

- King & Spalding LLP, 1185 Avenue of the Americas, New York, New York 10036 (Attn: Michael C. Rupe, Esq.), on behalf of Credit Suisse AG, Cayman Islands Branch;

- the SEC; and

- all other parties in interest that have filed requests for notice pursuant to Bankruptcy Rule 2002 in these Chapter 11 Cases.

B. Requirements for Confirmation of the Plan

Among the requirements for Confirmation of the Plan are that the Plan (1) is accepted by all impaired Classes of Claims and Interests or, if rejected by an impaired Class, that the Plan "does not discriminate unfairly" and is "fair and equitable" as to such Class; (2) is feasible; and (3) is in the "best interests" of creditors and stockholders that are impaired under the Plan.

1. Requirements of Section 1129(a) of the Bankruptcy Code

A moneyed, business or commercial corporation or trust must satisfy the following requirements pursuant to section 1129(a) of the Bankruptcy Code before the Bankruptcy Court may confirm its reorganization plan:

- The plan complies with the applicable provisions of the Bankruptcy Code.

- The proponent(s) of the plan complies with the applicable provisions of the Bankruptcy Code.

- The plan has been proposed in good faith and not by any means forbidden by law.

- Any payment made or to be made by the proponent, by the debtor, or by a person issuing securities or acquiring property under a plan, for services or for costs and expenses in or in connection with the case, or in connection with the plan and incident to the case, has been approved by, or is subject to the approval of, the Bankruptcy Court as reasonable.

- The proponent(s) of a plan has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the debtor participating in a joint plan with the debtor or a successor to the debtor under the plan, and the appointment to, or continuance in, such office of such individual must be consistent with the interests of creditors and equity security holders and with public policy.

- The proponent(s) of the plan has disclosed the identity of any insider (as defined in section 101 of the Bankruptcy Code) that will be employed or retained by the reorganized debtor, and the nature of any compensation for such insider.

- Any governmental regulatory commission with jurisdiction, after confirmation of the plan, over the rates of the debtor has approved any rate change provided for in the plan, or such rate change is expressly conditioned on such approval.

- With respect to each impaired class of claims or interests—

- each holder of a claim or interest of such class (a) has accepted the plan; or (b) will receive or retain under the plan on account of such claim or interest property of a value, as of the effective date of the plan, that is not less than the amount that such holder would so receive or retain if the debtor were liquidated under chapter 7 of the Bankruptcy Code on such date; or

- if section 1111(b)(2) of the Bankruptcy Code applies to the claims of such class, each holder of a claim of such class will receive or retain under the plan on account of such claim, property of a value, as of the effective date of the plan, that is not less than the value of such holder's interest in the estate's interest in the property that secures such claims.

- With respect to each class of claims or interests, such class has (a) accepted the plan; or (b) such class is not impaired under the plan (subject to the "cramdown" provisions discussed below; see "Confirmation of the Plan — Requirements of Section 1129(b) of the Bankruptcy Code").

- Except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides that:

  - with respect to a claim of a kind specified in sections 507(a)(2) or 507(a)(3) of the Bankruptcy Code, on the effective date of the plan, the holder of the claim will receive on account of such claim cash equal to the allowed amount of such claim, unless such holder consents to a different treatment;

  - with respect to a class of claim of the kind specified in sections 507(a)(1), 507(a)(4), 507(a)(5), 507(a)(6), or 507(a)(7) of the Bankruptcy Code, each holder of a claim of such class will receive (a) if such class has accepted the plan, deferred cash payments of a value, on the effective date of the plan, equal to the allowed amount of such claim; or (b) if such class has not accepted the plan, cash on the effective date of the plan equal to the allowed amount of such claim, unless such holder consents to a different treatment;

  - with respect to a claim of a kind specified in section 507(a)(8) of the Bankruptcy Code, unless the holder of such a claim consents to a different treatment, the holder of such claim will receive on account of such claim, regular installment payments in cash, of a total value, as of the effective date of the plan, equal to the allowed amount of such claim over a period ending not later than 5 years after the date of the order for relief under section 301, 302, or 303 of the Bankruptcy Code and in a manner not less favorable than the most favored nonpriority unsecured claim provided for by the plan (other than cash payments made to a class of creditors under section 1122(b) of the Bankruptcy Code); and

  - with respect to a secured claim which would otherwise meet the description of an unsecured claim of a governmental unit under section 507(a)(8) of the Bankruptcy Code, but for the secured status of that claim, the holder of that claim will receive on account of that claim, cash payments, in the same manner and over the same period, as prescribed in the immediately preceding bullet points above.

- If a class of claims is impaired under the plan, at least one class of claims that is impaired under the plan has accepted the plan, determined without including any acceptance of the plan by any insider (as defined in section 101 of the Bankruptcy Code).

- Confirmation of the plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor under the plan, unless such liquidation or reorganization is proposed in the plan.

- All fees payable under 28 U.S.C. § 1930, as determined by the Bankruptcy Court at the hearing on confirmation of the plan, have been paid or the plan provides for the payment of all such fees on the effective date of the plan.

- The plan provides for the continuation after its effective date of payment of all retiree benefits, as that term is defined in section 1114 of the Bankruptcy Code, at the level established pursuant to subsection (e)(1)(B) or (g) of section 1114 of the Bankruptcy Code, at any time prior to confirmation of the plan, for the duration of the period the debtor has obligated itself to provide such benefits.

The Plan Proponents believe that the Plan meets all the applicable requirements of section 1129(a) of the Bankruptcy Code other than those pertaining to voting, which has not yet taken place.

2. Best Interests of Creditors

Section 1129(a)(7) of the Bankruptcy Code requires that any holder of an impaired claim or interest voting against a proposed plan of reorganization must be provided in the plan with a value, as of the effective date of the plan, at least equal to the value that the holder would receive if the debtor's assets were liquidated under chapter 7 of the Bankruptcy Code. To determine what the Holders of claims and interests in each impaired class would receive if the Plan Debtors' assets were liquidated, the Bankruptcy Court must determine the dollar amount that would be generated from a liquidation of the Plan Debtors' assets in the context of a hypothetical liquidation. Such a determination must take into account the fact that secured claims, and any administrative claims resulting from the original chapter 11 cases and from the chapter 7 cases, would have to be paid in full from the liquidation proceeds before the balance of those proceeds were made available to pay unsecured creditors and make distributions (if any) to holders of interests.

In support of the Plan Proponents' belief that the Holders of Claims and Interests in each impaired Class will receive more under the Plan than if the Plan Debtors' assets were liquidated, annexed to this Disclosure Statement as Exhibit 2 is a liquidation analysis prepared by the Plan Debtors with the assistance of professionals of the Plan Debtors (the "Liquidation Analysis") that assumes that the Chapter 11 Cases were converted to chapter 7 cases and each Debtor's assets are liquidated under the direction of a chapter 7 trustee. THESE LIQUIDATION VALUATIONS HAVE BEEN PREPARED SOLELY FOR USE IN THIS DISCLOSURE STATEMENT AND DO NOT REPRESENT VALUES THAT ARE APPROPRIATE FOR ANY OTHER PURPOSE. NOTHING CONTAINED IN THE LIQUIDATION ANALYSIS IS INTENDED TO BE OR CONSTITUTES A CONCESSION BY OR ADMISSION OF ANY DEBTOR FOR ANY PURPOSE. The assumptions used in developing the Liquidation Analysis are inherently subject to significant uncertainties and contingencies, many of which would be beyond the control of the Plan Debtors or a chapter 7 trustee. Accordingly, there can be no assurances that the values assumed in the Liquidation Analysis would be realized if the Plan Debtors were actually liquidated. In addition, any liquidation would take place in the future at which time circumstances may exist that cannot presently be predicted. A description of the procedures followed and the assumptions and qualifications made by the Plan Debtors in connection with the Liquidation Analysis are set forth in the notes thereto.

3. Feasibility

The Plan Proponents believe that the Reorganized Debtors will be able to perform their obligations under the Plan and continue to operate their businesses without further financial reorganization or liquidation. In connection with Confirmation of the Plan, the Bankruptcy Court must determine that the Plan is feasible in accordance with section 1129(a)(11) of the Bankruptcy Code (which section requires that the Confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Plan Debtors).

To support the Plan Proponents' belief that the Plan is feasible, the Plan Debtors have prepared the projections for the Reorganized Debtors, as set forth in Exhibit 3 to this Disclosure Statement and discussed in greater detail in Section X below.

4. Requirements of Section 1129(b) of the Bankruptcy Code

The Bankruptcy Code permits confirmation of a plan even if it is not accepted by all impaired classes, as long as (a) the plan otherwise satisfies the requirements for confirmation, (b) at least one impaired class of claims has accepted the plan without taking into consideration the votes of any insiders in such class and (c) the plan is "fair and equitable" and does not "discriminate unfairly" as to any impaired class that has not accepted the plan. These so-called "cramdown" provisions are set forth in section 1129(b) of the Bankruptcy Code.

"Fair and Equitable"

The Bankruptcy Code establishes different "cramdown" tests for determining whether a plan is "fair and equitable" to dissenting impaired classes of secured creditors, unsecured creditors and equity interest holders as follows:

- Secured Creditors. A plan is fair and equitable to a class of secured claims that rejects the plan if the plan provides: (a) that each holder of a secured claim included in the rejecting class (i) retains the liens securing its claim to the extent of the allowed amount of such claim, whether the property subject to those liens is retained by the debtor or transferred to another entity, and (ii) receives on account of its secured claim deferred cash payments having a present value, as of the effective date of the plan, at least equal to such holder's interest in the estate's interest in such property; (b) that each holder of a secured claim included in the rejecting class realizes the "indubitable equivalent" of its allowed secured claim; or (c) for the sale, subject to section 363(k) of the Bankruptcy Code, of any property that is subject to the liens securing the claims included in the rejecting class, free and clear of such liens with such liens to attach to the proceeds of the sale, and the treatment of such liens on proceeds in accordance with clause (i) or (ii) of this paragraph.

- Unsecured Creditors. A plan is fair and equitable as to a class of unsecured claims that rejects the plan if the plan provides that: (a) each holder of a claim included in the rejecting class receives or retains under the plan property of a value, as of the effective date of the plan, equal to the amount of its allowed claim; or (b) the holders of claims and interests that are junior to the claims of the rejecting class will not receive or retain any property under the plan on account of such junior claims or interests.

- Holders of Interests. A plan is fair and equitable as to a class of interests that rejects the plan if the plan provides that: (a) each holder of an equity interest included in the rejecting class receives or retains under the plan property of a value, as of the effective date of the plan, equal to the greatest of the allowed amount of (i) any fixed liquidation preference to which such holder is entitled, (ii) any fixed redemption price to which such holder is entitled or (iii) the value of the interest; or (b) the holder of any interest that is junior to the interests of the rejecting class will not receive or retain any property under the plan on account of such junior interest.

The Plan Proponents believe the Plan is fair and equitable as to unsecured creditors and Holders of Interests because no Holders of Claims or Interests junior to such parties are receiving any distributions under the Plan on account of such claims or interests. The Plan Debtors do not have any secured creditors that are impaired under the Plan and, therefore, confirmation will not contemplate the non-consensual Confirmation of the Plan with respect to any such creditors.

"*Unfair Discrimination*"

A plan of reorganization does not "discriminate unfairly" if a dissenting class is treated substantially equally with respect to other classes similarly situated, and no class receives more than it is legally entitled to receive for its claims or interests. The Plan Proponents carefully designed the Plan, including calculating the distributions to Holders of General Unsecured Claims against each of the Plan Debtors, to ensure recoveries on account of Claims in a particular Class against each of the Plan Debtors did not result in unfair discrimination among similarly situated Classes. Among other things, the recoveries to Holders of General Unsecured Claims of the applicable Plan Debtors were calculated to ensure that such Holders received a recovery no less favorable than the recovery to Holders of Prepetition Notes on account of claims directly against such Debtor entity under the

applicable Prepetition Notes. The Plan Proponents do not believe that the Plan discriminates unfairly against any impaired Class of Claims or Interests.

The Plan Proponents believe that the Plan and the treatment of all Classes of Claims and Interests under the Plan satisfy the foregoing requirements for "cramdown," or non-consensual Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code.

C. Standards Applicable to Certain Releases

Section IX.E of the Plan provides for releases for certain claims against non-debtors in consideration of services provided to the Plan Debtors and the contributions made by the Released Parties to the Chapter 11 Cases. The Released Parties are, collectively and individually, the Plan Proponents, the members of the Creditors' Committee, the Indenture Trustees, the Consenting Noteholders, the DIP Agent, the DIP Lenders, and the Representatives of each of the foregoing (solely in their capacities as such).

As set forth in the Plan, the releases are given by (i) the Debtors; (ii) the Reorganized Debtors; and (iii) to the greatest extent permitted under applicable law, all Holders of Claims or Interests against the Debtors that vote to accept the Plan. The released claims and exculpated claims are limited to those claims or causes of action that may have arisen in connection with, related to or arising out of the matters specified in the release provisions at Section IX.E of the Plan and disclosed herein at Section IX.A.17.

The Debtors believe that the releases set forth in the Plan are appropriate because, among other things, the releases are narrowly tailored, and each of the Released Parties has provided value to the Debtors and aided in the reorganization process, including, with respect to certain Released Parties, by entering into the Settlement, by providing the DIP Loan and by providing their support of the sale of NII Mexico, which greatly increased the value of the Plan Debtors' estates and has facilitated the Plan Debtors' ability to propose and pursue confirmation of the Plan in a highly value-maximizing and efficient manner.

Here, the Plan Debtors believe that each of the non-debtor Released Parties has (a) expended significant time and resources analyzing and negotiating the issues presented by the Plan Debtors' prepetition capital structure, including with respect to the claims subject to the Settlement and (b) contributed significantly to the Debtors' reorganization process, including, among other things, through entry into the Settlement and the DIP Loan. In addition, each of the non-debtor Released Parties actively participated in efforts with the Plan Debtors to arrive at a value-maximizing stalking horse bid in connection with the Mexico Sale Transaction, and were strong supporters of, and participants in, such efforts. Indeed, certain of the non-debtor Released Parties entered into a support stipulation [Docket No. 406] to confirm their support for the proposed Mexico Sale Transaction. Finally, each of the non-debtor Released Parties played a substantial role in formulating and negotiating the Plan. Absent the support and participation of the Released Parties, the Debtors could not have filed for chapter 11 protection with a path to reorganization and emergence. Accordingly, the Plan Debtors contend that the circumstances of the Chapter 11 Cases satisfy the requirements for such releases.

IX. MEANS OF IMPLEMENTATION OF THE PLAN

A. Effects of Confirmation of the Plan

1. Issuance of Reorganized NII Common Stock

On the Effective Date, 150,000,000 shares of Reorganized NII Common Stock will be authorized, and Reorganized NII will issue 100,000,000 shares of Reorganized NII Common Stock pursuant to the Plan. The Reorganized NII Common Stock issued pursuant to the Plan to holders of Claims in Classes 4D, 5A, 5B, 5C, and 6E, and up to an additional 5,263,158 shares of Reorganized NII Common Stock by Reorganized NII, including restricted stock, options, stock appreciation rights or other equity awards, if any, in connection with the Management Incentive Plan, in each case, will be authorized without the need for further corporate action and without any further action by the Holders of Claims or Interests. Any shares not necessary to satisfy obligations under the Plan will have the status of authorized but not issued shares of Reorganized NII.

Each distribution and issuance of the Reorganized NII Common Stock under the Plan will be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions will bind each Entity receiving such distribution or issuance.

On the Effective Date, each of the applicable Reorganized Debtors will be authorized to and will issue or execute and deliver, as applicable, the Reorganized NII Common Stock and the New Securities and Documents, 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 Entity.

As soon as reasonably practicable after the Effective Date, but no later than sixty (60) days after the Effective Date, Reorganized NII will use commercially reasonable efforts cause the Reorganized NII Common Stock to be listed for trading on the New York Stock Exchange or the Global or Global Select markets of the NASDAQ Stock Market.

The issuance or execution and delivery of the New Securities and Documents, as applicable, and the distribution thereof under the Plan will be exempt from registration under applicable securities laws pursuant to section 1145(a) of the Bankruptcy Code and/or any other applicable exemptions. Without limiting the effect of section 1145 of the Bankruptcy Code, all documents, agreements, and instruments entered into and delivered on or as of the Effective Date contemplated by or in furtherance of the Plan will become and will remain effective and binding in accordance with their respective terms and conditions upon the parties thereto, 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 Entity (other than as expressly required by such applicable agreement).

On the Effective Date, Reorganized NII and certain recipients of the Reorganized NII Common Stock will be deemed to have entered into the Registration Rights Agreement, which provides, among other things, that parties who, together with their affiliates, receive 10% or more of the Reorganized NII Common Stock issued under the Plan will have registration rights pursuant to the terms of the Registration Rights Agreement.

2. Continued Corporate Existence and Vesting of Assets in the Reorganized Debtors

Except as otherwise provided in the Plan (including with respect to the Restructuring Transactions described in Section III.C.1 of the Plan): (a) as of the Effective Date, Reorganized NII will exist as a separate corporate entity, with all corporate powers in accordance with the laws of the state of Delaware and the certificates of incorporation and bylaws, appended to the Plan as Exhibit B and Exhibit C, respectively; (b) subject to the Restructuring Transactions, each of the Plan Debtors will, as a Reorganized Debtor, continue to exist after the Effective Date as a separate legal entity, with all of the powers of such a legal entity under applicable law and without prejudice to any right to alter or terminate such existence (whether by merger, conversion, dissolution or otherwise) under applicable law; and (c) on the Effective Date, all property of the Estate of a Plan Debtor, and any property acquired by a Plan Debtor or Reorganized Debtor under the Plan, will vest, subject to the Restructuring Transactions, in the applicable Reorganized Debtors, free and clear of all Claims, liens, charges, other encumbrances, Interests and other interests. On and after the Effective Date, each Reorganized Debtor may operate its business and may use, acquire and dispose of property and compromise or settle any claims without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan or the Confirmation Order. Without limiting the foregoing, each Reorganized Debtor may pay the charges that it incurs on or after the Effective Date for appropriate Professionals' fees, disbursements, expenses or related support services (including fees relating to the preparation of Professional fee applications) without application to, or the approval of, the Bankruptcy Court.

3. Restructuring Transactions

a. *Restructuring Transactions Generally*

On or after the Confirmation Date, the applicable Plan Debtors or Reorganized Debtors may enter into such Restructuring Transactions and may take such actions as the applicable Plan Debtors or Reorganized Debtors may determine to be necessary or appropriate to effect, in accordance with applicable non-bankruptcy law, a corporate

restructuring of their respective businesses or simplify the overall corporate structure of the Reorganized Debtors, all to the extent not inconsistent with any other terms of the Plan, and subject to the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed. Unless otherwise provided by the terms of a Restructuring Transaction, all such Restructuring Transactions will be deemed to occur on the Effective Date and may include one or more mergers, consolidations, restructurings, dispositions, liquidations or dissolutions, as may be determined by the Plan Debtors or the Reorganized Debtors (each with the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) to be necessary or appropriate. The actions to effect these transactions may include: (i) the execution and delivery of appropriate agreements or other documents of merger, consolidation, restructuring, disposition, liquidation or dissolution containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable state law and such other terms to which the applicable Entities may agree; (ii) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, duty or obligation on terms consistent with the terms of the Plan and having such other terms to which the applicable Entities may agree; (iii) the filing of appropriate certificates or articles of merger, consolidation, dissolution or change in corporate form pursuant to applicable state law; and (iv) the taking of all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable state law in connection with such transactions. Any such transactions may be effected on or subsequent to the Effective Date without any further action by the stockholders or directors of any of the Plan Debtors or the Reorganized Debtors.

b. *Obligations of Any Successor Corporation in a Restructuring Transaction*

The Restructuring Transactions may result in substantially all of the respective assets, properties, rights, Liabilities, duties and obligations of certain of the Reorganized Debtors vesting in one or more surviving, resulting or acquiring corporations. In each case in which the surviving, resulting or acquiring corporation in any such transaction is a successor to a Reorganized Debtor, such surviving, resulting or acquiring corporation will succeed to the rights and obligations of such Reorganized Debtor under the Plan and will perform the obligations of the applicable Reorganized Debtor pursuant to the Plan to pay or otherwise satisfy the Allowed Claims against such Reorganized Debtor, except as provided in the Plan or in any contract, instrument or other agreement or document effecting a disposition to such surviving, resulting or acquiring corporation, which may provide that another Reorganized Debtor will perform such obligations. For the avoidance of doubt, with respect to the Mexico Sale Documents (as defined in the Plan), the provisions in such documents identifying (i) successors to the Debtors thereunder and (ii) the obligations of such successors thereunder, in each case, shall apply.

4. Operating Company Credit Agreements and New NII-ATC Guaranty

The Plan Debtors or Reorganized Debtors, as applicable, are authorized to execute and deliver and enter into any agreements or filings related to the CDB Amended Guarantee, the CDB Shareholder Undertaking Agreement, the CDB Loan Subordination Agreement, the Operating Company Credit Agreements and the New NII-ATC Guaranty without the need for any further corporate or other organizational action and without further Court approval. As discussed in Section VII.B of the Plan, the execution and effectiveness of the foregoing agreements and amendments with respect to the Operating Company Credit Agreements is a condition precedent to the Effective Date.

5. Sources of Cash for Plan Distributions

The Plan Debtors or Reorganized Debtors, as applicable, with the consent of the Creditors' Committee and the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed, are authorized to execute and deliver any documents necessary or appropriate to obtain Cash for funding the Plan, including, without limitation, pursuant to the New NII Exit Financing Documents (if obtained). All consideration necessary for the Reorganized Debtors to make payments or distributions pursuant hereto will be obtained through a combination of one or more of the following: (a) Cash on hand of the Plan Debtors, including Cash from business operations, or distributions from Non-Debtor Affiliates; (b) proceeds of the Mexico Sale Transaction and any other sale of assets; (c) the New NII Exit Financing Facility (if obtained); (d) the proceeds of any tax refunds and other causes of action; and (e) any other means of financing or funding that the Plan Debtors or the Reorganized Debtors

determine is necessary or appropriate. Further, the Plan Debtors and the Reorganized Debtors will be entitled to transfer funds between and among themselves as they determine to be necessary or appropriate to enable the Reorganized Debtors to satisfy their obligations under the Plan, with the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed. Except as set forth in the Plan, any changes in intercompany account balances resulting from such transfers will be accounted for and settled in accordance with the Debtors' historical intercompany account settlement practices and will not violate the terms of the Plan or any orders entered by the Bankruptcy Court with respect to the Debtors' cash management system.

6. Corporate Governance, Directors and Officers, Employment-Related Agreements and Compensation Programs; Other Agreements

a. *Certificates of Incorporation and Bylaws*

As of the Effective Date, the certificate of incorporation and the bylaws (or comparable constituent documents) of Reorganized NII will be substantially in the forms appended to the Plan as Exhibit B and Exhibit C, respectively. The certificate of incorporation and bylaws (or comparable constituent documents) of each Reorganized Debtor, among other things, will prohibit the issuance of nonvoting equity securities to the extent required by section 1123(a)(6) of the Bankruptcy Code. After the Effective Date, each Reorganized Debtor may amend and restate its certificate of incorporation or bylaws (or comparable constituent documents) as permitted by applicable non-bankruptcy law, subject to the terms and conditions of such constituent documents. On the Effective Date, or as soon thereafter as is practicable, each Reorganized Debtor will file such certificate of incorporation (or comparable constituent documents) with the secretary of state or jurisdiction or similar office of the state or jurisdiction in which such Reorganized Debtor is incorporated or organized, to the extent required by and in accordance with the applicable corporate law of such state.

b. *Directors and Officers of the Reorganized Debtors*

In accordance with section 1129(a)(5) of the Bankruptcy Code, from and after the Effective Date, the initial officers and directors of Reorganized NII will be comprised of the individuals identified in a disclosure to be Filed as part of the Plan Supplement.

The New Board will initially consist of seven (7) directors, including (a) the chief executive officer of Reorganized NII, (b) three (3) directors designated by Capital Group, (c) one (1) director designated by Aurelius, and (d) two (2) directors designated by the Luxco Group. Each of the individuals designated as nominees to be directors (other than the chief executive officer of Reorganized NII) will (a) be independent under the rules of the New York Stock Exchange or the NASDAQ Stock Market, as applicable, and the independence requirements for members of audit committees under the rules of the Securities and Exchange Commission and (b) not be employees of any of the Requisite Consenting Noteholders. The foregoing board designation rights will not continue after the selection of the New Board.

The directors for the boards of directors of the direct and indirect subsidiaries of Reorganized NII will be identified and selected by the New Board.

c. *Employment-Related Agreements and Compensation Programs*

Except as otherwise provided in the Plan, as of the Effective Date, each of the Reorganized Debtors will have authority to: (i) maintain, reinstate, amend or revise existing employment, retirement, welfare, incentive, severance, indemnification and other agreements with its active and retired directors, officers and employees, subject to the terms and conditions of any such agreement and applicable non-bankruptcy law; and (ii) enter into new employment, retirement, welfare, incentive, severance, indemnification and other agreements for active and retired employees.

On the Effective Date, the Severance Plan will be reinstated and continued in accordance with their terms and, to the extent applicable, will be deemed assumed by Reorganized NII pursuant to section 365 of the Bankruptcy Code and Section IV.A of the Plan.

On or after the Effective Date, the New Board will adopt and implement the Management Incentive Plan.

From and after the Effective Date, the Reorganized Debtors will continue to administer and pay the Claims arising before the Petition Date under the Plan Debtors' workers' compensation programs in accordance with their prepetition practices and procedures.

d. *Other Matters*

Notwithstanding anything to the contrary in the Plan, no provision in any contract, agreement or other document with the Plan Debtors that is rendered unenforceable against the Plan Debtors or the Reorganized Debtors pursuant to sections 541(c), 363(*l*) or 365(e)(1) of the Bankruptcy Code, or any analogous decisional law, will be enforceable against the Plan Debtors or Reorganized Debtors as a result of the Plan.

e. *Transactions Effective as of the Effective Date*

Pursuant to section 1142 of the Bankruptcy Code and section 303 of the Delaware General Corporation Law and any comparable provisions of the business corporation law of any other state or jurisdiction the following will occur and be effective as of the Effective Date, if no such other date is specified in such other documents, and will be authorized and approved in all respects and for all purposes without any requirement of further action by the stockholders or directors of the Plan Debtors or any of the Reorganized Debtors: (i) the Restructuring Transactions, if any; (ii) the adoption of new or amended and restated certificates of incorporation and bylaws (or comparable constituent documents) for each Reorganized Debtor; (iii) the initial selection of directors and officers for each Reorganized Debtor; (iv) the distribution of Cash and other property pursuant to the Plan; (v) the authorization and issuance of Reorganized NII Common Stock pursuant to the Plan; (vi) the entry into and performance of the New NII Exit Financing Documents (if applicable); (vii) the entry into and performance of the CDB Amended Guarantee; (viii) the entry into and performance of the New NII-ATC Guaranty; (ix) any amendments to any of the Operating Company Credit Agreements; (x) the adoption, execution, delivery and implementation of all contracts, leases, instruments, releases and other agreements or documents related to any of the foregoing; (xi) the adoption, execution and implementation of employment, retirement and indemnification agreements, incentive compensation programs, including the Management Incentive Plan, retirement income plans, welfare benefit plans and other employee plans and related agreements; and (xii) any other matters provided for under the Plan involving the corporate structure of the Plan Debtors or Reorganized Debtors or corporate action to be taken by or required of a Plan Debtor or Reorganized Debtor.

7. New NII Exit Financing Facility

On the Effective Date, one or more of the Reorganized Debtors will be authorized to consummate the New NII Exit Financing Facility (if obtained) and to execute, deliver and enter into the New NII Exit Financing Documents, and any related agreements or filings without the need for any further corporate or other organizational action and without further action by the Holders of Claims or Interests and the New NII Exit Financing Documents and any related agreements or filings will be executed and delivered and the applicable Reorganized Debtors will enter into the New NII Exit Financing Facility and be permitted to incur or issue the indebtedness available thereunder.

Any final material terms of the New NII Exit Financing Facility (if obtained) will be included in the Plan Supplement, and will be reasonably acceptable to the Plan Proponents, Capital Group and Aurelius, and subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; *provided* that if Capital Group or Aurelius participates as a lender in the New NII Exit Financing Facility, the New NII Exit Financing Facility will be reasonably acceptable to each of the Plan Proponents and each of the Requisite Consenting Noteholders.

8. Preservation of Rights of Action; Settlement Agreements and Releases

a. *Preservation of Rights of Action by the Reorganized Debtors; Recovery Actions*

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, in accordance with section 1123(b)(3) of the Bankruptcy Code, the Reorganized Debtors will have vested in them as of the Effective Date, and the Reorganized Debtors will retain and may enforce, any claims, demands, rights, defenses and causes of action that the Plan Debtor or the Estate may hold against any Entity, except the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims. Each Reorganized Debtor or its successor may pursue such retained claims, demands, rights, defenses or causes of action, as appropriate, and may settle such claims after the Effective Date without notice to parties in interest or approval of the Bankruptcy Court. Notwithstanding the foregoing, as of the Effective Date, the Plan Debtors will waive and release all Recovery Actions.

b. *Comprehensive Settlement of Claims and Controversies*

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, the Plan incorporates an integrated compromise and settlement designed to achieve a beneficial and efficient resolution of these Chapter 11 Cases for all parties in interest. Accordingly, in consideration of the distributions and other benefits provided under the Plan, the provisions of the Plan, including the releases set forth in Section IX.E of the Plan, will constitute a good-faith compromise and settlement of all Claims, disputes, or controversies relating to the rights that a Holder of a Claim may have with respect to any Claim (other than Claims Reinstated hereunder) or any distribution to be made pursuant to the Plan on account of any such Claim (other than Claims Reinstated hereunder), including, but not limited to, the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims as described below. Without limiting the effect of the preceding sentence, the Plan provides that:

- The Avoidance Claims will be settled and compromised pursuant to the Plan by providing for Allowed Claims against the applicable Plan Debtors in amounts reflecting the avoidance of 25% of each of the Identified Avoidance Claims.

- The Recharacterization Claims will be settled and compromised pursuant to the Plan by providing for Allowed Claims against the applicable Plan Debtors in an amount equal to 75% of the amount of the Recharacterization Claims, excluding the Capco Intercompany Note, which will be Allowed in an amount equal to 100% of its asserted amount, subject to the subordination of the Capco Intercompany Note being resolved pursuant to the settlement and compromise of the Avoidance Claims. In addition, if a Claim is subject to both Avoidance Claims and Recharacterization Claims, there is a compounding effect on such a Claim resulting from the settlement.

- The Transferred Guarantor Claims will be settled and compromised pursuant to the Plan by providing for Allowed Claims against each of the Plan Debtors in the Transferred Guarantor Debtor Group in amounts reflecting the allowance of 21.0% of the outstanding prepetition Claim amount of each of the Capco 8.875% Notes and Capco 10% Notes.

The allowance of Claims provided for in the Plan and the distributions and other benefits provided under the Plan will be in full satisfaction of any and all potential Claims that could have been asserted as part of the Avoidance Claims, the Recharacterization Claims and Transferred Guarantor Claims, regardless of whether any of the foregoing Claims are identified in the Plan or could have been asserted. Distributions on account of the Allowed Claims resulting from the settlement and compromise of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims will be effected through the distributions to Holders of Allowed Claims pursuant to the Plan. The allowance of such Claims provided for hereunder is solely for the purpose of determining the allocation and distribution of the Reorganized NII Common Stock to Holders of Allowed Claims pursuant to the Plan but will not alter the treatment of the underlying transactions that gave rise to such Claims for any other purpose.

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, disputes, or controversies provided for in the Plan, and the

Bankruptcy Court's determination that such compromises and settlements are in the best interests of the Plan Debtors, their estates, the Reorganized Debtors, creditors and all other parties in interest, and are fair, equitable and within the range of reasonableness. The compromises and settlements described in the Plan will be deemed non-severable from each other and from all other terms of the Plan.

9. Reinstatement and Continuation of Insurance Policies

From and after the Effective Date, each of the Plan Debtors' insurance policies in existence as of the Effective Date will be reinstated and continued in accordance with their terms and, to the extent applicable, will be deemed assumed by the applicable Reorganized Debtor pursuant to section 365 of the Bankruptcy Code and Section IV.A of the Plan. Nothing in the Plan will affect, impair or prejudice the rights of the insurance carriers or the Reorganized Debtors under the insurance policies in any manner, and such insurance carriers and Reorganized Debtors will retain all rights and defenses under such insurance policies, and such insurance policies will apply to, and be enforceable by and against, the Reorganized Debtors in the same manner and according to the same terms and practices applicable to the Plan Debtors, as existed prior to the Effective Date.

10. Cancellation and Surrender of Instruments, Securities and Other Documentation

Except as provided in any contract, instrument or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to Section II of the Plan, all notes, instruments, certificates, and other documents evidencing Claims or Interests (including, without limitation, the NII Interests, the Prepetition Indentures and the Prepetition Notes) will be deemed cancelled and of no further force and effect against the Plan Debtors, without any further action on the part of any Plan Debtor; *provided*, *however*, that the Prepetition Indentures and the Prepetition Notes will remain in effect after the Effective Date only as follows: (a) for so long as is necessary to permit distributions to be made pursuant to the Plan and the applicable Indenture Trustee to perform necessary functions with respect thereto; and (b) to allow each Indenture Trustee and any predecessor trustee under any of the Prepetition Indentures to exercise its charging lien for the payment of its fees and expenses and for indemnification as provided in the applicable Prepetition Indentures. From and after the making of the applicable distributions pursuant to Section II of the Plan, the Holders of the Prepetition Note Claims will have no rights against the Plan Debtors or Reorganized Debtors arising from or relating to such instruments and other documentation or the cancellation thereof, except the rights provided pursuant to the Plan. No distribution under the Plan will be made to or on behalf of any Holder of a Prepetition Note Claim until such Prepetition Notes are received by the applicable Indenture Trustee to the extent required pursuant to Section V.B of the Plan.

11. Release of Liens

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and consistent with the treatment provided for Claims and Interests in Section II of the Plan, all mortgages, deeds of trust, liens or other security interests, including any liens granted as adequate protection against the property of any Estate, will be fully released and discharged, and all of the right, title and interest of any Holder of such mortgages, deeds of trust, liens or other security interests, including any rights to any collateral thereunder, will revert to the applicable Reorganized Debtor and its successors and assigns. For the avoidance of doubt, the charging liens of the Indenture Trustees under the applicable Prepetition Indentures may be asserted on the distributions (if any) to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C and 6E, as applicable, and, to the extent asserted, will remain in place until the reasonable and documented fees and expenses of the Indenture Trustees are satisfied as provided in the Plan. As of the Effective Date, the Reorganized Debtors will be authorized to execute and file on behalf of creditors Form UCC-3 termination statements, mortgage releases or such other forms as may be necessary or appropriate to implement the provisions of Section III.K of the Plan.

12. Effectuating Documents; Further Transactions

On and after the Effective Date, the Reorganized Debtors, and the officers and members of the boards of directors thereof, are authorized to and may issue, execute, deliver, file, or record such contracts, securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate

to effectuate, implement and further evidence the terms and conditions of the Plan, the Reorganized NII Common Stock issued pursuant to the Plan, the CDB Amended Guarantee, the New NII-ATC Guaranty, the New NII Exit Financing Facility (if obtained) authorized pursuant to the Plan (including, but not limited to, the New NII Exit Facility Documents) and any amendments to any of the Operating Company Credit Agreements, in each case, in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorization or consents except those expressly required pursuant to the Plan.

13. Dissolution of Official Committees

Except to the extent provided in the Plan, upon the Effective Date, the current and former members of the Creditors' Committee and any other creditor, equity or other committee appointed pursuant to section 1102 of the Bankruptcy Code in the Chapter 11 Cases, and their respective officers, employees, counsel, advisors and agents, will be released and discharged of and from all further authority, duties, responsibilities and obligations related to and arising from and in connection with the Chapter 11 Cases; *provided*, *however*, that following the Effective Date the Creditors' Committee will continue in existence and have standing and a right to be heard for the following limited purposes: (a) Claims and/or applications for compensation by Professionals and requests for allowance of Administrative Claims for substantial contribution pursuant to section 503(b)(3)(D) of the Bankruptcy Code; (b) any appeals to which the Creditors' Committee is a party; (c) any adversary proceedings or contested matters as of the Effective Date to which the Creditors' Committee is a party; and (d) responding to creditor inquiries for sixty (60) days following the Effective Date. Following the completion of the Creditors' Committee's remaining duties set forth above, the Creditors' Committee will be dissolved, and the retention or employment of the Creditors' Committee's respective attorneys, accountants and other agents will terminate.

14. Discharge of Claims and Interests

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims and Interests arising or existing on or before the Effective Date, including any interest accrued on Claims from and after the Petition Date. From and after the Effective Date, the Plan Debtors will be discharged from any and all Claims and Interests that arose or existed prior to the Effective Date, subject to the obligations of the Plan Debtors under the Plan.

15. Injunctions

As of the Effective Date, except with respect to the obligations of the Reorganized Debtors under the Plan or the Confirmation Order, all Entities that have held, currently hold or may hold any Claims or Interests, obligations, suits, judgments, damages, demands, debts, rights, causes of action or Liabilities that are waived, discharged or released under the Plan will be permanently enjoined from taking any of the following enforcement actions against the Plan Debtors, the Reorganized Debtors, the Released Parties or any of their respective assets or property on account of any such waived, discharged or released Claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or Liabilities: (a) commencing or continuing in any manner any action or other proceeding; (b) enforcing, levying, attaching, collecting or recovering in any manner any judgment, award, decree or order; (c) creating, perfecting or enforcing any lien or encumbrance; (d) asserting any right of setoff, subrogation or recoupment of any kind against any debt, liability or obligation due to any Plan Debtor, Reorganized Debtor or Released Party; and (e) commencing or continuing any action, in any manner, in any place to assert any Claim waived, discharged or released under the Plan or that does not otherwise comply with or is inconsistent with the provisions of the Plan.

16. Exculpation

From and after the Effective Date, the Released Parties, the Plan Debtors and the Reorganized Debtors will neither have nor incur any liability to any Entity, and no Holder of a Claim or Interest, no other party in interest and none of their respective Representatives will have any right of action against any Plan Debtor, Reorganized Debtor, Released Party or any of their respective Representatives for any act taken or omitted to be taken before the Effective Date in connection with, related to or arising out of the Chapter 11

Cases, the Debtors or the negotiation, consideration, formulation, preparation, dissemination, implementation, Confirmation or consummation of the Plan Term Sheet, the Plan Support Agreement, Plan, the Exhibits, the Disclosure Statement, any amendments to any of the Operating Company Credit Agreements, the New NII-ATC Guaranty, the CDB Amended Guarantee, the Mexico Sale Transaction, the DIP Credit Agreement, the DIP Order, any of the New Securities and Documents, the Restructuring Transactions or any other transactions proposed in connection with the Chapter 11 Cases or any contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any other obligations arising under the Plan or the obligations assumed thereunder; *provided*, *however*, that the provisions of Section IX.D of the Plan will have no effect on: (a) the liability of any Entity that would otherwise result from the failure to perform or pay any obligation or liability under the Plan or any contract, instrument, release or other agreement or document to be entered into or delivered in connection with the Plan or (b) the liability of any Released Party that would otherwise result from any act or omission of such Released Party to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct (including fraud).

17. Releases

a. Releases by Plan Debtors and Reorganized Debtors

Without limiting any other applicable provisions of, or releases contained in, the Plan, as of the Effective Date, to the fullest extent permitted by law, the Plan Debtors and the Reorganized Debtors, on behalf of themselves and their affiliates, the Estates and their respective successors, assigns and any and all Entities who may purport to claim by, through, for or because of them, will forever release, waive and discharge all Liabilities that they have, had or may have against any Released Party with respect to a Debtor, the Estates, the Chapter 11 Cases, or the negotiation, consideration, formulation, preparation, dissemination, implementation, Confirmation or consummation of the Plan Term Sheet, the Plan Support Agreement, the Plan, the Exhibits, the Disclosure Statement, any amendments to any of the Operating Company Credit Agreements, the New NII-ATC Guaranty, the CDB Amended Guarantee, the Mexico Sale Transaction, the DIP Credit Agreement, the DIP Order, any of the New Securities and Documents, the Restructuring Transactions or any other transactions proposed in connection with the Chapter 11 Cases or any contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any obligations arising under the Plan or the obligations assumed thereunder; *provided, however,* that the provisions that appear in Section IX.E.1 of the Plan will not affect (i) the liability of any Released Party that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct (including fraud), (ii) any rights to enforce the Plan or the other contracts, instruments, releases, agreements or documents to be, or previously, entered into or delivered in connection with the Plan, (iii) except as otherwise expressly set forth in the Plan, any objections by the Plan Debtors or the Reorganized Debtors to Claims or Interests filed by any Entity against any Debtor and/or the Estates, including rights of setoff, refund or other adjustments, (iv) the rights of the Plan Debtors to assert any applicable defenses in litigation or other proceedings with their employees (including the rights to seek sanctions, fees and other costs) and (v) any claim of the Plan Debtors or Reorganized Debtors, including (but not limited to) cross-claims or counterclaims or other causes of action against employees or other parties, arising out of or relating to actions for personal injury, wrongful death, property damage, products liability or similar legal theories of recovery to which the Plan Debtors or Reorganized Debtors are a party.

b. Releases by Holders of Claims or Interests

Without limiting any other applicable provisions of, or releases contained in, the Plan, as of the Effective Date, in consideration for the obligations of the Plan Debtors and the Reorganized Debtors under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, each Holder of a Claim that votes in favor of the Plan will be deemed to forever release, waive and discharge all Liabilities in any way that such Entity has, had or may have against any Released Party (which release will be in addition to the discharge of Claims and termination of Interests provided in the Plan and under the Confirmation Order and the Bankruptcy Code), in each case, relating to a Debtor, the Estates, the Chapter 11 Cases, or the negotiation, consideration,

formulation, preparation, dissemination, implementation, Confirmation or consummation of the Plan Term Sheet, the Plan Support Agreement, the Plan, the Exhibits, the Disclosure Statement, any amendments to any of the Operating Company Credit Agreements, the New NII-ATC Guaranty, the CDB Amended Guarantee, the Mexico Sale Transaction, the DIP Credit Agreement, the DIP Order, any of the New Securities and Documents, the Restructuring Transactions or any other transactions proposed in connection with the Chapter 11 Cases or any contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any obligations arising under the Plan or the obligations assumed thereunder; *provided*, *however*, that the provisions that appear in Section IX.E.2 of the Plan will have no effect on: (i) the liability of any Entity that would otherwise result from the failure to perform or pay any obligation or liability under the Plan or any contract, instrument, release or other agreement or document to be entered into or delivered in connection with the Plan or (ii) the liability of any Released Party that would otherwise result from any act or omission of such Released Party to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct (including fraud).

18. Votes Solicited in Good Faith

The Plan Proponents have, and upon Confirmation of the Plan will be deemed to have, solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code. The Plan Proponents (and each of their respective affiliates, agents, directors, officers, members, employees, advisors, and attorneys) have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer and issuance of the securities offered and sold under the Plan and therefore have not, and on account of such offer and issuance 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 the Plan or the offer or issuance of the securities offered and distributed under the Plan.

19. Termination of Certain Subordination Rights

The classification and manner of satisfying Claims under the Plan take into consideration all subordination rights, whether arising under general principles of equitable subordination, contract, sections 510(a) and 510(c) of the Bankruptcy Code or otherwise, that a Holder of a Claim or Interest may have against other Claim or Interest Holders with respect to any distribution made pursuant to the Plan, including, without limitation, any such rights that are resolved in connection with the settlement of the Avoidance Claims. All subordination rights that a Holder of a Claim, other than a Holder of a Claim Reinstated hereunder, may have with respect to any distribution to be made pursuant to the Plan will be discharged and terminated, and all actions related to the enforcement of such subordination rights will be permanently enjoined. Accordingly, distributions pursuant to the Plan will not be subject to payment to a beneficiary of such terminated subordination rights or to levy, garnishment, attachment or other legal process by a beneficiary of such terminated subordination rights.

B. Provisions Governing Distributions and Procedures for Resolving Disputed Claims

1. Distributions for Allowed Claims as of the Effective Date

Except as otherwise provided in Section V of the Plan, distributions to be made on the Effective Date to Holders of Allowed Claims as provided by Sections II or V of the Plan will be deemed made on the Effective Date if made on the Effective Date or as promptly thereafter as practicable by the Plan Debtors or the Reorganized Debtors, as applicable.

2. Delivery of Distributions and Undeliverable or Unclaimed Distributions to Holders of Claims in Classes 4A, 4D, 5A, 5B, 5C and 6E

a. *Distribution Procedures*

Reorganized NII shall deliver to the applicable Indenture Trustees on or as soon as practicable after the Effective Date the property to be distributed, if any, to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C, and 6E under Section II of the Plan; provided that, notwithstanding the foregoing, Reorganized NII and the

applicable Indenture Trustees, subject to their respective rights under sections 6.09 and 7.07(d) under the applicable Prepetition Indentures, will take the necessary steps to effect the distribution of the Reorganized NII Common Stock through DTC. As soon as practicable thereafter and to the extent applicable, the applicable Indenture Trustees will make the distributions set forth in Section II of the Plan, which will be effected through DTC, and in accordance therewith to the Holders of Allowed Luxco Note Claims, Allowed Capco Note Claims and Allowed Transferred Guarantor Claims, as applicable, in accordance with the practices and procedures of DTC; provided that, to the extent that the distributions are not eligible to be effected through DTC, (i) the Indenture Trustees will have no responsibility or obligation to take delivery of, or distribute such distributions and (ii) neither Reorganized NII nor an agent thereof will make such distributions directly or indirectly to Holders of Allowed Claims until after the Indenture Trustees receive an amount of Cash equal to the reasonable and documented fees and expenses of such Indenture Trustee outstanding in accordance with Section II of the Plan. Upon delivery of the property to be distributed, if any, to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C, and 6E under Section II of the Plan as provided thereunder, the Plan Debtors will have no further obligations with respect to distributions to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C, and 6E under the Plan

No fractional shares of Reorganized NII Common Stock will be distributed under the Plan. To the extent any Holder of a Claim would be entitled to receive a fractional share of Reorganized NII Common Stock, the Plan Debtors will round downward the number of shares due to that Holder to the nearest whole share.

The Plan Debtors, the Reorganized Debtors and the Indenture Trustees (if applicable) will only be required to act and make distributions in accordance with the terms of the Plan. Such parties will have no (i) liability to any party for actions taken in accordance with the Plan or in reliance upon information provided to it in accordance with the Plan or (ii) obligation or liability for distributions under the Plan to any party who does not hold a Claim against the Plan Debtors as of the Distribution Record Date or any other date on which a distribution is made or who does not otherwise comply with the terms of the Plan.

b. *Undeliverable Distributions*

The Reorganized Debtors will make one attempt to make the distributions contemplated in the Plan in accordance with the procedures set forth in the Plan. Any distributions returned to the Reorganized Debtors, or distributions that are otherwise undeliverable, will remain in the possession of the applicable Reorganized Debtor until such time as a distribution becomes deliverable.

Any Holder of an Allowed Claim entitled to a distribution of property under the Plan that does not assert a claim pursuant to the Plan for an undeliverable distribution within 180 days after the Effective Date will have its claim for such undeliverable distribution discharged and will be forever barred from asserting any such claim against the Reorganized Debtors or their respective property.

3. Compliance with Tax Requirements

In connection with the Plan and all instruments issued in connection with the Plan and distributed under the Plan, to the extent applicable, the Plan Debtors, the Reorganized Debtors, the Indenture Trustees or any other party issuing any instruments or making any distributions under the Plan will comply with all Tax withholding and reporting requirements imposed on them by any governmental unit, and all distributions pursuant to the Plan will be subject to such withholding and reporting requirements. Each of the Plan Debtors, Reorganized Debtors and the Indenture Trustees, as applicable, will be authorized to take any actions that may be necessary or appropriate to comply with such withholding and reporting requirements.

Notwithstanding any other provision of the Plan, each Entity receiving a distribution pursuant to the Plan will have the sole and exclusive responsibility for the satisfying and paying of any Tax obligations imposed on it by any governmental unit on account of such distribution, including income, withholding and other Tax obligations.

4. Effect of Distribution and Distribution Record Date

Upon the date on which distributions to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C and 6E are completed, the transfer registers for the Prepetition Notes will be closed. The Plan Debtors or the Indenture Trustees will have no obligation to recognize the transfer or sale of any Prepetition Note Claim that occurs after such

date and will be entitled for all purposes pursuant to the Plan to recognize and make distributions only to those Holders who are Holders of such Prepetition Note Claims on such date.

Except as otherwise provided in a Final Order of the Bankruptcy Court, the transferees of Claims that are transferred pursuant to Bankruptcy Rule 3001 on or prior to the applicable Distribution Record Date will be treated as the Holders of such Claims for all purposes, notwithstanding that any period provided by Bankruptcy Rule 3001 for objecting to such transfer has not expired by such Distribution Record Date.

5. Setoffs

Except with respect to claims of a Plan Debtor or Reorganized Debtor released pursuant to the Plan or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Reorganized Debtors may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Claim and the payments or distributions to be made on account of the Claim the claims, rights and causes of action of any nature that the applicable Debtor or Reorganized Debtor may hold against the Holder of the Claim; *provided*, *however*, that the failure to effect a setoff will not constitute a waiver or release by the applicable Debtor or Reorganized Debtor of any claims, rights and causes of action that the Plan Debtor or Reorganized Debtor may possess against the Holder of a Claim; *provided*, *further*, *however*, that the Plan Debtor or Reorganized Debtor will not set off or assert a right of set off against any Prepetition Note Claims.

6. Allocation Between Principal and Accrued Interest

Except as otherwise provided in the Plan, the aggregate consideration paid to Holders with respect to their Allowed Claims will be treated pursuant to the Plan as allocated first to the principal amount of such Allowed Claims (to the extent thereof) and, thereafter, to the interest, if any, accrued through the Effective Date.

7. Distributions to Holders of Disputed Claims

Notwithstanding any other provision of the Plan, (a) no payments or distributions will be made on account of a Disputed Claim until such Claim becomes an Allowed Claim, if ever, and (b) except as otherwise agreed to by the relevant parties, no partial payments and no partial distributions will be made with respect to a Disputed Claim until all such disputes in connection with such Disputed Claim have been resolved by settlement or Final Order.

To the extent that a Disputed Claim ultimately becomes an Allowed Claim, distributions (if any) will be made to the Holder of such Allowed Claim in accordance with the provisions of the Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Holder of such Claim will receive the distribution (if any) to which such Holder is entitled under the Plan as of the Effective Date, without any interest to be paid on account of such Claim unless required under applicable bankruptcy law. Distributions made after the Effective Date to Holders of Disputed Claims that are not Allowed Claims as of the Effective Date but which later become Allowed Claims will be deemed to have been made on the Effective Date.

8. Allowance of Claims

After the Effective Date, the Reorganized Debtors will have and retain any and all rights and defenses the Plan Debtors had with respect to any Claim immediately prior to the Effective Date, except with respect to any Claim deemed Allowed under the Plan. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date (including the Confirmation Order), no Claim will become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code or the Bankruptcy Court has entered a Final Order (including the Confirmation Order) in the Chapter 11 Cases allowing such Claim. All settled Claims approved prior to the Effective Date pursuant to a Final Order of the Bankruptcy Court pursuant to Bankruptcy Rule 9019 or otherwise will be binding on all parties.

Any Claim that has been listed in the Schedules as disputed, contingent or unliquidated, and for which no Proof of Claim has been timely filed, is not considered Allowed and will be expunged without further action and without any further notice to or action, order or approval of the Bankruptcy Court.

9. Prosecution of Objections to Claims

Except as otherwise specifically provided in the Plan, the Plan Proponents, prior to the Effective Date, and the Reorganized Debtors, after the Effective Date, will have the sole authority: (a) to File, withdraw or litigate to judgment, objections to Claims; (b) to settle or compromise any Disputed Claim without any further notice to or action, order or approval by the Bankruptcy Court; and (c) to administer and adjust the claims register to reflect any such settlements or compromises without any further notice to or action, order or approval by the Bankruptcy Court.

10. Estimation of Claims

The Plan Proponents, prior to the Effective Date, and the Reorganized Debtors after the Effective Date, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Claim that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or whether the Bankruptcy Court has ruled on any such objection. The Bankruptcy Court will retain jurisdiction to estimate any such Claim, including during the litigation of any objection to any Claim or during the appeal relating to such objection. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount will constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions), and the relevant Reorganized Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim or Interest.

11. Adjustment to Claims Without Objection

Any Claim that has been paid or satisfied, or any Claim that has been amended or superseded, may be adjusted or expunged on the claims register by the Reorganized Debtors without a claim objection having to be filed and without any further notice to or action, order or approval of the Bankruptcy Court.

12. Disallowance of Certain Claims

EXCEPT AS PROVIDED IN THE PLAN, IN AN ORDER OF THE BANKRUPTCY COURT OR OTHERWISE AGREED, ANY AND ALL PROOFS OF CLAIM FILED AFTER THE CLAIMS BAR DATE WILL BE DEEMED DISALLOWED AND EXPUNGED AS OF THE EFFECTIVE DATE WITHOUT ANY FURTHER NOTICE TO OR ACTION, ORDER OR APPROVAL OF THE BANKRUPTCY COURT, AND HOLDERS OF SUCH CLAIMS MAY NOT RECEIVE ANY DISTRIBUTIONS ON ACCOUNT OF SUCH CLAIMS.

13. Offer of Judgment

The Reorganized Debtors are authorized to serve upon a Holder of a Disputed Claim an offer to allow judgment to be taken on account of such Disputed Claim, and, pursuant to Bankruptcy Rules 7068 and 9014, Federal Rule of Civil Procedure 68 will apply to such offer of judgment. To the extent the Holder of a Disputed Claim must pay the costs incurred by the Reorganized Debtors after the making of such offer, the Reorganized Debtors are entitled to set off such amounts against the amount of any distribution to be paid to such Holder without any further notice to or action, order, or approval of the Bankruptcy Court.

14. Amendments to Claims

On or after the Effective Date, except as provided in the Plan, a Claim may not be filed or amended without the prior authorization of the Bankruptcy Court or the Reorganized Debtors, and, to the extent such prior authorization is not received, any such new or amended Claim filed will be deemed disallowed in full and expunged without any further action.

X. VALUATION AND FINANCIAL PROJECTIONS

As further discussed below, the Plan Proponents believe the Plan meets the feasibility requirement set forth in section 1129(a)(11) of the Bankruptcy Code, as Confirmation is not likely to be followed by liquidation or the need for further financial reorganization of the Reorganized Debtors.

In connection with developing the Plan, and for purposes of determining whether the Plan satisfies feasibility standards, the Plan Debtors' management has, through the development of financial projections for the years 2014 through 2018 as attached hereto as Exhibit 3 (the "Financial Projections"), analyzed the Reorganized Debtors' ability to meet their obligations under the Plan and to maintain sufficient liquidity and capital resources to conduct their business. The Plan Proponents believe that the Reorganized Debtors will have sufficient liquidity to fund obligations as they arise, thereby maintaining value. Accordingly, the Plan Proponents believe the Plan satisfies the feasibility requirement of section 1129(a)(11) of the Bankruptcy Code. The Plan Debtors prepared the Financial Projections in good faith, based upon estimates and assumptions made by the Plan Debtors' management.

The Financial Projections assume that the Plan will be consummated in accordance with its terms and that all transactions contemplated by the Plan will be consummated by the assumed Effective Date. Any significant delay in the assumed Effective Date of the Plan may have a significant negative impact on the operations and financial performance of the Plan Debtors, including, but not limited to, an increased risk of inability to meet sales forecasts and higher reorganization expenses. Additionally, the estimates and assumptions in the Financial Projections, while considered reasonable by management, may not be realized, and are inherently subject to uncertainties and contingencies. They also are based on factors such as industry performance, general business, economic, competitive, regulatory, market, and financial conditions, including assumptions regarding foreign currency exchange rates, all of which are difficult to predict and generally beyond the Plan Debtors' control. Because future events and circumstances may well differ from those assumed and unanticipated events or circumstances may occur, the Plan Debtors expect that the actual and projected results will differ and the actual results may be materially different from those reflected in the Financial Projections. In particular, since the development of the Financial Projections in late 2014 there has been a significant deterioration in the valuation of the Brazilian *real* relative to the U.S. dollar from the levels assumed in developing the Financial Projections, which are likely to result in differences between the actual and projected results for at least the near term. No representations can be made as to the accuracy of the Financial Projections or the Reorganized Debtors' ability to achieve the projected results. Therefore, the Financial Projections may not be relied upon as a guaranty or other assurance of the actual results that will occur. The inclusion of the Financial Projections should not be regarded as an indication that the Plan Debtors considered or consider the Financial Projections to reliably predict future performance. The Financial Projections are subjective in many respects, and thus are susceptible to interpretations and periodic revisions based on actual experience and recent developments. The Plan Debtors do not intend to update or otherwise revise the Financial Projections to reflect the occurrence of future events, even in the event that assumptions underlying the Financial Projections are not borne out. The Financial Projections should be read in conjunction with the assumptions and qualifications set forth herein.

In addition, in connection with developing the Plan, Rothschild performed an analysis of the estimated value of Reorganized Debtors on a going-concern basis, attached here to as Exhibit 4 (the "Valuation Analysis"). The Valuation Analysis is based on various valuation methodologies, including, but not limited to, the trading values approach and the discounted cash flow approach.

Specifically, in preparing the Valuation Analysis, Rothschild, among other things: (i) reviewed certain recent publicly available financial results of the Plan Debtors; (ii) reviewed the Financial Projections; (iii) discussed with certain senior executives the current operations and prospects of the Plan Debtors and Non-Debtor Affiliates, as well as key assumptions related to the Financial Projections; (iv) prepared discounted cash flow analyses based on the Financial Projections, utilizing various discount rates and terminal value multiples; (v) considered the multiples of certain publicly traded companies in businesses reasonably comparable to the operating businesses of the Plan Debtors and Non-Debtor Affiliates; (vi) utilized specific tax assumptions and analysis prepared by management; and (vii) conducted such other analyses as Rothschild deemed necessary under the circumstances.

THE VALUATION ANALYSIS SET FORTH IN EXHIBIT 4 IS BASED UPON A NUMBER OF ESTIMATES AND ASSUMPTIONS THAT ARE INHERENTLY SUBJECT TO SIGNIFICANT UNCERTAINTIES AND CONTINGENCIES BEYOND THE CONTROL OF THE PLAN DEBTORS OR THE REORGANIZED DEBTORS. ACCORDINGLY, THERE CAN BE NO ASSURANCE THAT THE RANGES REFLECTED IN THE VALUATION ANALYSIS WOULD BE REALIZED IF THE PLAN WERE TO BECOME EFFECTIVE, AND ACTUAL RESULTS COULD VARY.

THE VALUATION ANALYSIS REPRESENTS A HYPOTHETICAL VALUATION OF THE REORGANIZED DEBTORS, WHICH ASSUMES THAT SUCH REORGANIZED DEBTORS AND THE NON-

DEBTOR AFFILIATES CONTINUE AS AN OPERATING BUSINESS. THE ESTIMATED VALUE SET FORTH IN THE VALUATION ANALYSIS DOES NOT PURPORT TO CONSTITUTE AN APPRAISAL OR NECESSARILY REFLECT THE ACTUAL MARKET VALUE THAT MIGHT BE REALIZED THROUGH A SALE OR LIQUIDATION OF THE REORGANIZED DEBTORS, THEIR SECURITIES OR THEIR ASSETS, WHICH MAY BE MATERIALLY DIFFERENT THAN THE ESTIMATE SET FORTH IN THE VALUATION ANALYSIS. ACCORDINGLY, SUCH ESTIMATED VALUE IS NOT NECESSARILY INDICATIVE OF THE PRICES AT WHICH ANY SECURITIES OF THE REORGANIZED DEBTORS MAY TRADE AFTER GIVING EFFECT TO THE TRANSACTIONS SET FORTH IN THE PLAN. ANY SUCH PRICES MAY BE MATERIALLY DIFFERENT THAN INDICATED BY THE VALUATION ANALYSIS.

XI. PLAN-RELATED RISK FACTORS

The implementation of the Plan is subject to a number of material risks, including those described below. Prior to voting on the Plan, each party entitled to vote should carefully consider these risks, as well as all of the information contained in this Disclosure Statement, including the exhibits hereto. If any of these risks occur, New NII may not be able to conduct its business as currently planned, and its financial condition and operating results could be materially harmed. In addition to the risks set forth below, risks and uncertainties not presently known to the Plan Debtors, or risks that the Plan Debtors currently consider immaterial, may also impair the business, financial condition, cash flows and results of operations of New NII. For purposes of the discussion of the Plan-Related Risk Factors, references to "New NII" mean, collectively, Reorganized NII and the Reorganized Debtors, together with the Operating Companies.

A. Certain Bankruptcy Considerations

1. If the Plan is not confirmed or consummated, or the reorganization is delayed, distributions to Holders of Allowed Claims would be materially reduced

If the Plan is not confirmed or consummated, there can be no assurance that the Chapter 11 Cases will continue rather than be converted to chapter 7 liquidation cases, or that any alternative plan of reorganization would be on terms as favorable to Holders of Claims as the terms of the Plan. The Plan Proponents anticipate that certain parties in interest may file objections to the Plan in an effort to persuade the Bankruptcy Court that the Plan Proponents have not satisfied the confirmation requirements under sections 1129(a) and (b) of the Bankruptcy Code. Even if (a) no objections are filed, (b) all impaired Classes of Claims accept or are deemed to have accepted the Plan or (c) with respect to any Class that rejects or is deemed to reject the Plan, the requirements for "cramdown" are met, the Bankruptcy Court, which can exercise substantial discretion, may determine that the Plan does not meet the requirements for confirmation under sections 1129(a) and (b) of the Bankruptcy Code. Section 1129(a) of the Bankruptcy Code requires, among other things, (a) a demonstration that the Confirmation of the Plan will not be followed by liquidation or need for further financial reorganization of the Plan Debtors, except as contemplated by the Plan, and (b) that the value of distributions to parties entitled to vote on the Plan who vote to reject the Plan not be less than the value of distributions such creditors would receive if the Plan Debtors were liquidated under chapter 7 of the Bankruptcy Code. Although the Plan Proponents believe that the Plan will meet the requirements for confirmation, there can be no assurance that the Bankruptcy Court will reach the same conclusion. If the Bankruptcy Court determines that the Plan violates section 1129 of the Bankruptcy Code in any manner, including, among other things, the cramdown requirements under section 1129(b) of the Bankruptcy Code, the Plan Proponents, with the consent of the Requisite Consenting Noteholders (not to be unreasonably withheld, conditioned or delayed), have reserved the right to amend the Plan in such a manner so as to satisfy the requirements of section 1129 of the Bankruptcy Code. If a liquidation or protracted reorganization were to occur, the distributions to Holders of Allowed Claims would be drastically reduced. In particular, the Plan Proponents believe that, as set forth in the Liquidation Analysis, in a liquidation under chapter 7, Holders of Allowed Claims would receive substantially less because of the inability in a liquidation to realize the greater going-concern value of the Plan Debtors' assets. Furthermore, administrative expenses of a chapter 7 trustee and the trustee's attorneys, accountants and other professionals would cause a substantial erosion of the value of the Plan Debtors' estates. Substantial additional Claims may also arise by reason of a protracted reorganization or liquidation, including from the breach of standstill agreements which depend on the absence of substantial delays, and from the rejection of previously assumed unexpired leases and other executory contracts further reducing distributions to Holders of Allowed Claims.

2. The Plan may not be consummated if the conditions to Effectiveness of the Plan, including the sale of NII Mexico, are not satisfied

Sections VII.A and B of the Plan provide for certain conditions that must be satisfied (or waived) prior to the Confirmation Date and for certain other conditions that must be satisfied (or waived) prior to the Effective Date, including the condition that the sale of NII Mexico is consummated and that each of the Operating Company Credit Agreements will have been amended in form and substance acceptable to the applicable Operating Company and each of the Requisite Consenting Noteholders (subject to a right of consultation in favor of the Creditors' Committee). Many of the conditions are outside of the control of the Plan Proponents.

The completion of the sale of NII Mexico is subject to several conditions, including: (i) obtaining all required governmental approvals; (ii) the absence of a material adverse effect on NII Mexico; and (iii) certain other customary conditions. If these closing conditions are not satisfied or waived in accordance with the Purchase Agreement, or if the Purchase Agreement is terminated for any other reason other than as a result of NII deciding to pursue a competing transaction, NII may not be able to achieve certain milestone events included in the Plan, including the Bankruptcy Court's approval and completion of the sale of NII Mexico, confirmation of the Plan and the occurrence of the Effective Date. If NII fails to achieve any of these milestone events by the applicable date specified in the Plan, the Plan may be terminated and there can be no assurances that NII will be able to reach a new plan support agreement or obtain creditor approval for a revised plan of reorganization to emerge from bankruptcy. A failure to complete the sale of NII Mexico would also have an adverse impact on NII's liquidity requiring it to secure other sources of financing to support its business plan, which could also have an adverse impact on NII's ability to successfully develop and implement a plan of reorganization to emerge from bankruptcy. In such circumstances, there can be no assurance that the Chapter 11 Cases would not be converted to chapter 7 liquidation cases or that any new chapter 11 plan would be as favorable to Holders of Claims as the current Plan. Either outcome may materially reduce distributions to Holders of Claims. See Sections VI.H and I to this Disclosure Statement for a description of the conditions to the Confirmation and effectiveness of the Plan, respectively.

3. If the Plan Support Agreement is terminated, the ability of the Plan Proponents to confirm and consummate the Plan could be materially and adversely affected

The Plan Support Agreement contains a number of termination events, upon the occurrence of which certain parties to the Plan Support Agreement may terminate such agreement. If the Plan Support Agreement is terminated, each of the parties thereto will be released from their obligations in accordance with the terms of the Plan Support Agreement. Such termination may result in the loss of support for the Plan by the Consenting Noteholders, which could adversely affect the Plan Proponents' ability to confirm and consummate the Plan. If the Plan is not consummated, there can be no assurance that the Chapter 11 Cases would not be converted to chapter 7 liquidation cases or that any new Plan would be as favorable to Holders of Claims as the current Plan. Either outcome may materially reduce distributions to Holders of Claims.

4. If the Effective Date is delayed or projected proceeds are not timely received, the Plan Debtors may need to seek postpetition financing

The Plan Debtors may not have sufficient cash available in order to operate their business if the Effective Date is delayed or projected proceeds from the the Mexico Sale Transaction are not timely received by the Plan Debtors. In that case, the Plan Debtors may need new or additional postpetition financing, which may increase the costs of consummating the Plan. There is no assurance of the terms on which such financing may be available or if such financing will be available. Any increased costs as a result of the incurrence of additional indebtedness may reduce amounts available to distribute to Holders of Allowed Claims.

5. If current estimates of Allowed Claims prove inaccurate, New NII's financial condition could be materially and adversely affected

The estimates of Allowed Claims in this Disclosure Statement are based on the Plan Debtors' review of the Proofs of Claim Filed in these Chapter 11 Cases and the Plan Debtors' books and records, as well as the results of objections to Claims prosecuted to completion to date. Upon the passage of all applicable Bar Dates, the completion of further analyses of the Proofs of Claim, the completion of Claims litigation and related matters, the total amount

of Claims that ultimately become Allowed Claims in the Chapter 11 Cases may differ from the Plan Debtors' estimates, and such difference could be material. For example, the amount of any Disputed Claim that ultimately is allowed may be significantly more or less than the estimated amount of such Claim. Particular risks exist with respect to those Claims such as Priority Claims, Priority Tax Claims and Secured Claims, which must be paid in Cash by New NII under the Plan. If estimates of such Claims are inaccurate, it may materially and adversely affect New NII's financial condition.

6. New NII's ability to use its pre-emergence tax attributes may be severely limited under the United States Federal Income Tax Rules

As of December 31, 2014, the Plan Debtors estimate that they had approximately $1.3 billion of United States federal net operating loss carryforwards and also had significant built-in losses in their assets. (These estimates may be subject to adjustments.) New NII's ability to use its net operating loss carryforwards and any recognized built-in losses to offset future taxable income may be significantly limited because the Plan Debtors will experience an "ownership change" as defined in section 382 of the Internal Revenue Code as a result of the Plan and may not qualify or elect to use a special bankruptcy rule that would prevent a limitation on use of the tax attributes from applying. An entity that experiences an ownership change generally is subject to an annual limitation on its use of its pre-ownership change tax attributes after the ownership change equal to the equity value of the corporation immediately before the ownership change, multiplied by the long-term tax-exempt rate posted by the Internal Revenue Service (the "IRS") (subject to certain adjustments). Because Reorganized NII's ownership change will occur pursuant to the Plan, however, it will be allowed to calculate its limitation, in general, by reference to its equity value immediately after the ownership change (rather than the equity value immediately before the ownership change, as is the case under the general rule for non-bankruptcy ownership changes), thus reflecting the increase in the value of the stock due to the cancellation of debt resulting from the Plan. The annual limitation could also be increased each year to the extent that there is an unused limitation in a prior year. The Plan Debtors anticipate that they will experience an ownership change as a result of the Plan, in which case the availability of New NII's substantial pre-ownership change tax attributes to offset future income and taxes may be significantly limited or possibly eliminated.

B. New NII's Financial Condition and Indebtedness

1. New NII's operations might not be profitable after the Effective Date, which could have an adverse impact on the value of Reorganized NII Common Stock

New NII's operating performance will be tied to, among other things, its ability to successfully and efficiently build out and maintain its telecommunications networks, acquire additional subscribers on its WCDMA network in Brazil and retain existing subscribers, improve profitability, and otherwise meet or exceed its Financial Projections. Any one of the above-referenced factors, and the risks and other factors described in Section XI.C below could have a material adverse impact on New NII's business, financial condition, cash flows and results of operations, which could have an adverse impact on the value of the Reorganized NII Common Stock issued pursuant to the Plan. Many of the above-referenced factors and risks may be affected by circumstances outside the Plan Debtors' and New NII's control.

Although the implementation of the restructuring and other changes contemplated by the Plan are anticipated to have a positive effect on New NII's business, New NII may not be able to meet the Financial Projections or other results that New NII has assumed in projecting its future business prospects. If New NII does not achieve the Financial Projections or other assumed results, New NII may lack sufficient liquidity to continue operating as planned after the Effective Date. The Financial Projections and other assumed results represent management's current view of New NII's future operations based on currently known facts and various hypothetical assumptions. The Financial Projections and other assumed results do not, however, guarantee New NII's future financial performance.

2. Any failure by New NII to maintain effective internal controls over financial reporting may adversely affect the accuracy and timing of its financial reporting

NII disclosed in its annual report on Form 10-K for the year ended December 31, 2014 a material weakness in internal control over financial reporting related to an aggregation of control deficiencies in NII Brazil resulting from NII Brazil's failure to establish an effective control environment and monitoring activities, including an organization structure with sufficiently trained resources where surpervisory roles, responsibilities and monitoring activities are aligned with financial reporting objectives. Further, NII Brazil did not maintain effective operation of process level controls, including reconciliation and management review of control. New NII will work to remediate these deficiencies through reassessing the organizational structure within NII Brazil, providing training on New NII's policies and procedures and its system of internal control over financial reporting, including individuals' responsibilities, improving the documentation and operating effectiveness of internal controls over financial reporting and increasing the level of involvement and oversight from the corporate office until the organizational structure and financial reporting process in NII Brazil have matured.

Any inability to maintain effective internal control over financial reporting, as described above, combined with issues or delays in implementing the improvements described herein, could result in a material misstatement in New NII's financial statements or other disclosures, which could have an adverse effect on New NII's business, financial condition and results of operations.

3. Restrictions imposed by agreements governing indebtedness incurred by New NII or market conditions may limit New NII's ability to obtain additional liquidity

If New NII requires working capital greater than that provided by operating cash flow and cash on hand as of the Effective Date, as a result of these sources of liquidity not meeting current projected needs or if additional cash is needed to fund additional business opportunities, New NII may be required either to obtain other sources of financing or curtail its operations. The availability of such financing may be limited by market conditions prevailing at the time New NII seeks to obtain such financing and by the terms of the agreements governing the indebtedness incurred by the Operating Companies. No assurance can be given, however, that any additional financing will be available on terms that are favorable or acceptable to New NII. Any inability to raise needed capital could have a material impact on New NII's business, financial condition, cash flows and results of operations.

4. Projections of future performance by New NII are based on assumptions which may not prove accurate and many of which are outside the control of New NII

The Financial Projections attached to this Disclosure Statement as Exhibit 3 are inherently uncertain and are dependent upon the reliability of certain assumptions regarding the performance of New NII in the markets in which it operates. The Financial Projections reflect numerous assumptions, including Confirmation and consummation of the Plan in accordance with its terms, the terms of the amendments of the Operating Company Credit Facilities, the anticipated future performance of New NII, industry performance, general business and economic conditions, including foreign currency exchange rates, and other matters, and are subject to many risks, most of which are beyond the control of New NII. Unanticipated events and circumstances occurring after the preparation of the Financial Projections may affect the actual financial results of New NII. Therefore, the actual results achieved throughout the periods covered by the Financial Projections may vary from the projected results. These variations may be material and may adversely affect the ability of New NII to satisfy its obligations following the Effective Date. In addition, this Disclosure Statement does not reflect any events that may occur after the date of this Disclosure Statement. Any failure to successfully implement New NII's business strategy within the time frames currently expected, or at all, may have a material adverse impact on the information contained in this Disclosure Statement, and on New NII's business, financial condition, cash flows and results of operations.

5. Changes to New NII's business plan may cause material adverse changes to New NII's business

New NII may make changes to its business, operations and current business plan, which may have a material adverse impact on New NII's future business, financial condition, cash flows and results of operations.

C. Risks Relating to the Plan Debtors' Business and General Economic Risk Factors

1. Any inability to compete effectively in the highly competitive wireless communications industry will adversely affect New NII's growth and operating results

New NII's success will depend on its ability to compete effectively with other telecommunications services providers, including other wireless telecommunications companies, internet and cable service providers and providers of fixed wireline services, in the markets in which it operates. New NII's ability to compete successfully will depend on its ability to anticipate and respond to various competitive factors affecting the telecommunications industry in its markets, including the availability of new services, features and technologies; changes in consumer preferences, demographic trends and economic conditions; its ability to fund its operations; and its competitors' pricing strategies. Any failure to compete effectively with its competitors will have a material adverse effect on New NII's business, financial condition, cash flows and results of operation.

2. Any inability of New NII to compete effectively to attract and retain customers will adversely affect its business

Competition among telecommunications service providers in the markets in which New NII operates is intense as multiple carriers seek to attract and retain customers. Some of the factors contributing to this competitive environment include a higher relative penetration of wireless services in its markets compared to historic levels, which drives more aggressive competition as competitors seek to attract and retain customers that support the growth of their businesses in a more saturated market, the development and availability of new products and services, including services supported by new technologies, and the entry of new competitors. New NII also expects the current trend of alliances, cost-sharing arrangements and consolidation in the wireless and communications industries to continue as companies respond to the need for cost reduction and additional spectrum. This trend may result in the creation of larger and more efficient competitors with greater financial, technical, promotional and other resources to compete with New NII's businesses. In addition, as New NII pursues its plans to expand its marketing and sales focus to include a larger segment of high-value consumers, it will be increasingly seeking to attract customers in segments that have historically been predominantly served by its competitors, many of which are larger companies with more extensive networks, financial resources and benefits of scale that allow them to spend more money on marketing and advertising than New NII and to exploit scale advantages that allow them to offer products and services at a lower cost.

In order to obtain a competitive advantage, New NII's competitors have, among other things: provided increased handset subsidies; offered higher commissions to distributors; offered a broader range of handsets and, in some cases, offered those handsets through exclusivity periods; provided discounted or free airtime or other services; expanded their networks to provide more extensive network coverage; developed and deployed networks that use new technologies and support new or improved services; offered incentives to larger customers to switch service providers, including reimbursement of cancellation fees; and offered bundled telecommunications services that include local, long distance and data services.

In addition, number portability requirements, which enable customers to switch wireless providers without changing their wireless numbers, have been implemented in all of New NII's markets, making it easier for wireless providers to effectively target and attract its competitors' customers.

The competitive environment in New NII's markets and competitive strategies of its competitors will put pressure on the prices New NII can charge for its services and for handsets and other devices that New NII will sell in connection with its service offerings. These developments and actions by New NII's competitors could negatively impact New NII's operating results and its ability to attract and retain customers. These competitive conditions may also require that New NII incur increased costs such as higher sales commissions or handset subsidies as it adds new customers, which may reduce New NII's profitability even while customer growth continues. If New NII is unable to respond to competition and compensate for declining prices by adding new customers, increasing usage and offering new services, New NII's revenues and profitability could be less than as set forth in the Projections.

3. Competition and technological changes in the market for wireless services, including competition driven by New NII's competitors' deployment of long-term evolution or other advanced technologies, could negatively affect New NII's average revenue per subscriber, customer turnover, operating costs and its ability to attract new subscribers, resulting in an adverse effect on its revenues, future cash flows, growth and profitability. If New NII does not keep pace with rapid technological changes or if it fails to deploy its WCDMA networks and offer new services on those networks in a manner that delivers a quality customer experience, New NII may not be able to attract and retain customers

The wireless telecommunications industry is experiencing significant technological change. Spending by New NII's competitors on new wireless services and network improvements could enable them to obtain a competitive advantage with new technologies or enhancements that New NII will not offer upon the Effective Date. Rapid change in technology may lead to the development of wireless communications technologies that support products or services that consumers prefer over the products or services that New NII will offer. If New NII is unable to keep pace with future advances in competing technologies on a timely basis, or at an acceptable cost, it may not be able to compete effectively and could lose subscribers to its competitors.

While the Plan Debtors have deployed, and New NII will complete the deployment of, their WCDMA networks in Brazil, these networks have yet to achieve wide acceptance, and competitors in each of New NII's markets have launched new or upgraded networks that use technology similar to the WCDMA networks that it has deployed or are in the process of being deployed and are designed to support services that use high-speed data transmission capabilities, including internet access and video telephony, and some of those competitors have expended significant resources and made substantial investments to deploy upgrades to the technology used in their networks. Some of New NII's competitors have also deployed or announced their plans to deploy new network technologies that could provide further enhancements to data speed and capacity in New NII's markets, including services utilizing LTE (or "long-term evolution") technologies. These and other future technological advancements may enable competitors to offer features or services New NII will not be able to provide or exceed the quality of services it will offer on and after the Effective Date, thereby making its services less competitive.

New NII may not be able to accurately predict technological trends or the success of new services in the market. If New NII's services fail to gain acceptance in the marketplace in the near term, or if costs associated with implementation and completion of the introduction of these services materially increase, New NII's ability to retain and attract customers could be adversely affected. In particular, its push-to-talk services on its new WCDMA networks may not meet the continually changing demands of its customers and may no longer serve to differentiate its services in the future.

In Brazil and Argentina, New NII's 800 MHz spectrum holdings are largely contiguous, making it possible to use that spectrum to support future technologies, if certain technical, operational and regulatory requirements are met, including, for example, the availability of compatible networks and subscriber equipment. In Argentina, New NII will not hold rights to use additional spectrum in bands that would facilitate a transition to a new network technology, which could make it more difficult or impossible for it to deploy new and more competitive services in Argentina.

4. Some competitors are financially stronger than New NII will be on the Effective Date, which may limit New NII's ability to compete based on price

Because of their size, scale and resources, some of New NII's competitors may be able to offer services to subscribers at prices that are below the prices that New NII can offer for comparable services. Many of New NII's competitors are well-established companies that have: substantially greater financial and marketing resources; larger customer bases; larger spectrum positions; higher profitability and positive free cash flow; more access to funding, lower leverage and lower cost of financing; and larger service coverage areas than those of New NII.

If New NII cannot compete effectively based on the price of its service offerings and related cost structure, New NII's business, financial condition, cash flows and results of operations may be adversely affected.

5. The network and subscriber equipment New NII will use is more expensive than the equipment used by its competitors, which may limit its ability to compete

New NII's iDEN-based networks utilize a proprietary technology developed and designed by Motorola Solutions, and Motorola Mobility is the primary supplier for the network equipment and handsets New NII sells for use on its iDEN networks. In contrast, all of New NII's competitors use infrastructure and customer equipment that are based on standard technologies like the global system for mobile communications standard, or GSM, and WCDMA, which are substantially more widely used technologies than iDEN, are available from a significant number of suppliers, and are produced in much larger quantities for a worldwide base of customers. While New NII expects to capture cost benefits from its transition to WCDMA networks and services, its plans to continue to offer handsets that feature push-to-talk services, as well as its small size relative to its competitors, may result in the cost of New NII's handsets being higher, particularly those that are designed specifically to support push-to-talk services, because they will not be produced in the same quantities as its competitors' more standardized WCDMA headsets. As a result, New NII's competitors benefit from economies of scale and lower costs for handsets and infrastructure equipment than will be available to New NII. The anticipated higher costs of New NII's handsets and other equipment, may make it more difficult for it to attract or retain customers, and may require it to absorb a comparatively larger cost of offering handsets to new and existing customers. The combination of these factors may place New NII at a competitive disadvantage and may reduce its growth and profitability.

6. New NII may face disadvantages when competing against government-owned and formerly government-owned incumbent wireline operators or wireless operators affiliated with them

In some markets, New NII competes against a government-owned telecommunications operator or a formerly government-owned telecommunications operator, some of which enjoy a near monopoly position relating to the provision of wireline telecommunications services and may have a wireless affiliate. For example, in Argentina, New NII expects to compete against ARSAT, which is a government owned telecommunications operator. New NII may be at a competitive disadvantage in these markets because former government-owned incumbents or affiliated competitors may have: close ties with national regulatory authorities; control over connections to local telephone lines; or the ability to subsidize competitive services with revenues generated from services they provide on a monopoly or near-monopoly basis.

For example, the services that New NII will provide on its new WCDMA networks require significantly greater data capacity than would be the case on its iDEN networks, and this higher capacity demand will make it necessary for New NII to obtain wireline or other connecting circuits between elements of its network such as switches and transmitter and receiver sites that are capable of transporting a significantly higher volume of data traffic. In some instances, the availability of those higher capacity circuits is limited and, in many cases, New NII's access to those circuits will be controlled by entities that are affiliated with its competitors. As a result, New NII will be dependent on entities that are affiliated with its competitors to provide New NII with the data transport services that will be needed to support its networks and services. New NII's ability to offer services could be adversely affected if those entities were to choose to allocate limited transport capacity to other customers, including their wireless affiliates, or otherwise make it more difficult for New NII to obtain the necessary transport capacity to support its networks and services.

New NII may also encounter obstacles and setbacks if local governments adopt policies favoring these competitors or otherwise afford them preferential treatment. As a result, New NII may be at a competitive disadvantage to incumbent providers, particularly as New NII seeks to offer new telecommunications services, which could have a material adverse impact on New NII's business, financial condition, cash flows and results of operations.

7. New NII coverage will not be as extensive as those of other wireless service providers in its markets, which may limit its ability to attract and retain subscribers

In recent years, NII deployed, and will continue to expand and enhance, its WCDMA networks in Brazil, but New NII's WCDMA networks existing on the Effective Date and implemented thereafter will not, offer nationwide coverage in the countries in which it will operate; nor will it provide the coverage available on some of

its competitors' networks. Although New NII will have roaming agreements in place relating to its WCDMA services in Brazil that will allow its customers to use roaming services in a broader area, it will not be able to supplement its iDEN network coverage using roaming arrangements because the uniqueness of its iDEN technology limits its potential roaming partners for subscribers solely on iDEN networks. In addition, the implementation of the roaming services that support its WCDMA services are subject to the risks described below, and the costs of such services may be uneconomical, particularly if the competitive environment limits the prices it is able to charge for services provided to its customers. As a result, New NII will not be able to utilize roaming arrangements to extend the coverage of its iDEN networks and may not be able to economically extend the coverage of its WCDMA networks using its existing or future roaming arrangements, making it difficult for it to provide geographic coverage for its services that is sufficient to attract and retain certain subscribers and compete effectively with competitors that operate mobile networks with more extensive service areas.

New NII will have in place roaming arrangements with respect to services supported by its WCDMA networks in Brazil that will enable its customers to roam in areas where it does not offer network coverage. There is no guarantee it will be able to effectively implement or maintain these agreements to provide roaming service in areas where it does not have network coverage or that the terms of those agreements will allow it to utilize roaming services to economically extend its coverage areas. In addition, New NII will have in place agreements with wireless carriers in a number of countries that will allow customers whose service is supported by its WCDMA networks to utilize roaming services in those countries. Both in-market and international roaming requires its customers to rely on networks that are owned and operated by third parties and, in the case of in-market roaming, by its competitors. New NII will be unable to ensure the availability of services or data speeds on these networks, and, in most cases, push-to-talk service, one of New NII's key differentiators, will not be available or will not have the same level of performance when its subscribers are roaming, which could negatively affect the service experience of its customers and ultimately make it more difficult to retain these subscribers.

8. Customer turnover rate could increase substantially negatively affecting New NII's business and results

In recent years, NII experienced a higher consolidated customer turnover rate compared to earlier periods, which resulted primarily from the combined impact of weaker economic conditions, more competitive sales environments in the markets in which NII operated and its offering of prepaid and hybrid services to customers who are more likely to change service providers.

New NII's plans contemplate an expansion of its market to a broader range of customers that have typically demonstrated a willingness to change service providers more frequently, and an increase of its use of pre-paid and hybrid post- and pre-paid payment terms as part of its service plans in order to attract more price-sensitive customers, both of which may have an adverse impact on its consolidated customer turnover rate, particularly in Brazil. Subscriber losses may adversely affect New NII's business and results of operations because these losses result in lost revenues and cash flow, drive higher bad debt expenses and may require it to attract replacement customers and incur the related sales commissions and other costs. Although attracting new subscribers and retaining existing subscribers will both be important to the financial viability of its business, there will be an added focus on retaining existing subscribers because the cost of acquiring a new subscriber is much higher than the cost of retaining an existing subscriber. Accordingly, increased levels of subscriber deactivations could have a negative impact on New NII's results, even if it is able to attract new subscribers at a rate sufficient to offset those deactivations. If New NII experiences increases in its customer turnover rate, or if the higher customer turnover rates experienced by the Plan Debtors in recent quarters do not decline to levels that are closer to historical levels, New NII's business, financial condition, cash flows and results of operations could be adversely affected.

9. The ability to attract and retain customers may be impaired if New NII networks do not perform in a manner that meets subscriber expectations

Customer acceptance of the services New NII will offer on its networks will be affected by technology-based differences and by the operational performance and reliability of these networks. New NII may have difficulty attracting and retaining customers if it is unable to satisfactorily address and resolve performance or other transmission quality issues as they arise or if these issues limit its ability to deploy or expand its network capacity as currently planned or place it at a competitive disadvantage to other wireless providers in its markets. New NII's

business plan assumes that customers will find its services attractive and that it will be able to increase its subscriber base. However, given the factors that have negatively affected NII's business and the difficulties associated with predicting New NII's ability to overcome these factors, New NII cannot assure you that these assumptions will prove to be correct. Increases in customer deactivations and decreases in new subscribers relative to New NII's business plan would adversely affect its revenues and its ability to generate the cash needed to fund its business and meet its obligations.

10. New NII's business could be negatively impacted by its anticipated reliance on indirect distribution channels for a significant portion of its sales

New NII's business will depend heavily upon third-party distribution channels for securing a substantial portion of the new customers to its services, and, with the expansion of its target market, New NII expects to rely more heavily on retailers and other sales channels for a growing portion of its sales. In many instances, New NII may rely on these third-party dealers to serve as the primary contact between it and the customer and to interact with other third parties on its behalf. As a result, there may be risks associated with actions that may be taken by New NII's distributors or the operators of its other retail channels, including potential risks associated with the failure of its distributors or other retail channels to follow regulatory requirements. The volume of New NII's new customer additions, its ability to retain customers and its profitability could also be adversely affected if these third-party dealers terminate their relationship with New NII, if there are adverse changes in its relationships with these dealers, if they alter New NII's compensation arrangements with these dealers or if the financial condition of these dealers deteriorates.

11. If New NII is not able to manage its future growth, its operating results will suffer

New NII's ability to achieve its long-range business goals, and to grow profitably, will be dependent on its ability to manage changes to its business model and cost structure that will be necessary to allow it to pursue its plans to expand both its service offerings and its targeted customer segments, including by implementing new and more efficient supporting business systems and processes. New NII's inability to complete these efforts in a timely fashion, or to manage the related costs, could have an adverse impact on its business, financial condition, cash flows and results of operations.

12. New NII may be limited in its ability to grow unless it successfully expands network capacity and launches competitive services

To successfully retain existing customers, increase its customer base and pursue its business plan, New NII must economically: (a) expand the capacity and coverage of New NII's WCDMA networks; (b) secure sufficient transmitter and receiver sites at appropriate locations to meet planned system coverage and capacity targets; (c) obtain adequate quantities of base radios and other system infrastructure equipment; and (d) obtain an adequate volume and mix of handsets to meet customer demand.

In particular, the deployment and expansion of the coverage and capacity of New NII's WCDMA networks will require it to deploy a significant number of new transmitter and receiver sites in order to meet the expanded coverage and capacity requirements for those networks resulting from differences in its commercial strategies, differences in the propagation characteristics of the spectrum bands being used to support those networks and the coverage requirements associated with the spectrum licenses that will be utilized for those networks. In some of the markets New NII serves, individuals and governments are opposing new tower construction and supporting laws restricting the construction of towers and other transmitter and receiver sites. Compliance with such laws could increase the time and costs associated with New NII's planned network deployments. The effort required to locate and build a significant number of additional transmitter sites across its markets in coming years will be substantial, and its failure to meet this demand could delay or impair the deployment of its WCDMA networks, which could adversely affect New NII's business.

As New NII launches a broader array of services on its WCDMA networks, it will need to develop, test and deploy new supporting technologies, software applications and systems that will be intended to enhance its competitiveness both by supporting existing and new services and features, and by reducing the costs associated with providing those services. Successful deployment and implementation of new services and technology on its

WCDMA networks will depend, in part, on the willingness and ability of third parties to develop new handsets and applications that are attractive to New NII's customers and that are available in a timely manner. New NII may not be able to successfully expand its WCDMA networks as needed or complete the development and deployment of competitive services using its new networks. Failure to successfully deploy those networks and services could also be expected to result in subscriber dissatisfaction that could affect New NII's ability to retain subscribers and could have a material adverse effect on New NII's results of operations and growth prospects. If this occurs, New NII may be unable to recover substantial investments that have been made to date, and will continue to be made after the Effective Date, in making its new networks and the related costs incurred to offer these new services.

13. Failure to successfully implement core information technology and operating systems may adversely affect New NII's business operations

New NII's business strategy envisions growing its business by successfully building and deploying New NII's WCDMA networks, expanding its product and service offerings and expanding its target customer base. Even if New NII does expand its business, if it fails to manage its growth effectively, its financial results could be adversely affected. Separately, growth may place a strain on its management systems and resources. New NII will need to refine and expand its business development and sales capabilities, its network operations and information technology infrastructure, and the hardware, software, systems, processes and people to effectively support future sales, customer service and information requirements of its business in an efficient and cost-effective manner. In addition, failure to prioritize technology initiatives and effectively allocate resources in order to achieve its strategic goals could result in a failure to realize those goals, including the expected benefits of its growth, and could negatively affect its financial results.

Changes to New NII's networks and business strategies could require it to implement new operating and supporting systems to improve its ability to address the needs of its customers, as well as to create additional efficiencies and strengthen its internal controls over financial reporting. New NII may not be able to successfully implement these new systems in an effective or timely manner or New NII could fail to complete all necessary data reconciliation or other conversion controls when implementing the new systems. In addition, New NII may incur significant increases in costs and encounter extensive delays in the implementation and rollout of these new systems. Failure to effectively implement its new operating systems may adversely affect its results of operations, customer perceptions and internal controls over financial reporting.

As New NII grows, it will need to hire, train, supervise and manage new employees. New NII cannot assure you that it will be able to allocate its human resources optimally or identify and hire qualified employees or retain valued employees. If it is unable to manage its growth and operations, its business, financial condition, cash flows and results of operations could be adversely affected.

14. New NII's financial condition may limit its ability to raise necessary capital

It may be necessary for New NII to raise additional funds in order to finance the costs associated with the development and deployment of New NII's new networks. To do so, New NII may issue shares of common stock, incur new debt or sell assets. Its ability to raise additional capital at all or on acceptable terms to meet its funding needs will depend on New NII's financial condition, the conditions in the financial markets and the terms of its existing financing agreements.

15. Costs, regulatory requirements and other problems New NII will encounter as it deploys its WCDMA networks could adversely affect its operations

In some instances, the rights to use the spectrum that supports New NII's WCDMA networks comes with significant regulatory requirements governing the coverage of the new networks, the timing of deployment of those networks and the loading of new customers on those networks. If New NII fails to meet these regulatory requirements, the applicable regulators could assess fines and, in some instances, take action to revoke its spectrum rights. In addition, its deployment of these new networks will require significant capital expenditures and will result in incremental operating expenses prior to fully launching services. Costs could increase beyond expected levels as a result of unforeseen delays, cost overruns, unanticipated expenses, regulatory changes, engineering design

changes, problems with network or systems compatibility, equipment unavailability and technological or other complications.

In addition, regulators could require New NII to provide competitors with the ability to interconnect to New NII's push-to-talk service and, accordingly, gain access to its push-to-talk customers in the future. This access could dilute the competitive advantage and negatively affect the quality of this key differentiator, which could affect the willingness of current customers to remain on its network and negatively impact the willingness of potential customers to choose its service.

16. Laws restricting the exchange of currencies or expatriating funds limit the ability of the Operating Companies to make funds available to Reorganized NII

Because almost all of New NII's business operations and assets will be conducted and held by its foreign subsidiaries, New NII will depend on those subsidiaries to provide Reorganized NII with cash to satisfy its obligations, whether in the form of advances from the Operating Companies, the repayment by the Operating Companies of intercompany loans or the payment of dividends and other distributions from the net earnings and cash flow generated by the Operating Companies. Laws or regulations restricting the exchange of currencies or expatriation of funds will limit the ability of the Operating Companies to distribute cash or assets. The inability of Reorganized NII to receive sufficient cash from the Operating Companies to satisfy its obligations would require them to obtain additional debt or equity financing or sell assets to meet those obligations. There can be no assurance that Reorganized NII will be able to obtain such financing or sell assets at acceptable terms or at all and, under such circumstances, its failure to do so could prevent it from satisfying its obligations and from maintaining cash for dividends.

17. The Operating Companies will operate exclusively in foreign markets, and New NII's assets, subscribers and cash flows will be concentrated in Brazil, making New NII susceptible to risks relating to exchange rate fluctuations

As a holding company with operations concentrated in Brazil, New NII's growth and operating results will be dependent on the strength and stability of the economic, political and regulatory environment in Brazil. Historically, in the countries in which New NII will do business, the values of the local currencies in relation to the U.S. dollar have been volatile. The unstable global economic environment and recent weakness in the economies of some of the countries where New NII will operate has led to increased volatility in these currencies. Nearly all of New NII's revenues will be earned in non-U.S. currencies, but New NII may report its results in U.S. dollars. As a result, fluctuations in foreign currency exchange rates may have a significant impact on New NII's reported results that may not reflect the operating trends in its business. A decline in the values of the local currencies in the markets in which New NII will operate will make it more costly for New NII to service its U.S. dollar-denominated debt obligations and will affect its operating results because it will generate nearly all of its revenues in foreign currencies, but will pay for some of its operating expenses and capital expenditures in U.S. dollars. Further, to the extent New NII reports its results of operations in U.S. dollars, declines in the value of local currencies in its markets relative to the U.S. dollar will result in reductions in its reported revenues, as well as a reduction in the carrying value of its assets, including the value of cash investments held in local currencies. Depreciation of the local currencies will also result in increased costs to new NII for imported equipment. New NII will have some limited hedging arrangements to mitigate short-term volatility in foreign exchange rates, but will not have hedged against long-term movements in foreign exchange rates because the alternatives currently available for hedging against those movements are limited and costly. As a result, if the values of local currencies in the countries in which New NII's operating companies will conduct business depreciate relative to the U.S. dollar, New NII expects its reported operating results in future periods, and the value of its assets held in local currencies, to be adversely affected.

18. Economic and political risks in New NII's markets may limit its ability to implement its strategy and could negatively impact its financial flexibility, including its ability to repatriate and redeploy profits, and may disrupt its operations or hurt its performance

New NII's operations will depend on the economies of the markets in which New NII conducts business, all of which are considered to be emerging markets. These markets are in countries with economies in various stages of

development, some of which are subject to volatile economic cycles and significant, rapid fluctuations in terms of commodity prices, local consumer prices, employment levels, gross domestic product, interest rates and inflation rates, which have been generally higher, and at times, significantly higher than the inflation rate in the United States. If these economic fluctuations and higher inflation rates make it more difficult for customers to pay for New NII's products and services, it may experience lower demand for its products and services and a decline in the growth of its customer base and in revenues. In addition, in recent years, the economies in some of the markets in which New NII will operate have also been negatively affected by volatile political conditions and, in some instances, by significant intervention by the relevant government authorities relating to economic and currency exchange policies. Limitations on New NII's ability to convert currency and repatriate and redeploy capital may prevent it from managing its business and financial obligations in a cost effective manner, compete effectively, take advantage of new business opportunities and grow its business.

New NII is unable to predict the impact that local or national elections and the associated transfer of power from incumbent officials or political parties to newly elected officials or parties may have on the local economy or the growth and development of the local telecommunications industry. Changes in leadership or in the ruling party in the countries in which New NII will operate may affect the economic programs developed under prior administrations, which in turn, may adversely affect the economies in the countries in which New NII will operate. Other risks associated with political instability could include the risk of expropriation or nationalization of New NII's assets by the governments in the markets where they operate. Although political, economic and social conditions differ in each country in which New NII will operate, political and economic developments in one country or in the United States may affect its business as a whole, including its access to capital markets to obtain funding needed for its business or to refinance its indebtedness.

19. New NII is subject to local laws and government regulations in the countries in which it operates, and New NII will be subject to the U.S. Foreign Corrupt Practices Act, which could limit New NII's growth and strategic plans and negatively impact New NII's financial results

New NII's operations will be subject to local laws and regulations in the countries in which it operates, which may differ substantially from those in the United States, and New NII could become subject to legal penalties in foreign countries if it does not comply with those local laws and regulations. In some foreign countries, particularly in those with developing economies, persons may engage in business practices that are prohibited by United States regulations applicable to New NII such as the Foreign Corrupt Practices Act (the "FCPA"). The FCPA will prohibit New NII from providing anything of value to foreign officials for the purpose of influencing official decisions or obtaining or retaining business. New NII's employees and agents will interact with government officials on its behalf, including interactions necessary to obtain licenses and other regulatory approvals necessary to operate New NII's business, and through contracts to provide wireless service to government entities, creating a risk that actions may occur that could violate the FCPA. Although New NII will have implemented policies and procedures designed to ensure compliance with local laws and regulations as well as United States laws and regulations, including the FCPA, there can be no assurance that all of its employees, consultants, contractors and agents will abide by its policies. The penalties for violating the FCPA can be severe. Any violations of law, even if prohibited by its policies, could have a material adverse effect on New NII's business.

In addition, in each market in which New NII will operate, one or more regulatory entities regulate the licensing, construction, acquisition, ownership and operation of its wireless communications systems. Adoption of new regulations, changes in the current telecommunications laws or regulations or changes in the manner in which they are interpreted or applied could adversely affect New NII's operations by increasing its costs, reducing its revenues or making it more difficult for it to compete.

The regulatory schemes in the countries in which New NII will operate allow third parties, including its competitors, to challenge its actions or decisions of the regulators in New NII's markets that potentially benefit it, such as decisions regarding the allocation and licensing of spectrum. If its competitors are successful in pursuing claims such as these, or if the regulators in its markets take actions against it in response to actions initiated by its competitors, New NII's ability to pursue its business plans and its results of operations could be adversely affected.

Finally, rules and regulations affecting placement and construction of New NII's transmitter and receiver sites affect its ability to deploy and operate its networks in each of its markets, and therefore impact its business strategies. In some of the markets in which New NII will operate, local governments have adopted very stringent rules and regulations related to the placement and construction of wireless towers, or have placed embargoes on some of the cell sites owned by New NII, which can significantly impede the planned expansion of its service coverage area or require it to remove or modify existing towers, which can result in unplanned costs, negatively impact network performance and impose new and onerous taxes and fees. Compliance with such laws, rules, and regulations could increase the time and costs associated with New NII's planned network deployments. The propagation characteristics of the spectrum bands being used to support its WCDMA networks and the coverage requirements associated with the spectrum licenses that will be utilized for those networks will require substantially more transmitter and receiver sites to meet the minimum coverage requirements of those licenses and to provide coverage to the areas needed to provide competitive services. In addition, New NII's licenses to use spectrum in some of its markets will require it to build its networks within proscribed time periods, and rules and regulations affecting tower placement and construction could make it difficult to meet its build requirements in a timely manner or at all, which could lead it to incur unplanned costs or result in the loss of spectrum licenses.

20. New NII may pay significant import duties on network equipment and handsets, and any increases could impact its financial results

New NII's operations will be highly dependent upon the successful and cost-efficient importation of network equipment and handsets and other devices from locations outside the countries in which it will operate. Network equipment and handsets may be subject to significant import duties and other taxes in the countries in which New NII conducts business. Any significant increase in import duties in the future could significantly increase its costs. To the extent New NII cannot pass these costs on to its customers, its financial results will be negatively impacted.

21. Foreign taxes may reduce amounts New NII will receive or may increase its tax costs

The foreign countries in which New NII will operate have increasingly turned to new taxes, as well as aggressive interpretations of current tax law, as a method of increasing revenue. For example, NII Brazil is required to pay two types of income taxes, which include a corporate income tax and a social contribution tax, and is subject to various types of non-income related taxes, including value-added tax, excise tax, service tax, importation tax and property tax. In addition, the reduction in tax revenues resulting from the economic downturn that has occurred in the last several years has led to proposals and new laws in the countries in which New NII will operate that propose to increase the taxes imposed on sales of handsets and on telecommunications services. The provisions of new tax laws may attempt to prohibit New NII from passing these taxes on to its customers or its ability to do so may be limited by competitive conditions. These taxes may reduce the amount of earnings that New NII will be able to generate from its services or in some cases may result in operating losses.

Distributions of earnings and other payments, including interest, received from New NII may be subject to withholding taxes imposed by some countries in which these entities operate. Any of these taxes will reduce the amount of after-tax cash New NII will be able to receive.

In general, a corporation organized under state law in the United States may claim a foreign tax credit against its federal income tax expense for foreign withholding taxes and, under certain circumstances, for its share of foreign income taxes paid directly by foreign corporate entities in which such corporation owns 10% or more of the voting stock. New NII's ability to claim foreign tax credits will be, however, subject to numerous limitations, and New NII may incur incremental tax costs as a result of these limitations or because it does not have U.S. federal taxable income.

New NII may also be required to include in its income for U.S. federal income tax purposes its proportionate share of specified earnings of its foreign corporate subsidiaries that are classified as controlled foreign corporations, without regard to whether distributions have been actually received from these subsidiaries.

22. New NII will have in place a number of agreements that are subject to enforcement in foreign countries, which may limit efficient dispute resolution

A number of the agreements that New NII will enter into are governed by the laws of, and are subject to dispute resolution in the courts of or through arbitration proceedings in, the countries or regions in which the operations are located. New NII cannot accurately predict whether these forums will provide effective and efficient means of resolving disputes that may arise. Even if New NII is able to obtain with respect to a particular dispute a satisfactory outcome through arbitration or a court proceeding, New NII could have difficulty enforcing any award or judgment on a timely basis. New NII's ability to obtain or enforce relief in the United States is also uncertain.

23. Costs to connect New NII's networks with those of other carriers are subject to local laws in the countries in which it operates and may increase, which could adversely impact its financial results

New NII must connect its telecommunication networks with those of other carriers in order to provide the services it offers. New NII may incur costs relating to these interconnection arrangements and for local and long distance transport services relating to the connection of its transmitter sites and other network equipment. These costs may include interconnection charges and fees, charges for terminating calls on the other carriers' networks and transport costs, most of which are measured based on the level of New NII's use of the related services. New NII may be able to recover a portion of these costs through revenues earned from charges it will be entitled to bill other carriers for terminating calls on its network, but because users of mobile telecommunications services who purchase those services under contract generally, and business customers like New NII's in particular, tend to make more calls that terminate on other carriers' networks and because New NII will have a smaller number of customers than most other carriers, New NII may incur more charges than it will be entitled to receive under these arrangements. The terms of the interconnection and transport arrangements, including the rates that New NII will pay, will be subject to varying degrees of local regulation in most of the countries in which it will operate, and may require it to negotiate agreements with the other carriers, most of whom are its competitors, in order to provide its services. In some instances, other carriers could offer its services to some of its subscribers at prices that are near or lower than the rates that New NII will pay to terminate calls on its networks, which may make it more difficult for New NII to compete profitably. New NII's costs relating to these interconnection and transport arrangements will be subject to fluctuation both as a result of changes in regulations in the countries in which New NII will operate and the negotiations with the other carriers. Changes in New NII's customers' calling patterns that result in more of its customers' calls terminating on New NII's competitors' networks and changes in the interconnection arrangements, either as a result of regulatory changes or negotiated terms that are less favorable to New NII, could result in increased costs for the related services that New NII may not be able to recover through increased revenues, which could adversely impact New NII's business, financial condition, cash flows and results of operations.

24. Because New NII will rely on one supplier for equipment used in its iDEN networks, any failure of that supplier to perform could adversely affect its operations

Motorola Solutions provides substantially all of the network equipment and Motorola Mobility, which is currently owned by Lenovo Group, provides substantially all of the handsets New NII will sell for use on its iDEN networks. If either Motorola Solutions or Motorola Mobility fails to deliver system infrastructure equipment and handsets or enhancements to the features and functionality of New NII's iDEN-based networks and handsets on a timely, cost-effective basis, New NII may not be able to adequately service its existing customers or attract new customers to services supported by its iDEN networks, particularly in Argentina, where New NII will not hold rights to use spectrum that would support the deployment of a WCDMA-based network. Accordingly, if Motorola Solutions is unable to, or determines not to, continue supporting New NII's iDEN based infrastructure or if Motorola Mobility is unable to, or determines not to, continue to manufacture iDEN based handsets, New NII's business in Argentina will be materially adversely affected.

25. If the mobile services licenses New NII will have are not renewed, or are modified or revoked, its business may be restricted

Wireless communications licenses and spectrum allocations are subject to ongoing review and, in some cases, to modification or early termination for failure to comply with applicable regulations. If New NII fails to

comply with the terms of its licenses and other regulatory requirements, including installation deadlines and minimum loading or service availability requirements, its licenses could be revoked. This is particularly true with respect to the grants of licenses for spectrum New NII will use to support its WCDMA networks, most of which impose strict deadlines for the construction of network infrastructure and supporting systems as a condition of the license. Further, compliance with these requirements will be a condition for eligibility for license renewal. Most of the wireless communications licenses that New NII will have will be subject to fixed terms and will not be renewed automatically. Because governmental authorities have discretion to grant or renew licenses, New NII's licenses may not be renewed or, if renewed, renewal may not be on acceptable economic terms. In addition, the regulatory schemes in the countries in which New NII will operate allow third parties, including its competitors, to challenge the award and use of its licenses. If New NII's competitors are successful in pursuing claims such as these, or if regulators in its markets take actions modifying or revoking its licenses in response to these claims, its ability to pursue its business plans, including its plans to deploy WCDMA networks, and its results of operations could be materially adversely affected.

26. Any modification or termination of New NII's trademark license with Nextel Communications could increase its costs

New NII will have the right to use "Nextel" and other of its trademarks on a perpetual basis in Latin America pursuant to an agreement with Nextel Communications, the owner of this trademark. However, Nextel Communications may terminate the license on 60 days' notice if New NII commit one of several specified defaults (namely, unauthorized use, failure to maintain agreed quality controls or a change in control of NII Holdings). If there is a change in control of one of the Operating Companies, upon 90 days' notice, Nextel Communications may terminate the sublicense granted by New NII to such Operating Company with respect to the licensed marks. The loss of the use of the "Nextel" name and trademark could require New NII to incur significant costs to establish a new brand in its markets, which could have a material adverse effect on New NII's operations.

27. Security threats and other events may materially disrupt New NII's wireless networks

Major equipment failures and the disruption of New NII's wireless networks as a result of natural disasters, severe weather, terrorist attacks, acts of war, cyber attacks or other breaches of network or information technology security, even for a limited period of time, may result in significant expenses, result in a loss of subscribers or impair New NII's ability to attract new subscribers, which in turn could have a material adverse effect on its business, results of operations and financial condition. In some of New NII's markets, more stringent network performance standards and reporting obligations have been adopted in order to ensure quality of service during unforeseen disturbances, and New NII may be required to make significant investments in its existing networks in order to comply with these recently adopted network performance standards. In addition, while New NII will maintain information security policies and procedures designed to comply with relevant privacy and security laws and restrictions, if it suffers a security breach of customer or employee confidential data, it may be subject to significant legal and financial exposure, damage to its reputation, and loss of confidence in the security of its products and services.

28. Litigation in the ordinary course of business may adversely affect New NII's business

New NII will be subject to various claims and legal actions arising in the ordinary course of its businesses. The Plan Debtors are not able to predict the nature and extent of any such claims and actions and cannot guarantee that the ultimate resolution of such claims and actions will not have a material adverse effect on New NII's business, financial condition, cash flows and results of operations.

D. Risks Related to Reorganized NII Common Stock

1. Holders of Reorganized NII Common Stock may not be able to recover in future cases of bankruptcy, liquidation or reorganization

On the Effective Date, Reorganized NII Common Stock will be distributed to the Holders of Allowed Claims in Classes 4D, 5A, 5B, 5C and 6E, and in certain scenarios, Class 4A. Upon implementation of the Plan, each Holder of Reorganized NII Common Stock will become subordinated to all Liabilities of New NII. Therefore, the assets of New NII would not be available for distribution to any Holder of Reorganized NII Common Stock in any bankruptcy, liquidation or reorganization of Reorganized NII unless and until all indebtedness of New NII has been paid.

2. There is not an established market for Reorganized NII Common Stock, which could make the markets for the shares illiquid and lead to price instability

No established market exists for the Reorganized NII Common Stock. The Plan Proponents expect that the Reorganized NII Common Stock will be approved for listing on the New York Stock Exchange or the Global or Global Select markets of the NASDAQ Stock Market as soon as practicable following the Effective Date when New NII meets the listing requirements for such securities. However, the Plan Debtors cannot predict whether the New York Stock Exchange or the NASDAQ Stock Market will approve the Reorganized NII Common Stock for listing or when any such listing will occur. There can be no assurance that the Reorganized NII Common Stock will be listed on the New York Stock Exchange or the Global or Global Select markets of the NASDAQ Stock Market or any other national exchange or interdealer quotation system or that Reorganized NII will continue to meet the requirements for listing once a listing has been approved. If the Reorganized NII Common Stock is not listed on a national exchange or interdealer quotation system, Reorganized NII intends to cooperate with any registered broker-dealer who may seek to initiate price quotations for the Reorganized NII Common Stock in the over the counter market. Again, however, no assurance can be given that such securities will be quoted on the over the counter market. Reorganized NII, therefore, cannot provide any assurance that the Reorganized NII Common Stock will be publicly tradable at any time after the Effective Date. If no public market for the Reorganized NII Common Stock develops, Holders of such securities may have difficulty selling or obtaining timely and accurate quotations with respect to such securities.

There cannot be any assurance as to the degree of price volatility in any market that develops for the Reorganized NII Common Stock. Some Holders who receive Reorganized NII Common Stock pursuant to the Plan may not elect to hold equity on a long-term basis. Sales by future shareholders of a substantial number of shares after the Effective Date could significantly reduce the market price of the Reorganized NII Common Stock. Moreover, the perception that these shareholders might sell significant amounts of the Reorganized NII Common Stock could depress the trading price of the shares for a considerable period. Under the terms of the Registration Rights Agreement, Reorganized NII will be required to file a shelf registration statement that will permit all Holders who, together with their affiliates, beneficially own 10% or more of the outstanding Reorganized NII Common Stock to sell their shares in the public markets. Sales of the Reorganized NII Common Stock, and the possibility thereof, could make it more difficult for Reorganized NII to sell equity, or equity-related securities, in the future at a time and price that they consider appropriate.

The valuation of Reorganized NII Common Stock contained in this Disclosure Statement is not an estimate of the prices at which the Reorganized NII Common Stock may trade in the market, and the Plan Debtors have not attempted to make any such estimate in connection with the development of the Plan. The value of the Reorganized NII Common Stock ultimately may be substantially higher or lower than reflected in the valuation assumptions provided in this Disclosure Statement.

3. Certain Holders of Reorganized NII Common Stock could have a significant degree of influence on New NII and matters presented to shareholders

Certain holders of Reorganized NII Common Stock are expected to acquire a significant ownership in Reorganized NII pursuant to the Plan. In addition, out of Reorganized NII's seven directors initially appointed to the New Board as of the Effective Date, three will have been selected by Capital Group, one will have been selected by

Aurelius, and two will have been selected by the Luxco Group. Although these rights to select board members will not continue after selection of the New Board at the Effective Date, Capital Group, Aurelius and the Luxco Group may continue to hold a significant amount of Reorganized NII Common Stock. Thus, certain holders of Reorganized NII Common Stock may have a significant influence or control over the operations of New NII and matters presented to shareholders of Reorganized NII.

4. Future issuances of Reorganized NII Common Stock may cause Holders to incur substantial dilution

In the future, Reorganized NII may grant equity securities to its employees, consultants and directors under certain stock option and incentive plans, and Reorganized NII intends to adopt the Management Incentive Plan to be effective following the Effective Date, which contemplates the issuance of restricted stock units for, and options to purchase, Reorganized NII Common Stock to management of Reorganized NII under certain circumstances. Furthermore, Reorganized NII may issue equity securities in connection with future investments, acquisitions or capital raising transactions. Such grants or issuances could constitute a substantial portion of the then-outstanding common stock, which may result in substantial dilution in ownership of common stock, including shares of Reorganized NII Common Stock issued pursuant to the Plan.

5. Reorganized NII does not expect to pay dividends in the near future

Reorganized NII does not anticipate that cash dividends or other distributions will be paid with respect to the Reorganized NII Common Stock in the foreseeable future. In addition, restrictive covenants in certain debt instruments to which Reorganized NII will, or may, be a party, may limit the ability of New NII to pay dividends or for Reorganized NII to receive dividends from the Operating Companies, any of which may negatively impact the trading price of Reorganized NII Common Stock.

XII. FEDERAL INCOME TAX CONSEQUENCES OF CONSUMMATION OF THE PLAN

A. General

A DESCRIPTION OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN IS PROVIDED BELOW. THE DESCRIPTION IS BASED ON THE INTERNAL REVENUE CODE (THE "IRC"), TREASURY REGULATIONS, JUDICIAL DECISIONS AND ADMINISTRATIVE DETERMINATIONS, ALL AS IN EFFECT ON THE DATE OF THIS DISCLOSURE STATEMENT AND ALL SUBJECT TO CHANGE, POSSIBLY WITH RETROACTIVE EFFECT. CHANGES IN ANY OF THESE AUTHORITIES OR IN THEIR INTERPRETATION COULD CAUSE THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN TO DIFFER MATERIALLY FROM THE CONSEQUENCES DESCRIBED BELOW.

THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX AND, IN IMPORTANT RESPECTS, UNCERTAIN. NO RULING HAS BEEN REQUESTED FROM THE INTERNAL REVENUE SERVICE; NO OPINION HAS BEEN REQUESTED FROM PLAN DEBTORS' COUNSEL CONCERNING ANY TAX CONSEQUENCE OF THE PLAN; AND NO TAX OPINION IS GIVEN BY THIS DISCLOSURE STATEMENT.

THE DESCRIPTION THAT FOLLOWS DOES NOT COVER ALL ASPECTS OF FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO THE PLAN DEBTORS OR HOLDERS OF CLAIMS. FOR EXAMPLE, THE DESCRIPTION DOES NOT ADDRESS ISSUES OF SPECIAL CONCERN TO CERTAIN TYPES OF TAXPAYERS, SUCH AS DEALERS IN SECURITIES, LIFE INSURANCE COMPANIES, FINANCIAL INSTITUTIONS, TAX EXEMPT ORGANIZATIONS, PARTNERSHIPS OR PARTNERS IN PARTNERSHIPS, NOR DOES IT ADDRESS TAX CONSEQUENCES TO HOLDERS OF INTERESTS IN THE PLAN DEBTORS. THE DESCRIPTION ALSO DOES NOT DISCUSS STATE, LOCAL, NON-U.S. OR NON-INCOME TAX CONSEQUENCES.

FOR THESE REASONS, THE DESCRIPTION THAT FOLLOWS IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND PROFESSIONAL TAX ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER OF A CLAIM. HOLDERS OF CLAIMS ARE URGED TO CONSULT

WITH THEIR OWN TAX ADVISORS REGARDING THE FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF THE PLAN.

B. U.S. Federal Income Tax Consequences to the U.S. Plan Debtors

1. Cancellation of Debt Income

Generally, the discharge of a debt obligation of a U.S. debtor for an amount less than the adjusted issue price (in most cases, the amount the debtor received on incurring the obligation, with certain adjustments) creates cancellation of indebtedness ("COD") income, that must be included in the debtor's income. The amount of the U.S. Plan Debtors' COD income is dependent upon the value of the Plan consideration distributed on account of the Claims against the Plan Debtors relative to the amount of such Claims, as well as the extent to which those Claims constitute debt for federal income tax purposes and whether the payment of such Claims would be deductible for tax purposes. However, COD income is excluded from taxable income by a taxpayer that is a debtor in a reorganization case if the discharge is granted by the bankruptcy court or pursuant to a plan of reorganization approved by a bankruptcy court. The Plan, if approved, would enable the U.S. Plan Debtors to qualify for this bankruptcy exclusion rule with respect to any COD income triggered by the Plan.

If debt of a U.S. Debtor is discharged in a reorganization case qualifying for the bankruptcy exclusion, however, certain income tax attributes otherwise available and of value to the debtor are reduced, in most cases by the amount of the COD income. Tax attributes subject to reduction include: (a) net operating losses ("NOLs") and NOL carryforwards; (b) most credit carryforwards, including the general business credit and the minimum tax credit; (c) capital losses and capital loss carryforwards; (d) the tax basis of the debtor's assets, but not in an amount greater than the excess of the aggregate tax bases of the property held by the debtor immediately after the discharge over the aggregate amount of the debtor's liabilities immediately after the discharge; and (e) foreign tax credit carryforwards.

A U.S. debtor may elect to avoid the prescribed order of attribute reduction and instead reduce the basis of certain property first. In the case of affiliated corporations filing a consolidated return (such as NII Holdings and its U.S. subsidiaries), the attribute reduction rules apply first to the separate attributes of or allocable to the particular corporation whose debt is being discharged, and then, if necessary, to certain attributes of other members of the group. Accordingly, COD income of a debtor would result first in the reduction of any NOLs and other attributes, including asset basis, of or attributable to such debtor, and then, potentially, of consolidated NOLs and/or basis of or attributable to other members of the consolidated group, after use of any such NOLs and other attributes to determine the consolidated group's taxable income for the tax year in which the debt is discharged.

2. Limitation on NOL Carryforwards

a. *General*

As of December 31, 2014 the Plan Debtors had over $1.3 billion of U.S. federal income tax NOL carryforwards, primarily located in NII Holdings and NIS. The Plan Debtors do not believe that the NOLs are currently subject to any limitations on use.

Section 382 of the IRC provides rules limiting the utilization of a corporation's NOLs and other losses, deductions and credits following a more than 50% change in ownership of a corporation's equity (an "Ownership Change"). An Ownership Change will occur with respect to NII Holdings and its consolidated subsidiaries (the "NII Loss Group") in connection with the Plan. Section 382(1)(6) of the IRC sets forth the limitation provisions applicable to corporations that undergo an ownership change in bankruptcy that does not qualify for, or for which the corporations elects out of, the Bankruptcy Exception (as defined below). Therefore, post-Effective Date usage of any NOLs and other tax attributes of the NII Loss Group (after reduction for COD income) by the Reorganized NII Loss Group will be limited by section 382(l)(6) of the IRC, unless the Bankruptcy Exception applies to the transactions contemplated by the Plan. Under section 382(1)(6), the amount of post-ownership change annual taxable income of the Reorganized NII Loss Group that can be offset by the pre-ownership change NOLs of the NII Loss Group generally cannot exceed an amount equal to the product of (a) the applicable federal long-term tax-exempt rate in effect on the date of the ownership change (currently 2.67% as of March 2015) and (b) the value

of NII Holdings' stock immediately after implementation of the Plan (the "Annual Limitation"). The value of Reorganized NII stock for purposes of this computation would reflect the increase, if any, in value resulting from any surrender or cancellation of any Claims in the Chapter 11 Cases.

The Annual Limitation may be increased if NII Holdings has a net unrealized built-in gain at the time of an ownership change. If, however, NII Holdings has a net unrealized built-in loss at the time of an ownership change, the Annual Limitation may apply to such net unrealized built-in loss. Although the issue is not free from doubt, the Plan Debtors anticipate that they will be in a net unrealized built-in loss position at the time the Plan is implemented.

Any unused Annual Limitation may be carried forward, thereby increasing the Annual Limitation in the subsequent taxable year. However, if Reorganized NII and its subsidiaries do not continue the Plan Debtors' historic business or use a significant portion of their assets in a new business for two years after the ownership change (the "Business Continuity Requirement"), the Annual Limitation resulting from the ownership change is zero.

b. *Bankruptcy Exception*

Section 382(l)(5) of the IRC (the "Bankruptcy Exception") provides that the Annual Limitation will not apply to limit the utilization of a debtor's NOLs or built-in losses if the debtor stock owned by those persons who were stockholders of the debtor immediately before the ownership change, together with the stock received by certain holders of claims pursuant to the debtor's plan, comprise 50% or more of the value of all of the debtor's stock outstanding immediately after the ownership change. Stock received by holders will be included in the 50% calculation if, and to the extent that, such holders constitute "qualified creditors." A "qualified creditor" is a holder of a claim that (i) was held by such holder since the date that is 18 months before the date on which the debtor first filed its petition with the bankruptcy court or (ii) arose in the ordinary course of business and is held by the person who at all times held the beneficial interest in such claim. In determining whether the Bankruptcy Exception applies, certain holders of claims that would own a *de minimis* amount of the debtor's stock pursuant to the debtor's plan are presumed to have held their claims since the origination of such claims. In general, this *de minimis* rule applies to holders of claims who would own directly or indirectly less than 5% of the total fair market value of the debtor's stock pursuant to the plan. The application of this rule to consolidated groups, and to the particular circumstances of the NII Loss Group, is uncertain. It is possible that the receipt of NII Common Stock by Holders of Capco Notes and Luxco Notes could qualify the Reorganized NII Loss Group for the Bankruptcy Exception.

If the Bankruptcy Exception applies, a subsequent ownership change with respect to the Reorganized NII Loss Group occurring within two years after the Effective Date will result in the reduction of the Annual Limitation that would otherwise apply to the subsequent ownership change to zero. Thus, an ownership change within two years after the Effective Date would eliminate the ability of the NII Loss Group to use pre-ownership change NOLs thereafter. If the Bankruptcy Exception applies, the Business Continuity Requirement does not apply, although a lesser business continuation requirement may apply under Treasury regulations. If a change of ownership occurs after the two years following the Effective Date, then the NII Loss Group will become subject to limitation in the use of their NOLs based upon the value of the NII Loss Group at the time of that subsequent change.

Although the Annual Limitation will not apply to restrict the deductibility of NOLs if the Bankruptcy Exception applies, NOLs of the NII Loss Group will be reduced by the amount of any deduction for any interest paid or accrued, with respect to all Allowed Claims converted into Reorganized NII Common Stock, by the Plan Debtors during the three taxable years preceding the taxable year in which the ownership change occurs and during the portion of the taxable year of the ownership change preceding the ownership change.

Even if the Bankruptcy Exception otherwise applies, the Reorganized Debtors may elect to not have the Bankruptcy Exception apply, in which event the Annual Limitation would apply. The Reorganized NII Loss Group has not yet determined whether it is eligible for the Bankruptcy Exception and whether it will elect to not have the Bankruptcy Exception apply. The Reorganized NII Loss Group will have until the due date of the tax return for the taxable year of the Effective Date to make such a determination.

3. Alternative Minimum Tax

In general, a federal alternative minimum tax ("AMT") is imposed on a corporation's alternative minimum taxable income ("AMTI") at a 20% rate to the extent that such tax exceeds the corporation's regular federal income

tax for the year. AMTI is generally equal to regular taxable income with certain adjustments. For purposes of computing AMTI, certain tax deductions and other beneficial allowances are modified or eliminated. In particular, even though a corporation might otherwise be able to offset all of its taxable income for regular federal income tax purposes by available NOL carryforwards, a corporation is generally entitled to offset no more than 90% of its AMTI with NOL carryforwards (as recomputed for AMT purposes). Accordingly, usage of the Plan Debtors' NOLs by the Reorganized Debtors may be subject to limitations for AMT purposes in addition to any other limitations that may apply.

If a corporation (or a consolidated group) undergoes an ownership change and is in a net unrealized built-in loss position on the date of the ownership change, the corporation's (or group's) aggregate tax basis in its assets may be reduced for certain AMT purposes to reflect the fair market value of such assets as of the change date.

Any AMT that a Debtor pays generally will be allowed as a nonrefundable credit against its regular federal income tax liability in future taxable years when the corporation is no longer subject to AMT.

C. U.S. Federal Income Tax Consequences to U.S. Holders of Claims

The federal income tax consequences of the Plan to a U.S. Holder of a Claim will depend, in part, on the tax characterization of the exchanges of claims for other property, whether the U.S. Holder reports income on the accrual or cash basis, whether the U.S. Holder has taken a bad debt deduction or worthless security deduction with respect to the Claim and whether the U.S. Holder receives distributions under the Plan in more than one taxable year. For purposes of this discussion, a "U.S. Holder" is a Holder that is: (1) an individual citizen or resident of the United States for U.S. federal income tax purposes; (2) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia; (3) an estate the income of which is subject to U.S. federal income taxation regardless of the source of such income; or (4) a trust (a) if a court within the United States is able to exercise primary jurisdiction over the trust's administration and one or more United States persons have authority to control all substantial decisions of the trust or (b) that has a valid election in effect under applicable Treasury regulations to be treated as a United States person. For purposes of this discussion, a "Non-U.S. Holder" is any Holder that is not a U.S. Holder other than any partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes). While not free from doubt, the discussion below assumes that the U.S. Holders of Claims against any Debtor are treated as receiving property from that Debtor in satisfaction of their Claims, and the Plan Debtors intend to treat distributions under the Plan as such.

A U.S. Holder of an Allowed Claim that is exchanged for Reorganized NII Common Stock and/or cash would recognize gain or loss in an amount equal to the difference between (1) the fair market value of Reorganized NII Common Stock plus the amount of any Cash received by the U.S. Holder with respect to its Allowed Claim and (2) the U.S. Holder's adjusted tax basis in its Claim

To the extent any portion of a U.S. Holder's recovery is allocable to interest on the Claim, such portion would be treated as interest income to such U.S. Holder. See "Certain Other Tax Considerations for U.S. Holders of Claims — Accrued but Unpaid Interest" below for a discussion of the allocation of recoveries first to principal and then to interest.

The tax basis of any Reorganized NII Common Stock received under the Plan by a U.S. Holder of an Allowed Claim would equal the fair market value of the Reorganized NII Common Stock received by the U.S. Holder. The holding period for any such Reorganized NII Common Stock received under the Plan by such a U.S. Holder generally would begin on the day following the day of receipt.

Gain or loss recognized on the exchange would be capital or ordinary, depending on the status of the Claim in the U.S. Holder's hands, including whether the Claim constitutes a market discount bond in the U.S. Holder's hands. Generally, any gain or loss recognized would be a long-term capital gain or loss if the Claim is a capital asset in the hands of the U.S. Holder and the U.S. Holder has held such Claim for more than one year, unless the U.S. Holder had previously claimed a bad debt deduction or the Holder had accrued market discount with respect to such Claim. U.S. Holders that recognize capital losses as a result of the receipt of distributions under the Plan may be subject to limitations on the utilization of such capital losses. See "Certain Other Tax Considerations for U.S.

Holders of Claims — Market Discount" below for a discussion of the character of any gain recognized from a Claim with accrued market discount.

D. Certain Other Tax Considerations for U.S. Holders of Claims

1. Medicare Surtax

Subject to certain limitations and exceptions, U.S. Holders who are individuals, estates or trusts may be required to pay a 3.8% Medicare surtax on all or part of that U.S. Holder's "net investment income," which includes, among other items, dividends on stock and interest (including original issue discount) on, and capital gains from the sale or other taxable disposition of, debt. U.S. Holders should consult their own tax advisors regarding the effect, if any, of this surtax on their receipt and ownership of Reorganized NII Common Stock issued pursuant to the Plan.

2. Accrued but Unpaid Interest

In general, a U.S. Holder that was not previously required to include in taxable income any accrued but unpaid interest on the Claim may be required to include such amount as taxable interest income upon receipt of a distribution under the Plan. A U.S. Holder that was previously required to include in taxable income any accrued but unpaid interest on the Claim may be entitled to recognize a deductible loss to the extent that such interest is not satisfied under the Plan. The Plan provides that, to the extent applicable, all distributions to a U.S. Holder of an Allowed Claim will apply first to the principal amount of such Claim until such principal amount is paid in full and then to any interest accrued on such Claim prior to the Petition Date. The remaining portion of such distributions, if any, will apply to any interest accrued on such Claim after the Petition Date. There is no assurance, however, that the IRS will respect this treatment and will not determine that all or a portion of amounts distributed to such U.S. Holder and attributable to principal under the Plan is properly allocable to interest. Each U.S. Holder of a Claim on which interest has accrued is urged to consult its tax advisor regarding the tax treatment of distributions under the Plan and the deductibility of any accrued but unpaid interest for federal income tax purposes.

3. Post-Effective Date Distributions

U.S. Holders of Claims may receive distributions subsequent to the Effective Date. The imputed interest provisions of the IRC may apply to treat a portion of any post-Effective Date distribution as imputed interest. Imputed interest may, with respect to certain U.S. Holders, accrue over time using the constant interest method, in which event the U.S. Holder may, under some circumstances, be required to include imputed interest in income prior to receipt of a post-Effective Date distribution.

4. Bad Debt and/or Worthless Securities Deduction

A U.S. Holder who, under the Plan, receives in respect of an Allowed Claim an amount less than the U.S. Holder's tax basis in the Allowed Claim may be entitled in the year of receipt (or in an earlier or later year) to a bad debt deduction in some amount under section 166(a) of the IRC or a worthless securities deduction under section 165 of the IRC. The rules governing the character, timing and amount of bad debt or worthless securities deductions place considerable emphasis on the facts and circumstances of the U.S. Holder, the obligor and the instrument with respect to which a deduction is claimed. U.S. Holders of Claims, therefore, are urged to consult their tax advisors with respect to their ability to take such a deduction.

5. Market Discount

A U.S. Holder that purchased its Claim from a prior U.S. Holder with market discount will be subject to the market discount rules of the IRC. Under those rules, assuming that the U.S. Holder has made no election to amortize the market discount into income on a current basis with respect to any market discount instrument, any gain recognized on the exchange of its Claim (subject to a *de minimis* rule) generally would be characterized as ordinary income to the extent of the accrued market discount on such Claim as of the date of the exchange.

6. Information Reporting and Backup Withholding

All distributions under the Plan will be subject to applicable federal income tax reporting and withholding. The IRC imposes "backup withholding" (currently at a rate of 28%) on certain "reportable" payments to certain taxpayers, including payments of interest. Under the IRC's backup withholding rules, a U.S. Holder of a Claim may be subject to backup withholding with respect to distributions or payments made pursuant to the Plan, unless the U.S. Holder (a) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates this fact or (b) provides a correct taxpayer identification number and certifies under penalty of perjury that the taxpayer identification number is correct and that the taxpayer is not subject to backup withholding because of a failure to report all dividend and interest income. Backup withholding is not an additional federal income tax, but merely an advance payment that may be refunded to the extent it results in an overpayment of income tax. A U.S. Holder of a Claim may be required to establish an exemption from backup withholding or to make arrangements with respect to the payment of backup withholding.

E. Certain U.S. Federal Income Tax Consequences of the Plan to Non-U.S. Holders of Claims

The following discussion includes only certain U.S. federal income tax consequences of the Plan to Non-U.S. Holders. The discussion does not include any non-U.S. tax considerations. The rules governing the U.S. federal income tax consequences to Non-U.S. Holders are complex. Each Non-U.S. Holder should consult its own tax advisor regarding the U.S. federal, state and local and the foreign tax consequences of the consummation of the Plan to such Non-U.S. Holder and the ownership and disposition of the Reorganized NII Common Stock.

Whether a Non-U.S. Holder realized gain or loss on the exchange and the amount of such gain or loss is determined in the same manner as set forth above in connection with U.S. Holders.

1. Gain Recognition

Any gain realized by a Non-U.S. Holder on the exchange of its Claim generally will not be subject to U.S. federal income taxation unless (a) the Non-U.S. Holder is an individual who was present in the United States for 183 days or more during the taxable year in which the restructuring transactions contemplated by the Plan occur and certain other conditions are met or (b) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business in the United States (and, if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States).

If the first exception applies, to the extent that any gain is taxable, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed certain capital losses allocable to U.S. sources during the taxable year of the exchange. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax in the same manner as a U.S. Holder. In addition, if such a Non-U.S. Holder is a corporation, it may be subject to a branch profits tax equal to 30% (or such lower rate provided by an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

2. Accrued but Untaxed Interest

Payments to a Non-U.S. Holder that are attributable to accrued but untaxed interest generally will not be subject to U.S. federal income or withholding tax, provided that the withholding agent has received or receives, prior to payment, appropriate documentation (generally, IRS Form W-8BEN or W-8BEN-E) establishing that the Non-U.S. Holder is not a U.S. person, unless:

- the Non-U.S. Holder actually or constructively owns 10% or more of the total combined voting power of all classes entitled to vote;
- the Non-U.S. Holder is a "controlled foreign corporation" that is a "related person" with respect to the Plan Debtors (each, within the meaning of the IRC);
- the Non-U.S. Holder is a bank receiving interest described in Section 881(c)(3)(A) of the IRC; or

- such interest is effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the United States (in which case, provided the Non-U.S. Holder tenders a properly executed IRS Form W-8ECI (or successor form) to the withholding agent, the Non-U.S. Holder (a) generally will not be subject to withholding tax, but (b) will be subject to U.S. federal income tax in the same manner as a U.S. Holder (unless an applicable income tax treaty provides otherwise), and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the accrued but untaxed interest at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty)).

A Non-U.S. Holder that does not qualify for an exemption from withholding tax with respect to interest that is not effectively connected income generally will be subject to withholding of U.S. federal income tax at a 30% rate (or at a reduced rate or exemption from tax under an applicable income tax treaty) on payments that are attributable to accrued but untaxed interest. For purposes of providing a properly executed IRS Form W-8BEN or W-8BEN-E (or such successor form as the IRS designates), special procedures are provided under applicable Treasury regulations for payments through qualified foreign intermediaries or certain financial institutions that hold customers' securities in the ordinary course of their trade or business.

3. Sale, Redemption or Repurchase of Reorganized NII Common Stock

A Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to any gain realized on the sale or other taxable disposition (including a cash redemption) of the Reorganized NII Common Stock unless:

- such Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition or who is subject to special rules applicable to former citizens and residents of the United States;

- such gain is effectively connected with such Non-U.S. Holder's conduct of a U.S. trade or business (and, if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States); or

- Reorganized Debtors are or have been during a specified testing period a "U.S. real property holding corporation" for U.S. federal income tax purposes.

If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed certain capital losses allocable to U.S. sources during the taxable year of disposition. If the second or (absent certain exceptions) the third exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to such gain, and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to earnings and profits effectively connected with a U.S. trade or business that are attributable to such gains at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty). The Plan Debtors do not believe that Reorganized NII is a U.S. real property holding corporation.

4. Dividends Paid to Non-U.S. Holders

Any distributions made with respect to Reorganized NII Common Stock will constitute dividends for U.S. federal income tax purposes to the extent of the Reorganized Debtors' current or accumulated earnings and profits as determined under U.S. federal income tax principles. If the amount of any distribution exceeds the Reorganized Debtors' current or accumulated profits, such excess will first be treated as a return of capital to the extent of a Non-U.S. Holder's basis in its shares, and thereafter will be treated as capital gain. Except as described below, dividends paid with respect to Reorganized NII Common Stock held by a Non-U.S. Holder that are not effectively connected with a Non-U.S. Holder's conduct of a U.S. trade or business (or, if an income tax treaty applies, are not attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States) will be subject to U.S. federal withholding tax at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax

treaty). A Non-U.S. Holder generally will be required to satisfy certain IRS certification requirements in order to claim a reduction of or exemption from withholding under a tax treaty by filing IRS Form W-8BEN or W-8BEN-E (or successor form) upon which the Non-U.S. Holder certifies, under penalties of perjury, its status as a non-U.S. person and its entitlement to the lower treaty rate or exemption from tax with respect to such payments. Dividends paid with respect to Reorganized NII Common Stock held by a Non-U.S. Holder that are effectively connected with a Non-U.S. Holder's conduct of a U.S. trade or business (and, if an income tax treaty applies, are attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States) generally will be subject to U.S. federal income tax and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the dividends at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty).

5. FATCA

Under the Foreign Account Tax Compliance Act ("FATCA"), which was enacted in 2010, foreign financial institutions and certain other foreign entities must report certain information with respect to their U.S. account holders and investors or be subject to withholding at a rate of 30% on the receipt of "withholdable payments." For this purpose, "withholdable payments" are any U.S.-source payments of fixed or determinable, annual or periodical income (including dividends, if any, on shares of Reorganized NII Common Stock), as well as gross proceeds from the sale of any property of a type which can produce U.S.-source interest or dividends (which would include Reorganized NII Common Stock) that occur after December 31, 2016. FATCA withholding will apply even if the applicable payment would not otherwise be subject to U.S. federal nonresident withholding tax. Although administrative guidance and Treasury regulations have been issued on FATCA, the exact scope and application of these rules remains unclear and potentially subject to material changes.

The tax consequences of the Plan and to the Non-U.S. Holders are uncertain. Non-U.S. Holders should consult their tax advisors regarding the particular tax consequences to them of the transactions contemplated by the Plan.

F. Importance of Obtaining Professional Tax Assistance

THE FOREGOING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN, AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE ABOVE DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON A HOLDER'S INDIVIDUAL CIRCUMSTANCES. ACCORDINGLY, HOLDERS ARE URGED TO CONSULT WITH THEIR TAX ADVISORS ABOUT THE FEDERAL, STATE, LOCAL AND FOREIGN INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN.

XIII. APPLICABILITY OF CERTAIN FEDERAL AND STATE SECURITIES LAWS

A. Reorganized NII Common Stock

The following is a discussion of the federal and state securities laws applicable to the issuance of securities pursuant to the Plan, including the Reorganized NII Common Stock.

The Plan Proponents anticipate that no registration statement will be filed under the Securities Act or any state securities laws with respect to the offer and distribution under the Plan of the Reorganized NII Common Stock in respect of Claims. The Plan Proponents believe that the provisions of section 1145(a) of the Bankruptcy Code exempt the offer and distribution of such securities under the Plan from federal and state securities registration requirements as discussed below.

1. Initial Offer and Sale

Section 1145(a)(1) of the Bankruptcy Code exempts the offer and sale of securities under a plan of reorganization from registration under the Securities Act and state securities laws if three principal requirements are

satisfied: (a) the securities must be offered and sold under a plan of reorganization and must be securities of the debtor, an affiliate participating in a joint plan with the debtor or a successor to the debtor under the plan; (b) the recipients of the securities must hold a claim against, interest in, or an administrative expense claim in the case concerning the debtor; and (c) the securities must be issued entirely in exchange for the recipient's claim against or interest in the debtor, or principally in such exchange and partly for cash or property. Section 1145(a)(2) of the Bankruptcy Code exempts the offer of a security through any warrant, option, right to purchase or conversion privilege that is sold in the manner specified in section 1145(a)(1) and the sale of a security upon the exercise of such a warrant, option, right or privilege. The Plan Proponents believe that the offer and sale of the Reorganized NII Common Stock under the Plan in satisfaction of Claims satisfy the requirements of section 1145(a) of the Bankruptcy Code and, therefore, are exempt from registration under the Securities Act and state securities laws.

The exemptions provided for in section 1145(a) do not apply to an entity that is deemed an "underwriter" as such term is defined in section 1145(b) of the Bankruptcy Code. Section 1145(b) provides that, with specified exemptions and except with respect to "ordinary trading transactions" of an entity that is not an "issuer," an entity is an "underwriter" if the entity:

- purchases a claim against, an interest in, or a claim for administrative expense against the debtor with a view to distributing any security received in exchange for such a claim or interest ("accumulators");
- offers to sell securities offered under a plan for the holders of such securities ("distributors");
- offers to buy securities under a plan from the holders of such securities, if the offer to buy is (a) with a view to distributing such securities and (b) made under a distribution agreement; and
- who is an "issuer" with respect to the securities, as the term "issuer" is defined in section 2(a)(11) of the Securities Act.

Under section 2(a)(11) of the Securities Act, an "issuer" includes any "affiliate" of the issuer, which means any person directly or indirectly controlling, controlled by or under common control with the issuer.

2. Subsequent Transfers

Securities issued pursuant to section 1145(a) are deemed to have been issued in a public offering pursuant to section 1145(c) of the Bankruptcy Code. In general, therefore, resales of and subsequent transactions in the securities issued under the Plan will be exempt from registration under the Securities Act pursuant to section 4(a)(1) of the Securities Act, unless the holder thereof is deemed to be an "issuer," an "underwriter" or a "dealer" with respect to such securities. For these purposes, an "issuer" includes any "affiliate" of the issuer, defined as a person directly or indirectly controlling, controlled by or under common control with the issuer. "Control," as defined in Rule 405 of the Securities Act, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise. A "dealer," as defined in section 2(a)(12) of the Securities Act, is any person who engages either for all or part of his or her time, directly or indirectly, as agent, broker or principal, in the business of offering, buying, selling or otherwise dealing or trading in securities issued by another person. Whether or not any particular person would be deemed to be an "affiliate" of Reorganized NII or an "underwriter" or a "dealer" with respect to any securities issued under the Plan will depend upon various facts and circumstances applicable to that person.

In connection with prior bankruptcy cases, the staff of the SEC has taken the position that resales by accumulators and distributors of securities distributed under a plan of reorganization are exempt from registration under the Securities Act if effected in "ordinary trading transactions." The staff of the SEC has indicated in this context that a transaction may be considered an "ordinary trading transaction" if it is made on an exchange or in the over-the-counter market and does not involve any of the following factors:

- either (a) concerted action by the recipients of securities issued under a plan in connection with the sale of such securities or (b) concerted action by distributors on behalf of one or more such recipients in connection with such sales;

- the use of informational documents concerning the offering of the securities prepared or used to assist in the resale of such securities, other than a bankruptcy court-approved disclosure statement and supplements thereto and documents filed with the SEC pursuant to the Exchange Act; or

- the payment of special compensation to brokers and dealers in connection with the sale of such securities designed as a special incentive to the resale of such securities (other than the compensation that would be paid pursuant to arm's-length negotiations between a seller and a broker or dealer, each acting unilaterally, not greater than the compensation that would be paid for a routine similar-sized sale of similar securities of a similar issuer).

The staff of the SEC has not provided any guidance for privately arranged trades.

The Plan Proponents have not sought the views of the SEC on this matter and, therefore, no assurance can be given regarding the proper application of the "ordinary trading transaction" exemption described above. Any persons intending to rely on such exemption are urged to consult their own counsel as to the applicability thereof to any particular circumstances.

In addition, for any "affiliate" of an issuer deemed to be an underwriter, Rule 144 under the Securities Act provides a safe-harbor from registration under the Securities Act for certain limited public resales of unrestricted securities by "affiliates" of the issuer of such securities. Rule 144 allows a Holder of unrestricted securities that is an affiliate of the issuer of such securities to sell, without registration, within any three-month period a number of shares of such unrestricted securities that does not exceed the greater of 1% of the number of outstanding securities in question or the average weekly trading volume in the securities in question during the four calendar weeks preceding the date on which notice of such sale was filed pursuant to Rule 144, subject to the satisfaction of certain other requirements of Rule 144 regarding the manner of sale, notice requirements and the availability of current public information regarding the issuer.

3. Subsequent Transfers Under State Law

State securities laws generally provide registration exemptions for subsequent transfers by a bona fide owner for the owner's own account and subsequent transfers to institutional or accredited investors. Such exemptions generally are expected to be available for subsequent transfers of the securities issued pursuant to the Plan.

GIVEN THE COMPLEX NATURE OF THE QUESTION OF WHETHER A PARTICULAR PERSON MAY BE AN UNDERWRITER AND OTHER ISSUES ARISING UNDER APPLICABLE SECURITIES LAWS, THE PLAN DEBTORS MAKE NO REPRESENTATIONS CONCERNING THE RIGHT OF ANY PERSON TO TRANSFER REORGANIZED NII COMMON STOCK ISSUED PURSUANT TO THE PLAN. THE PLAN DEBTORS RECOMMEND THAT HOLDERS OF CLAIMS CONSULT THEIR OWN COUNSEL CONCERNING WHETHER THEY MAY FREELY TRADE SUCH SECURITIES.

XIV. RECOMMENDATION AND CONCLUSION

The Plan Proponents believe that the confirmation and consummation of the Plan is preferable to all other alternatives. Consequently, the Plan Proponents urge all parties entitled to vote to accept the Plan and to evidence their acceptance by duly completing and returning their Ballots so that they will be received on or before the Voting Deadline.

Dated: April 2, 2015

Respectfully submitted,

NII Holdings, Inc. (on its own behalf and on behalf of each affiliate Plan Debtor)

By: /s/ Daniel E. Freiman
Name: Daniel E. Freiman
Title: Treasurer, Vice President – Corporate Development & Investor Relations of NII Holdings, Inc.

EXHIBIT 1

**First Amended Joint Plan of Reorganization Proposed by
the Plan Debtors and Debtors in Possession and the Official Committee of Unsecured Creditors**

EXHIBIT 2

Liquidation Analysis

LIQUIDATION ANALYSIS

Pursuant to section 1129(a)(7) of the Bankruptcy Code (often identified as the "best interests test"), Holders of Allowed Claims must either (a) accept the Plan[1] or (b) receive or retain under the Plan property of a value, as of the Plan's assumed Effective Date, that is not less than the value such non-accepting Holder would receive or retain if the Debtors were liquidated under chapter 7 of the Bankruptcy Code ("Chapter 7" and, the cases thereunder, the "Chapter 7 Cases" and, the trustee appointed thereunder, "Chapter 7 Trustee").

In determining whether the best interests test has been met, the first step is to determine the dollar amount that would be generated from a hypothetical liquidation of the Debtors' assets under Chapter 7. The Debtors, with assistance of their restructuring advisor Alvarez & Marsal North America LLC, have prepared this hypothetical Liquidation Analysis (the "Liquidation Analysis") in connection with the Disclosure Statement. The Liquidation Analysis reflects the estimated cash proceeds, net of liquidation-related costs that would likely be available to the Debtors' creditors if the Debtors were to be liquidated under Chapter 7 as an alternative to continued operation of the Debtors' businesses under the Plan. Accordingly, asset values discussed herein may be different than amounts referred to in the Plan. The Liquidation Analysis is based upon the assumptions discussed herein and in the Disclosure Statement. All capitalized terms not defined in this Liquidation Analysis have the meanings ascribed to them in the Disclosure Statement.

UNDERLYING THE LIQUIDATION ANALYSIS ARE NUMEROUS ESTIMATES THAT, ALTHOUGH DEVELOPED AND CONSIDERED REASONABLE BY THE DEBTORS' MANAGEMENT AND ITS ADVISORS, ARE INHERENTLY SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC, REGULATORY AND COMPETITIVE UNCERTAINTIES AND CONTINGENCIES BEYOND THE CONTROL OF THE DEBTORS AND THEIR MANAGEMENT. ACCORDINGLY, THERE CAN BE NO ASSURANCE THAT THE VALUES REFLECTED IN THE LIQUIDATION ANALYSIS WOULD BE REALIZED IF THE DEBTORS WERE, IN FACT, LIQUIDATED, AND ACTUAL RESULTS COULD MATERIALLY DIFFER FROM THE RESULTS SET FORTH HEREIN.

I. General Assumptions

The Liquidation Analysis assumes hypothetically that the Chapter 11 Cases are converted to Chapter 7 Cases on June 30, 2015 (the "Conversion Date").

The primary assets of the Debtors are the indirect equity interests in and intercompany receivables owing from the Non-Debtor Affiliates, namely NII Brazil, NII Mexico and NII Argentina.

The Liquidation Analysis assumes that both NII Mexico and NII Argentina will be sold as going concerns within the period covered by this analysis.

NII Mexico is assumed to be sold pursuant to the Purchase Agreement and is assumed to be approved by local regulators and consummated on or prior to April 30, 2015. In order to fund Non-Debtor Affiliates through the NII Mexico sale closing date, the Debtors are assumed to secure a $350,000,000 superpriority postpetition financing. The postpetition credit facility is secured by the assets of NII International Telecom S.C.A. as well as the equity in its subsidiary holdings. The postpetition credit facility provides for a carve-out of up to $6,000,000 for professional fees and expenses incurred during the Chapter 11 Cases, but not paid at the Conversion Date. The superpriority postpetition financing principal and interest are assumed to be paid back directly from the proceeds of the sale of NII Mexico when the transaction is consummated on or before April 30, 2015.

NII Argentina is assumed to be sold on or before June 30, 2015. It is assumed that NII Brazil would be liquidated or enter into insolvency proceedings due to the low likelihood that a sale can be consummated, including one sufficient to increase recoveries to the Debtors' creditors, due to the unstable and challenging macroeconomic conditions in Brazil, the need for a substantial cash investment of at least $60,000,000 from Chapter 7 estate funds over the course of the minimum time period required to market NII Brazil, the Debtors' historical marketing record for NII Brazil over the prior two years pursuant to which they did not obtain any expressions of interest (including in connection with the Debtors' marketing efforts during the Chapter 11 Cases), the dearth of comparable transactions in the recent past, potential interference due to remedy-enforcement by secured lenders and the requirement to use any sale proceeds to repay NII Brazil's substantial debt load of over $700,000,000.

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[1] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan.

[2] The estimates of recoveries in the hypothetical chapter 7 liquidation set forth herein assume that the Debtors are not able to realize any value from the sale of spectrum licenses in Brazil.

The Liquidation Analysis further assumes that the Chapter 7 Trustee would proceed to liquidate all of the Debtors' remaining assets on an accelerated basis over a four-month period and that the Chapter 7 Cases would conclude on October 31, 2015. The insolvency proceeding in Brazil may continue for a longer period; however, for the purpose of this analysis, it is assumed that ongoing insolvency proceeding expenses would continue only for the pendency of the Chapter 7 Cases.

The primary driver of potential recovery in the Debtors' estates is the recovery on the assets of the Non-Debtor Affiliates. As such, the Liquidation Analysis first calculates the recovery from the asset sales of NII Mexico and NII Argentina and hypothetical wind-down of NII Brazil and the remaining Non-Debtor Affiliates to determine what value, if any, would be available to be distributed to the Debtors. Secondly, a hypothetical liquidation of the Debtors is calculated to determine what value, if any, would be distributed to the Debtors' creditors.

This Liquidation Analysis presents two different distribution scenarios ("Distribution Scenarios") reflecting the possible outcomes for the resolution of the Transferred Guarantor Claims.

Distribution Scenario A assumes that the Transferred Guarantor Claims do not receive any recovery as a result of the litigation of such Claims. Distribution Scenario B assumes that the Transferred Guarantor Claims are allowed in full as a result of such litigation. Notwithstanding these scenarios, the Debtors believe that any estimate of the outcome of the litigation of the Transferred Guarantor Claims is highly subjective and dependent on numerous variables, including the cost and time required to litigate these Claims, and the disclosure of these scenarios herein is in furtherance of a hypothetical analysis and not reflective of the Debtors' views of the merits of these Claims. This analysis does not address the Avoidance Claims and Recharacterization Claims.

II. Non-Debtor Affiliates

This analysis assumes that NII Mexico would be sold as a going concern pursuant to the Purchase Agreement and is assumed to be approved by local regulators and closed on or before April 30, 2015, NII Argentina will be sold on or before June 30, 2015 and NII Brazil will be liquidated or enter into insolvency proceedings

A. Asset Recoveries

1. Cash and Equivalents

The "Cash and Equivalents" balances are the projected cash balances as of June 30, 2015 based on the Debtors' 2015 cash forecast. Normal funding to the Non-Debtor Affiliates is expected to take place through the Conversion Date, after which no additional funding from the Debtors would take place.

NII Brazil is assumed to continue to be run as normal until an accelerated sale of the customer base can be consummated, including, if necessary, during the pendency of its insolvency proceedings; however, discretionary spending is expected to be restricted beginning in June 2015.

2. Receivables - Non-Intercompany

"Receivables Non-Intercompany" represents trade receivables from consumer and corporate customers of the Non-Debtor Affiliates for the sale of service and handsets, receivables for roaming and interconnect services to other mobile vendors and co-billing receivables. The Liquidation Analysis assumes that, after the Conversion Date, NII Brazil would likely engage in discussions with competitors to provide an orderly transition for customers to one or more new providers by selling their respective customer lists. A condition of the sale would likely be that the buyer pays the applicable Non-Debtor Affiliate an amount for each customer that signs on to such buyer's network. The recovery has been calculated based on a discount to the current Accounts Receivable balances.

3. Receivables - Intercompany

For the purposes of this analysis, with respect to a particular Non-Debtor Affiliate, Intercompany Accounts Receivable consist of amounts payable to such Non-Debtor Affiliate by another Non-Debtor Affiliate or a Debtor. Recoveries on account of Intercompany Accounts Receivable, to the extent not subordinated, would likely be based on the liquidation proceeds ratably distributed by the entity that owes the underlying payable to (a) Holders of General Unsecured Claims and any other claim of the same priority, in the case in which such entity is a Debtor, or (b) holders of the equivalent of a general unsecured claim in the insolvency proceeding of such entity, in the case in which such entity is a Non-Debtor Affiliate (each such claim in a insolvency proceeding of a Non-Debtor Affiliate, a "Non-Debtor GUC") and any other claim of the same priority. However, any Intercompany Accounts Receivable owed by NII Brazil to such Non-Debtor Affiliate likely would be subordinated under the rules of the applicable local insolvency proceedings and would likely be treated as subordinate to Non-Debtor GUCs. For the purposes of this Liquidation Analysis, intercompany receivables claims are not subject to offset.

Any net Intercompany Accounts Receivable owed by NII Mexico to such Non-Debtor Affiliate is deemed to be capitalized as an investment in NII Mexico, consistent with the terms of the Stalking Horse Purchase Agreement.

Any net Intercompany Accounts Receivable owed by NII Argentina to such Non-Debtor Affiliate is assumed to receive priority payment out of the proceeds of the sale prior to any equity distributions.

4. Inventory

The Non-Debtor Affiliates' "Inventory" consists primarily of handsets, SIM cards, batteries and accessories purchased from manufacturers and held for sale. iDEN handsets are assumed to have limited resale value, as Sprint has dismantled the U.S. iDEN network and remaining viable iDEN networks are small. 3G handsets are relatively new, but where handsets are customized for the Non-Debtor Affiliates, they would likely require further investment to be saleable. These factors limit the recovery value of both types of handsets. The inventory recovery assumptions are based on the value of bulk sale transactions of similar assets.

Infrastructure and site inventory is captured in Property, Plant & Equipment under Construction-in-Progress.

5. Prepaid Other

The "Prepaid Other" balance is comprised of prepayments for marketing, insurance, advertising, taxes, rent and prepaid purchase commitments for the development, supply and purchase of mobile handsets at the Non-Debtor Affiliates.

6. Other Current Assets

The "Other Current Assets" balance primarily consists of advances to suppliers and a prepaid interconnection agreement.

At NII Mexico, there is restricted cash held in escrow as collateral for a secured lender and as cash collateral securing a letter of credit for a key customer rewards program. These restricted assets are added back to cash balances, increasing the purchase price for NII Mexico in accordance with the Stalking Horse Purchase Agreement.

7. Deferred Tax Assets

"Deferred Tax Assets" are offset by valuation allowances. NII Brazil is not expected to have future income tax liabilities that would enable the realization of deferred tax assets; therefore, the Liquidation Analysis assumes that the deferred tax assets have minimal value in offsetting another tax liability.

8. Property, Plant & Equipment

"Property, Plant & Equipment" includes in-service and construction-in-progress site and switch assets, land, office furniture and equipment, office network equipment, software and leasehold improvements. Since a telecommunication network by design is unique and custom, it is extremely rare to see networks sold off as a whole due to their unique configurations to a sole operator. Additionally, the cost to move a network is likely to be prohibitive due to the de-installation and re-installation costs. The liquidation market for telecommunications equipment is primarily limited to buyers seeking to utilize equipment on an as-needed basis either to cannibalize for parts or use as replacement units. Additionally, the useful life of a telecommunication network is generally limited by the rapid obsolescence of network technology. Further, certain equipment of NII Brazil secures their loans borrowed from China Development Bank Corporation and would be subject to the terms governing the loans. The liquidation value of NII Brazil's Plant, Property & Equipment is, therefore, determined by a piecemeal sale rather than the sale of a complete network to an incumbent.

9. Intangible Assets

"Intangible Assets" in NII Brazil consists of license certifications for site construction.

10. Other Noncurrent Assets

The "Other Noncurrent Assets" balance primarily consists of restricted cash and deposits. At NII Brazil, the Other Noncurrent Assets include cash deposits held by insurance companies as collateral against performance bonds, judicial deposits, tax assets and prepayments to suppliers.

Performance bonds have been posted with the Brazilian telecommunications regulator, ANATEL, in order to guarantee certain minimum build-out requirements for infrastructure and coverage within a certain time frame. Cash has been posted to the insurer to partially collateralize these bonds.

In Brazil, courts require NII Brazil to post deposits in escrow accounts called "judicial deposits," which are reflected on the consolidated balance sheet as restricted assets of NII Holdings. These deposits relate to a significant number of ongoing immaterial legal matters.

Long-term tax assets are forecast to have recoveries only insofar as they can be offset against tax liabilities.

11. Spectrum Licenses

Spectrum Licenses includes the Non-Debtor Affiliate balance sheet amounts for telecommunications licenses, net of amortization. Given a scenario in which NII Brazil would be forced to cease network operations in order to preserve cash, it is assumed that ANATEL would likely rescind the spectrum licenses on the grounds that the applicable Non-Debtor Affiliate is no longer operating the spectrum.

B. Superpriority Claims

1. Liquidation Administration Fees

For Brazil liquidation fees associated with the local insolvency proceeding are assumed to be 5% of proceeds, consistent with local case experience.

2. Statutory Wage Claims

For NII Brazil, statutory wage claims include the accrued amounts unpaid prior to the start of their respective insolvency proceedings, and statutory severance payments. In Brazil, statutory severance per employee requires one month's salary plus half a month's salary for every year of tenure. These payments have a priority in the Brazilian bankruptcy code (*Lei de Falências e o Instituto da Recuperação Extrajudicial*) and are limited to $45,000 per employee with the remainder reflected as an unsecured claim.

C. Secured Claims

1. Off Balance Sheet Liabilities

"Off Balance Sheet Liabilities" includes the liability associated with the Other Noncurrent Asset category, specifically the performance bonds and judicial deposits at NII Brazil.

Restricted cash amounts for collateral against performance bonds and for judicial deposits at NII Brazil are assumed to be fully drawn upon because the secured party, ANATEL, is likely to draw on the performance bonds, causing the insurers to draw on the cash. The restricted cash held for the judicial matters is also forecasted to be fully used to settle legal claims. Depending on the results of the lawsuits, this liability may vary greatly from the amounts the applicable courts require to be deposited. Claims that are not fully recovered by the respective secured creditors holding such claims would constitute a deficiency claim classified as a Non-Debtor GUC in NII Brazil's insolvency proceeding.

2. CDB

At NII Brazil, "CDB" includes debt borrowed from China Development Bank Corporation, which is secured by NII Brazil's network equipment and other assets. If CDB does not recover their claim in full from their collateral, the remainder would constitute a deficiency claim for the difference, which would be treated as a Non-Debtor GUC in NII Brazil's insolvency proceeding. These contractual agreements give these deficiency claims priority over intercompany liabilities.

Pursuant to the Stalking Horse Purchase Agreement, CDB indebtedness incurred by NII Mexico is paid off from the gross proceeds of the sale tendered thereunder.

D. Local Insolvency Proceeding Administrative Claims

NII Brazil is assumed to continue to be run as normal until an accelerated sale of the customer base can be consummated, assumed to be approximately one month. Estimated amounts for payroll and certain operating costs during the three-month administrative liquidation period commencing on July 31, 2015 are based upon the assumption that certain Non-Debtor Affiliate functions would likely be required to oversee the applicable liquidation process, by first transferring the customer base to the buyer and then liquidating the applicable estate. Required staff necessary to maintain and close accounting records and to complete certain administrative tasks, including payroll, tax and maintaining of records, are assumed to be needed for this period. Certain minimum staff would likely be required at the physical locations to complete the closure of the facilities, disassemble equipment and oversee the sale process of the assets.

E. Priority Claims

1. Priority Tax Claims

"Priority Tax Claims" include taxes accrued but unpaid prior to the start of the local insolvency proceedings in Brazil. These tax claims are afforded priority of payment over the Non-Debtor GUCs under the Brazilian bankruptcy code.

F. Unsecured Claims

Non-Debtor Affiliate "General Unsecured Claims" include Accounts Payable Non-Intercompany, Accrued Expenses, Other Current and Noncurrent Liabilities and the balances of debt borrowings payable to two local banks in Brazil as of July 31, 2015 (the commencement date of the applicable insolvency proceeding). It should be noted that the Liquidation Analysis does not attempt to estimate all potential additional General Unsecured Claims in the Chapter 7 Cases that would likely arise as a result of the liquidation of the Non-Debtor Affiliates. Additionally, potential litigation claims have not been included. NII Brazil GUCs from American Tower Corp are calculated as the net present value of all minimum future lease payments. Additionally, deficiency claims arising from partially recovered secured claims are reflected in "Non-Debtor GUCs."

Non-Debtor GUCs are assumed to be paid on a pro rata basis from the net liquidation proceeds available, if any, after distributions to all claims with higher levels of priority at each Non-Debtor Affiliate.

G. Intercompany Payables

Intercompany Payables owed by NII Brazil to the Debtors or other Non-Debtor Affiliates are assumed to be subordinated under the rules of the local insolvency proceedings and would likely be treated as subordinate to Non-Debtor GUCs, but senior to equity for the purpose of the governing order of priority in such proceedings. Additionally, as a result of a contractual agreement with CDB, intercompany payables would be subordinate to the CDB deficiency claims. For the purposes of this Liquidation Analysis, intercompany payables claims are not subject to offset.

For NII Argentina, the net purchase proceeds are assumed to be distributed first to pay the Intercompany Payables owed by Argentina, with the remaining amount distributed to the equity claims.

For NII Mexico, the net sale proceeds pursuant to the Purchase Agreement plus Mexico cash balances and a pro-rata portion of spectrum license payments, which are offset by paying down local debt, tower obligations and capital leases, are assumed to be distributed directly to NIU Holdings LLC, the seller of its equity interests in Nextel International (Uruguay), LLC, the parent of NII Mexico.

H. Summary Regarding Non-Debtor Affiliates

The assets of the Debtors consist primarily of indirect investments in the operating Non-Debtor Affiliates – namely, NII Brazil, NII Mexico and NII Argentina, with some de minimis cash balances and Intercompany receivables at other non-operating Non-Debtor Affiliates.

Under the current set of liquidation assumptions, because of the significant Claims forecasted to be asserted against their respective estates in their insolvency proceeding and because of the challenges in recovering value from the liquidation of assets, the Non-Debtor Affiliates' estate of NII Brazil would likely not recover sufficient proceeds from the liquidation of their assets to satisfy all of their claims and therefore would return nothing to equity holders. While all classes in such proceedings with priority higher than the Non-Debtor GUCs would receive 100% recovery, Non-Debtor GUCs in NII Brazil would likely receive a recovery of approximately 16%, excluding recoveries of intercompany payables to Debtor entities, which would likely be subordinate to Non-Debtor GUCs. Because Non-Debtor GUCs are not fully satisfied, no proceeds (from either "Receivables – Intercompany" or "Investments in Subs") would flow from NII Brazil to the Debtors.

NII Mexico is assumed to be sold at the purchase price set forth in the Stalking Horse Purchase Agreement, subject to the bidding procedures approved by the Bankruptcy Court, and is assumed to be approved by local regulators and closed on or prior to April 30, 2015.

NII Argentina is assumed to be sold to existing bidders, approved by local regulators and closed on June 30, 2015.

III. Non-Operating Non-Debtor Affiliate Entities

The Debtors' equity interests primarily consist of indirect investments in the Non-Debtor Affiliates, some of which are non-operating companies. Non-operating Non-Debtor Affiliates would follow the same hypothetical wind-down processes as operating Non-Debtor Affiliate entities, whereby proceeds from operating Non-Debtor Affiliate entities are used to pay claims

pursuant to the applicable order of priority. These claims consist primarily of immaterial intercompany payables and accrued liabilities.

As explained in the General Assumptions section, the liquidation analysis reflects two possible scenarios based on the possible outcomes of the Transferred Guarantor Claims, which are assumed to be disputed in a liquidation. Scenario A assumes the Transferred Guarantor Claims are disallowed and receive no distribution. Scenario B assumes the Transferred Guarantor Claims are Allowed in full following litigation.

The analysis assumes that there are no withholding or capital gains taxes levied on the proceeds as they pass up the corporate ownership structure to NII International Telecom S.C.A.

Proceeds from the sale of NII Argentina as a going concern would flow through two Spanish Non-Debtor Affiliate non-operating entities, NII Mercosur Telecom, S.L. and NII Mercosur Mòviles, S.L., before they would flow to Debtor NII International Telecom S.C.A.

Additionally, at NII Mercosur Telecom, S.L. (a non-operating Non-Debtor Affiliate) there is approximately $40,000,000 in cash held in escrow for the 2013 sale of Nextel Peru for potential indemnification claims payable to the purchaser.

IV. Debtors

As previously described, the Liquidation Analysis assumes hypothetically that the Chapter 11 Cases are converted to Chapter 7 Cases on the Conversion Date, i.e., June 30, 2015. Below is a summary of the assumptions that drive the recoveries that Holders of Claims would likely receive under such hypothetical liquidation. The primary assets of the Debtors are their intercompany receivables and indirect equity interests in the Non-Debtor Affiliates.

A. Asset Recoveries

1. Cash and Equivalents

The "Cash and Equivalents" balances are the projected cash balances as of the Conversion Date, June 30, 2015, based on the Debtors' 2015 cash forecast. Normal funding to the markets is expected to take place through the Conversion Date, after which no additional funding from the Debtors would take place.

2. Receivables - Non-Intercompany

"Receivables – Non-Intercompany" consists of miscellaneous receivables related to transition services agreements with the purchaser of Nextel Peru.

3. Receivables - Intercompany

For the purposes of this analysis, with respect to a particular Debtor, Intercompany Accounts Receivable consists of amounts payable to such Debtor by another Debtor or a Non-Debtor Affiliate. Recoveries on account of Intercompany Accounts Receivable, to the extent not subordinated, would likely be based on the liquidation proceeds ratably distributed by the entity that owes the underlying payable to (i) Holders of General Unsecured Claims and any other claim of the same priority, in the case in which such entity is a Debtor, or (ii) holders of Non-Debtor GUCs and any other claim of the same priority, in the case in which such entity is a Non-Debtor Affiliate. However, any Intercompany Accounts Receivable owed by NII Brazil to such Debtor likely would be subordinated under the rules of the applicable local insolvency proceedings and would be treated as subordinate to Non-Debtor GUCs. For the purposes of this Liquidation Analysis, intercompany receivables claims are not subject to offset.

Given the results of the wind-down at NII Brazil and the sale of NII Mexico, no intercompany receivables recovery would be received from the Non-Debtor Affiliates except those receivables from NII Argentina.

4. Inventory

The Debtors do not maintain any inventory.

5. Prepaid Other

The "Prepaid Other" balance is comprised of prepayments for insurance, taxes and other prepaid purchase commitments.

6. Other Current Assets

"Other Current Assets" consists of prepayments to suppliers for handset development.

7. Deferred Tax Assets

"Deferred Tax Assets" are fully offset by valuation allowances. The Debtors are not likely to have significant future income tax liabilities that would enable the realization of deferred tax assets; therefore, the Liquidation Analysis assumes that the deferred tax assets have minimal value in offsetting other tax liabilities.

8. Property, Plant & Equipment

Debtor "Property, Plant & Equipment" includes software, office furniture and equipment, office network equipment and leasehold improvements.

9. Intangible Assets

"Intangible Assets" consists of the Nextel brand license and is assumed to have no economic value.

10. Other Noncurrent Assets

"Other Noncurrent Assets" consists of prepayments to suppliers and licenses. Prepayments to suppliers and licenses are forecasted to have little recovery values.

11. Investment in Subs

The "Investment in Subs" balance consists of the value of equity interests in subsidiaries and is assumed to have value only in the event that the liquidated subsidiary has sufficient proceeds for distribution to holders of such equity interests after fully satisfying the priority claims (trustee fees, professional fees and wind-down costs), secured claims and unsecured claims of such subsidiary.

The assets of the Debtors consist primarily of indirect investments in the Non-Debtor Affiliates – namely, NII Brazil, NII Mexico and NII Argentina.

B. Superpriority Claims

Chapter 7 Trustee & Chapter 7 Case Administration Fees

For the Debtor entities, fees payable to the Chapter 7 Trustee include those fees associated with the appointment of the Chapter 7 Trustee in accordance with section 326 of the Bankruptcy Code.

C. Secured Claims

Debtor-In-Possession Superpriority Credit Facility

In order to fund Non-Debtor Affiliates through the NII Mexico sale closing date, the Debtors are assumed to secure a $350,000,000 superpriority postpetition financing. The postpetition credit facility is secured by the assets of NII International Telecom S.C.A. as well as the equity in its subsidiary holdings. The postpetition credit facility provides for a carve-out of up to $6,000,000 for professional fees and expenses incurred during the Chapter 11 Cases, but not paid at the Conversion Date. The superpriority postpetition financing principal and interest are assumed to be repaid in full when the sale of NII Mexico is consummated on or prior to April 30, 2015. Since the Debtors are assumed to file on June 30, 2015, the effect of the financing is included in the Debtors' cash balances and it is assumed to be repaid prior to the Conversion Date.

D. Chapter 7 Administrative Claims

"Chapter 7 Administrative Claims" includes the costs to wind down the Debtors' estates after the conversion of the Chapter 11 Cases to Chapter 7 Cases, which includes amounts for wages, severance for all remaining employees who would are retained until after the Conversion Date and other overhead costs, including fees and expenses for professionals retained by the Chapter 7 Trustee. For the purpose of this analysis, all regular payroll due to the Debtors' employees as of the Conversion Date would be paid prior to conversion.

These wind-down costs are allocated to the various Debtor estates. The allocation was done by determining the total amount of distribution to third parties for all Debtors. Third parties include all Holders of Claims or Interests entitled to distributions, excluding any distribution made to other Debtors, either in the form of intercompany Claims against or Interests in another Debtor.

E. Chapter 11 Administrative Claims

1. Unpaid Wind-Down Costs

"Unpaid Wind-Down Costs" includes operating expenses accrued during the Chapter 11 Cases, but unpaid as of the Conversion Date. These costs are allocated amongst the Debtors according to third-party distributions in the same manner as Chapter 7 administrative claims.

2. Chapter 11 Professional Fees

Professional fees incurred in the Chapter 11 Cases include legal, appraisal, broker, financial advisor and accounting fees expected to be accrued over the duration of the Chapter 11 Cases, but unpaid as of the Conversion Date. These costs are allocated amongst the Debtors according to third-party distributions in the same manner as administrative claims in the Chapter 7 Cases and the Chapter 11 Cases are allocated. The postpetition credit facility provides for a carve-out of up to $6,000,000 for professional fees and expenses incurred during the Chapter 11 Cases, but not paid at the Conversion Date.

F. Priority Claims

1. Priority Tax Claims

"Priority Tax Claims" include taxes accrued but unpaid prior to the Conversion Date. These tax claims receive priority under the Bankruptcy Code.

G. Unsecured Claims

For purposes of the Liquidation Analysis, the Debtors' management has assumed that unsecured claims would likely consist of estimated General Unsecured Claims. It should be noted that the Liquidation Analysis does not attempt to estimate potential additional General Unsecured Claims that would likely arise as a result of cessation of the Debtors' operations. These claims would include, but not be limited to, claims arising as a result of the rejection of remaining Executory Contracts or the failure of the Debtors to perform under existing contracts with their suppliers, and would likely be substantial in amount. Additionally, potential litigation claims have not been included. General Unsecured Claims do, however, include unsecured non-priority wage claims, Accounts Payable Non-Intercompany, Accounts Payable Intercompany, Accrued Expenses, Other Current and Noncurrent Liabilities and the balances of Prepetition Notes as of the Petition Date. For the purposes of this Liquidation Analysis, intercompany payables claims are not subject to offset. Also included are estimated General Unsecured Claims arising from the rejection of Unexpired Leases, including based on estimates due to the cancellation of leases with the Debtors' landlord.

Additionally, the Debtors guarantee certain claims. CDB's and ATC's Claims include Claims on account of guarantees by NII Holdings and Luxco. The Prepetition Notes issued by Luxco are guaranteed by NII Holdings. The Prepetition Notes issued by Capco are guaranteed by NII Global Holdings, Inc., NII Funding Corp., NII Aviation, Inc., Nextel International (Services), Ltd. and NII Holdings. Guaranteed Claims are treated as General Unsecured Claims. General Unsecured Claims are assumed to be paid on a pro rata basis from the net liquidation proceeds available, if any, after distributions to all Claims with higher levels of priority at each Debtor.

The Prepetition Notes issued by Luxco are assumed to be senior to the Capco Intercompany Note. The Capco Intercompany Note would receive no recovery until the Claims arising from the Prepetition Notes issued by Luxco are paid in full.

Liquidation Analysis by Entity - Scenario A
($ in 000's)

	Debtors													Non-Debtor Affiliate
Case Number:	14-12611	14-12612	14-12613	14-12614	14-12615	14-12616	14-12617	14-12618	14-12619	14-12845	14-12846	14-12843	15-10155	
Entity:	NII Holdings, Inc.	Nextel International (Services) Ltd.	NII Capital Corp.	NII Aviation, Inc.	NII Funding Corp.	NII Global Holdings, Inc.	NII International Holdings S.à r.l.	NII International Services S.à r.l.	NII International Telecom S.C.A.	NII Mercosur, LLC	Airfone Holdings, LLC	McCaw International (Brazil), LLC	NIU Holdings LLC	NII Brazil
Assets:														
Total Cash and Cash Equivalents	$ 45,220	$ 4,507	$ 25,169	$ -	$ 5,000	$ 5,000	$ 32	$ 12	$ 156,661	$ -	$ -	$ 3	$ 827,156	$ 71,524
Short-term Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables - Non-Intercompany	-	203	-	-	-	-	-	-	-	-	-	-	-	204,674
Receivables - Intercompany	10,372	8,484	14,420	41	605	32	-	-	18	0	-	(0)	-	-
Net Inventory	-	-	-	-	-	-	-	-	-	-	-	-	-	42,049
Total Prepaid Other	-	687	-	-	-	-	-	-	-	-	-	-	-	69,750
Total Other Current Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	4,101
Total Deferred Tax Asset	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property Plant And Equipment	-	819	-	-	-	-	-	-	-	-	-	-	-	217,025
Net Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Noncurrent Assets	0	-	-	-	-	-	-	-	-	-	-	-	161,483	180,756
Investment In Subs	-	-	-	-	-	34	12	0	1,131,442	1,577	-	-	19	-
Spectrum and Network Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Proceeds Available for Distribution	**$ 55,593**	**$ 14,701**	**$ 39,589**	**$ 41**	**$ 5,605**	**$ 5,066**	**$ 44**	**$ 12**	**$ 1,288,120**	**$ 1,577**	**$ -**	**$ 3**	**$ 988,658**	**$ 789,879**
Recovery to Superpriority Claims:														
Bankruptcy / Liquidation Administration Fees	$ 1,380	$ 432	$ 1,169	$ 1	$ 174	$ 177	$ -	$ 0	$ 38,667	$ -	$ -	$ -	$ -	$ 46,994
Statutory Wage Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	75,929
Superpriority Claims Recovery	**$ 1,380**	**$ 432**	**$ 1,169**	**$ 1**	**$ 174**	**$ 177**	**$ -**	**$ 0**	**$ 38,667**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 122,923**
Recovery to Secured Claims:														
Off Balance Sheet Liabilities (LCs, Performance Bonds,	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 174,340
Debtor-In-Possession Superpriority Credit Facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CDB	-	0	-	-	-	-	-	-	-	-	-	-	-	39,513
Recovery to Secured Claims	**$ -**	**$ 0**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 213,853**
Recovery to Chapter 7 Administrative Claims	**$ 9,463**	**$ 995**	**$ 392**	**$ -**	**$ 58**	**$ 59**	**$ -**	**$ 0**	**$ 12,959**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 7,768**
Recovery to Chapter 11 Administrative Claims	**$ 1,710**	**$ 8,730**	**$ 604**	**$ 1**	**$ 90**	**$ 91**	**$ -**	**$ 0**	**$ 19,968**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Recovery to Priority Claims	**$ 15,048**	**$ 515**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 70,061**
Recovery to General Unsecured Claims:														
Guaranty Claims	$ 17,499	$ 2,895	$ -	$ 39	$ 4,670	$ 4,739	$ -	$ -	$ 117,404	$ -	$ -	$ -	$ -	$ -
Unsecured Wage Claims	-	2	-	-	-	-	-	-	-	-	-	-	-	-
Long-Term Debt	0	-	35,957	-	-	-	-	-	1,098,832	-	-	-	-	-
ATC	-	-	-	-	-	-	-	-	-	-	-	-	-	151,945
Other Long-Term Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	295
Caixa Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	26,693
BdB Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	24,133
Accounts Payable - Non-Intercompany	-	4	(0)	-	-	-	-	-	(0)	-	-	-	-	21,155
Accounts Payable - Intercompany	10,409	1,124	1,453	0	612	0	10	-	40	-	-	3	-	-
Asset Retirement Obligation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Accrued Expenses	27	6	16	-	-	-	-	0	251	-	-	-	-	47,361
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	109
Other Noncurrent Liabilities	54	-	-	-	-	-	-	-	-	-	-	-	-	14,562
Deficiency Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	67,435
Lease Rejection Claims	3	-	-	-	-	-	-	-	-	-	-	-	-	21,586
Recovery to General Unsecured Claims	**$ 27,992**	**$ 4,030**	**$ 37,425**	**$ 39**	**$ 5,282**	**$ 4,739**	**$ 10**	**$ 0**	**$ 1,216,527**	**$ -**	**$ -**	**$ 3**	**$ -**	**$ 375,273**
Recovery to Equity Claim Holders	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 34**	**$ 12**	**$ -**	**$ 1,577**	**$ -**	**$ -**	**$ 988,658**	**$ -**

Liquidation Analysis by Entity - Scenario B
($ in 000's)

	Debtors												Non-Debtor Affiliate
Case Number:	**14-12611**	**14-12612**	**14-12613**	**14-12614**	**14-12615**	**14-12616**	**14-12617**	**14-12618**	**14-12619**	**14-12845**	**14-12846**	**14-12843**	**15-10155**	
Entity:	NII Holdings, Inc.	Nextel International (Services) Ltd.	NII Capital Corp.	NII Aviation, Inc.	NII Funding Corp.	NII Global Holdings, Inc.	NII International Holdings S.à r.l.	NII International Services, S.à r.l.	NII International Telecom S.C.A.	NII Mercosur, LLC	Airfone Holdings, LLC	McCaw International (Brazil), LLC	NII Holdings LLC	NII Brazil
Assets:														
Total Cash and Cash Equivalents	$ 45,220	$ 4,507	$ 25,169	$ -	$ 5,000	$ 5,000	$ 32	$ 12	$ 156,661	$ -	$ -	$ 3	$ 827,156	$ 71,524
Short-term Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables - Non-Intercompany	-	203	-	-	-	-	-	-	-	-	-	-	-	204,674
Receivables - Intercompany	10,352	8,469	14,413	41	604	32	-	-	18	0	-	(0)	-	-
Net Inventory	-	-	-	-	-	-	-	-	-	-	-	-	-	42,049
Total Prepaid Other	-	687	-	-	-	-	-	-	-	-	-	-	-	69,750
Total Other Current Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	4,101
Total Deferred Tax Asset	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property Plant And Equipment	-	819	-	-	-	-	-	-	-	-	-	-	-	217,025
Net Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Noncurrent Assets	0	-	-	-	-	-	-	-	-	-	-	-	161,483	180,756
Investment In Subs	-	-	-	-	-	34	12	0	141,207	1,574	-	-	19	-
Spectrum and Network Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Proceeds Available for Distribution	**$ 55,572**	**$ 14,686**	**$ 39,582**	**$ 41**	**$ 5,604**	**$ 5,066**	**$ 44**	**$ 12**	**$ 297,885**	**$ 1,574**	**$ -**	**$ 3**	**$ 988,658**	**$ 789,879**
Recovery to Superpriority Claims:														
Bankruptcy / Liquidation Administration Fees	$ 1,380	$ 432	$ 1,169	$ 1	$ 174	$ 177	$ -	$ 0	$ 8,961	$ 51	$ -	$ 1	$ 29,684	$ 46,994
Statutory Wage Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	75,929
Superpriority Claims Recovery	**$ 1,380**	**$ 432**	**$ 1,169**	**$ 1**	**$ 174**	**$ 177**	**$ -**	**$ 0**	**$ 8,961**	**$ 51**	**$ -**	**$ 1**	**$ 29,684**	**$ 122,923**
Recovery to Secured Claims:														
Off Balance Sheet Liabilities (LCs, Performance Bonds,	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 174,340
Debtor-In-Possession Superpriority Credit Facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CDB	-	0	-	-	-	-	-	-	-	-	-	-	-	39,513
Recovery to Secured Claims	**$ -**	**$ 0**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 213,853**
Recovery to Chapter 7 Administrative Claims	**$ 9,462**	**$ 994**	**$ 391**	**$ -**	**$ 58**	**$ 59**	**$ -**	**$ 0**	**$ 3,001**	**$ 17**	**$ -**	**$ 0**	**$ 9,942**	**$ 7,768**
Recovery to Chapter 11 Administrative Claims	**$ 1,709**	**$ 8,730**	**$ 603**	**$ 1**	**$ 90**	**$ 91**	**$ -**	**$ 0**	**$ 4,624**	**$ 26**	**$ -**	**$ 0**	**$ 15,319**	**$ -**
Recovery to Priority Claims	**$ 15,048**	**$ 515**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 70,061**
Recovery to General Unsecured Claims:														
Guaranty Claims	$ 17,488	$ 2,885	$ -	$ 39	$ 4,670	$ 4,739	$ -	$ -	$ 27,147	$ 1,481	$ -	$ 2	$ 933,713	$ -
Unsecured Wage Claims	-	2	-	-	-	-	-	-	-	-	-	-	-	-
Long-Term Debt	0	-	35,951	-	-	-	-	-	254,084	-	-	-	-	-
ATC	-	-	-	-	-	-	-	-	-	-	-	-	-	151,945
Other Long-Term Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	295
Caixa Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	26,693
BdB Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	24,133
Accounts Payable - Non-Intercompany	-	4	(0)	-	-	-	-	-	(0)	-	-	-	-	21,155
Accounts Payable - Intercompany	10,402	1,120	1,452	0	612	0	10	-	9	-	-	0	-	-
Asset Retirement Obligation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Accrued Expenses	27	6	16	-	-	-	-	0	58	-	-	-	-	47,361
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	109
Other Noncurrent Liabilities	54	-	-	-	-	-	-	-	-	-	-	-	-	14,562
Deficiency Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	67,435
Lease Rejection Claims	3	-	-	-	-	-	-	-	-	-	-	-	-	21,586
Recovery to General Unsecured Claims	**$ 27,974**	**$ 4,016**	**$ 37,420**	**$ 39**	**$ 5,282**	**$ 4,739**	**$ 10**	**$ 0**	**$ 281,299**	**$ 1,481**	**$ -**	**$ 2**	**$ 933,713**	**$ 375,273**
Recovery to Equity Claim Holders	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 34**	**$ 12**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

NII Holdings Inc.
Recovery % in Liquidation Analysis - Scenario A
($ in 000's)

		Debtors													
Case Number:		14-12611	14-12612	14-12613	14-12614	14-12615	14-12616	14-12617	14-12618	14-12619	14-12845	14-12846	14-12843	15-10155	
Class Number	**Designation**	NII Holdings, Inc.	Nextel International (Services) Ltd.	NII Capital Corp.	NII Aviation, Inc.	NII Funding Corp.	NII Global Holdings, Inc.	NII International Holdings S.à r.l.	NII International Services S.à r.l.	NII International Telecom S.C.A.	NII Mercosur, LLC	Airfone Holdings, LLC	McCaw International (Brazil), LLC	NIU Holdings LLC	**Totals**
n/a	Chapter 11 Admin Claims	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
n/a	Chapter 11 DIP Loan Claim	-	-	-	-	-	-	-	-	100.00%	-	-	-	-	-
n/a	Priority Tax Claims	100.00%	100.00%	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
n/a	UST Statutory Fees [1]	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
1A - 1E	Priority Claims	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
2A - 2E	Secured Claims	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
3A, 3D	Sale-Leaseback Guaranty Claims [2]	0.30%	-	-	-	-	-	-	-	45.70%	-	-	-	-	12.81%
4A, 4D	Luxco Note Claims [3]	0.30%	-	-	-	-	-	-	-	64.83%	-	-	-	-	65.13%
5A - 5C	Capco Note Claims	0.30%	0.10%	1.26%	0.00%	0.16%	0.17%	-	-	-	-	-	-	-	1.99%
6E	Transferred Guarantor Claims	-	-	-	-	-	-	-	-	-	NA	NA	NA	NA	0.00%
7A	CDB Documents Claim [2]	0.30%	-	-	-	-	-	-	-	-	-	-	-	-	0.30%
8A - 8E	General Unsecured Claims	0.30%	0.10%	1.26%	0.00%	0.16%	0.17%	100.00%	100.00%	45.70%	< 0.01%	< 0.01%	0.11%	< 0.01%	4.63%
9A - 9C	Convenience Class Claims [4]	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
10A - 10E	Section 510 Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11A - 11E	Non-Debtor Affiliate Claims	0.30%	0.10%	NA	NA	NA	NA	NA	NA	45.70%	NA	NA	0.11%	NA	0.20%
12A	NII Interests [5]	$ -	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	$ -
13B - 13E	Subsidiary Debtor Equity Interests	NA	$ -	$ -	$ -	$ -	$ -	$ 34	$ 12	$ -	$ 1,577	$ -	$ -	$ 988,658	$ 990,300

(1) U.S. Trustee statutory fees are distributed pro rata as a proportion of proceeds distributed to third parties.
(2) The reflected recovery rate represents proceeds received from the liquidation of the Debtors and does not include any recovery on a related claim in a hypothetical liquidation of any of the Non-Debtor Affiliates.
(3) The Luxco Note Claims recovery rate at NII International Telecom S.C.A. reflects the subordination agreement in place between the Luxco Notes and the intercompany payable due to NII Capital Corp.
(4) The Convenience Class is not applicable and the claimants grouped in the Convenience Class in the Plan would be treated like General Unsecured Claims under the Chapter 7 liquidation.
(5) Refers to any interest in NII Holdings.

NII Holdings Inc.
Recovery % in Liquidation Analysis - Scenario B
($ in 000's)

		Debtors													
Case Number:		14-12611	14-12612	14-12613	14-12614	14-12615	14-12616	14-12617	14-12618	14-12619	14-12845	14-12846	14-12843	15-10155	
Class Number	**Designation**	NII Holdings, Inc.	Nextel International (Services) Ltd.	NII Capital Corp.	NII Aviation, Inc.	NII Funding Corp.	NII Global Holdings, Inc.	NII International Holdings S.à r.l.	NII International Services S.à r.l.	NII International Telecom S.C.A.	NII Mercosur, LLC	Airfone Holdings, LLC	McCaw International (Brazil), LLC	NIU Holdings LLC	**Totals**
n/a	Chapter 11 Admin Claims	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
n/a	Chapter 11 DIP Loan Claim	-	-	-	-	-	-	-	-	100.00%	-	-	-	-	-
n/a	Priority Tax Claims	100.00%	100.00%	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
n/a	UST Statutory Fees [1]	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
1A - 1E	Priority Claims	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
2A - 2E	Secured Claims	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
3A, 3D	Sale-Leaseback Guaranty Claims [2]	0.30%	-	-	-	-	-	-	-	10.57%	-	-	-	-	3.19%
4A, 4D	Luxco Note Claims [3]	0.30%	-	-	-	-	-	-	-	14.99%	-	-	-	-	15.29%
5A - 5C	Capco Note Claims	0.30%	0.10%	1.26%	0.00%	0.16%	0.17%	-	-	-	-	-	-	-	1.99%
6E	Transferred Guarantor Claims	-	-	-	-	-	-	-	-	-	0.11%	< 0.01%	< 0.01%	68.77%	68.88%
7A	CDB Documents Claim [2]	0.30%	-	-	-	-	-	-	-	-	-	-	-	-	0.30%
8A - 8E	General Unsecured Claims	0.30%	0.10%	1.26%	0.00%	0.16%	0.17%	100.00%	100.00%	10.57%	< 0.01%	< 0.01%	< 0.01%	< 0.01%	1.18%
9A - 9C	Convenience Class Claims [4]	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
10A - 10E	Section 510 Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11A - 11E	Non-Debtor Affiliate Claims	0.30%	0.10%	NA	NA	NA	NA	NA	NA	10.57%	NA	NA	< 0.01%	NA	0.14%
12A	NII Interests [5]	$ -	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	$ -
13B - 13E	Subsidiary Debtor Equity Interests	NA	$ -	$ -	$ -	$ -	$ -	$ 34	$ 12	$ -	$ -	$ -	$ -	$ -	$ 65

(1) U.S. Trustee statutory fees are distributed pro rata as a proportion of proceeds distributed to third parties.
(2) The reflected recovery rate represents proceeds received from the liquidation of the Debtors and does not include any recovery on a related claim in a hypothetical liquidation of any of the Non-Debtor Affiliates.
(3) The Luxco Note Claims recovery rate at NII International Telecom S.C.A. reflects the subordination agreement in place between the Luxco Notes and the intercompany payable due to NII Capital Corp.
(4) The Convenience Class is not applicable and the claimants grouped in the Convenience Class in the Plan would be treated like General Unsecured Claims under the Chapter 7 liquidation.
(5) Refers to any interest in NII Holdings.

Below is a summary of the proposed recoveries by Holders of Allowed Claims against, and Allowed Equity Interests in, the Debtors pursuant to the Plan as compared to recoveries in a hypothetical chapter 7 liquidation:

Class	Claim	Note	Plan Consideration	% Plan Recovery	Scenario A Chapter 7 Recovery	Scenario B Chapter 7 Recovery
-	Administrative Claims	A	Cash payment	100%	100.00%	100.00%
-	Statutory Fees	B	Cash payment	100%	100.00%	100.00%
-	Requisite Consenting Noteholders Professional Fees	C	Cash payment	100%	0.00%	0.00%
-	DIP Claims	D	Cash Payment	100%	100.00%	100.00%
-	Priority Tax Claims	E	Cash Payment	100%	100.00%	100.00%
Classes 1A through 1E	Priority Claims	F	Cash Payment	100%	100.00%	100.00%
Classes 2A through 2E	Secured Claims	G	Cash payment; collateral return *plus* allowed interest under section 506(b); other unimpaired treatment	100%	100.00%	100.00%
Classes 3A and 3D	Sale-Leaseback Guaranty Claims	H	New NII- ATC Guaranty	NA	3A - NII Holdings, Inc. - 0.30% 3D - NII International Telecom S.C.A. - 45.70%	3A - NII Holdings, Inc. - 0.30% 3D - NII International Telecom S.C.A. - 10.57%
Classes 4A and 4D	Luxco Note Claims	I	Unless otherwise agreed by the Holder of a Luxco Note Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed: (A) to each Holder of an Allowed Luxco Note Claim in Classes 4A and 4D, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata share of the Luxco Notes Distributable Value Allocation, and with respect to specific distributions on account of Claims in each of Class 4A and Class 4D shall be comprised of: i. with respect to each Holder of an Allowed Luxco Note Claim in Class 4D, its Pro Rata share of the Luxco Notes Distributable Value Allocation; and	100%	4A - NII Holdings, Inc. - 0.30% 4D - NII International Telecom S.C.A. - 64.83%	4A - NII Holdings, Inc. - 0.30% 4D - NII International Telecom S.C.A. - 14.99%

Class	Claim	Note	Plan Consideration	% Plan Recovery	Scenario A Chapter 7 Recovery	Scenario B Chapter 7 Recovery
			ii. having satisfied such Claims in full as a result of distributions to Holders of Class 4D Claims, no further distribution with respect to each Holder of an Allowed Luxco Note Claim in Class 4A; and (B) an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustee under the Luxco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise its contractual lien rights prior to distribution).			
Classes 5A through 5C	Capco Note Claims	J	Unless otherwise agreed by the Holder of a Capco Note Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed: (A) to each Holder of an Allowed Capco Note Claim in Classes 5A, 5B and 5C, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata share of the Capco Distributable Value Allocation (i.e., the amount equal to 29.61% multiplied by the Plan Distributable Value), and with respect to specific distributions on account of Claims in each of Class 5A, 5B and 5C shall be comprised of: i. with respect to each Holder of an Allowed Capco Note Claim in Class 5A, its Pro Rata share of 19.34% of the Capco Distributable Value Allocation; ii. with respect to each Holder of an Allowed Capco Note Claim in Class 5B, its Pro Rata share of 69.22% of the Capco Distributable Value Allocation; and iii. with respect to each Holder of an Allowed Capco Note Claim in Class 5C, its Pro Rata share of 11.44% of the Capco Distributable Value Allocation; and (B) an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustees under the Capco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise their contractual lien rights prior to distribution).	5A – 5.64% 5B – 20.18% 5C – 3.33%	5A - NII Holdings, Inc. - 0.30% 5B - NII Capital Corp. - 1.26% 5C - Nextel International (Services), Ltd. - 0.10% 5C - NII Aviation, Inc. - 0.00% 5C - NII Funding Corp. - 0.16% 5C - NII Global Holdings, Inc. - 0.17%	5A - NII Holdings, Inc. - 0.30% 5B - NII Capital Corp. - 1.26% 5C - Nextel International (Services), Ltd. - 0.10% 5C - NII Aviation, Inc. - 0.00% 5C - NII Funding Corp. - 0.16% 5C - NII Global Holdings, Inc. - 0.17%
Class 6E	Transferred Guarantor Claims	K	Unless otherwise agreed by the Holder of a Transferred Guarantor Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed to each Holder of an Allowed Transferred Guarantor Claim in Class 6E, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata share of the TG Claims Distributable Value Allocation (i.e., the amount equal to 10.14% multiplied by the Plan Distributable Value).	21% (based on asserted Claim amounts)	NA	6E – NII Mercosur, LLC - 0.11% 6E - Airfone Holdings, LLC - <0.01% 6E – McCaw International (Brazil), LLC - <0.01% 6E - NIU Holdings LLC - 68.77%
Class 7A	CDB Documents Claims	L	Each Holder of a CDB Documents Claim shall receive the Amended Guarantee	NA	7A - NII Holdings, Inc. - 0.30%	7A - NII Holdings, Inc. - 0.30%

Class	Claim	Note	Plan Consideration	% Plan Recovery	Scenario A Chapter 7 Recovery	Scenario B Chapter 7 Recovery
Classes 8A through 8E	General Unsecured Claims	M	Unless otherwise agreed by the Holder of a General Unsecured Claim and the applicable Debtor and the Creditors' Committee and each of the Requisite Consenting Noteholders, on the Effective Date, each Holder of an Allowed General Unsecured Claim in Classes 8A, 8B, 8C, 8D and 8E shall receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, a distribution equal to the following: (A) with respect to each Holder of an Allowed General Unsecured Claim in Class 8A, Cash in an amount equal to 5.64% of its Allowed General Unsecured Claim against Holdings; (B) with respect to each Holder of an Allowed General Unsecured Claim in Class 8B, Cash in an amount equal to 20.18% of its Allowed General Unsecured Claim against Capco; (C) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NIS, Cash in an amount equal to 4.51% of its Allowed General Unsecured Claim; (D) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Aviation, Inc., Cash in an amount equal to 0.15% of its Allowed General Unsecured Claim; (E) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Funding Corp., Cash in an amount equal to 0.24% of its Allowed General Unsecured Claim; (F) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Global Holdings, Inc., Cash in an amount equal to 0.18% of its Allowed General Unsecured Claim; (G) with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Holdings S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Holdings S.à r.l.; (H) with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Services S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Services S.à r.l.; (I) with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against Luxco, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against Luxco; (J) with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against NIU Holdings LLC, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NIU Holdings LLC; (K) with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against McCaw International (Brazil), LLC, its share of the property available for distribution of McCaw International (Brazil), LLC ratably with all other Allowed unsecured Claims against McCaw International (Brazil), LLC; (L) with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against Airfone Holdings, LLC, its share of the property available for distribution of Airfone Holdings, LLC ratably with all other Allowed unsecured Claims against Airfone Holdings, LLC; and (M) with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against NII Mercosur, LLC, its share of the property available for distribution of NII Mercosur, LLC ratably with all other Allowed unsecured Claims against NII Mercosur, LLC..	8A -5.64% 8B – 20.18% 8C - Nextel International (Services), Ltd. – 4.51% 8C - NII Aviation, Inc. - 0.15% 8C - NII Funding Corp. - 0.24% 8C - NII Global Holdings, Inc. - 0.18% 8D – 100.00% 8E - NII Mercosur, LLC - <0.01% 8E - Airfone Holdings, LLC - <0.01% 8E - McCaw International (Brazil), LLC - <0.01% 8E - NIU Holdings LLC - 100.00%	8A - NII Holdings, Inc. - 0.30% 8B - NII Capital Corp. - 1.26% 8C - Nextel International (Services), Ltd. - 0.10% 8C - NII Aviation, Inc. - 0.00% 8C - NII Funding Corp. - 0.16% 8C - NII Global Holdings, Inc. - 0.17% 8D - Nextel International Holdings S.à r.l. - 100.00% 8D - Nextel International Services S.à r.l. - 100.00% 8D - NII International Telecom S.C.A. - 45.70% 8E - NII Mercosur, LLC - <0.01% 8E - Airfone Holdings, LLC - <0.01% 8E - McCaw International (Brazil), LLC -	8A - NII Holdings, Inc. - 0.30% 8B - NII Capital Corp. - 1.26% 8C - Nextel International (Services), Ltd. - 0.10% 8C - NII Aviation, Inc. - 0.00% 8C - NII Funding Corp. - 0.16% 8C - NII Global Holdings, Inc. - 0.17% 8D - Nextel International Holdings S.à r.l. - 100.00% 8D - Nextel International Services S.à r.l. - 100.00% 8D - NII International Telecom S.C.A. - 10.57% 8E - NII Mercosur, LLC - <0.01% 8E - Airfone Holdings, LLC - <0.01% 8E - McCaw International (Brazil), LLC -

Class	Claim	Note	Plan Consideration	% Plan Recovery	Scenario A Chapter 7 Recovery	Scenario B Chapter 7 Recovery
					0.11% 8E - NIU Holdings LLC - <0.01%	<0.01% 8E - NIU Holdings LLC - <0.01%
Classes 9A through 9C	Convenience Claims	N	Unless otherwise agreed by the Holder of a Convenience Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, each Holder of an Allowed Convenience Claim shall receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, Cash equal to the amount of such Allowed Claim (as reduced, if applicable, pursuant to an election by the Holder thereof in accordance with Section I.A.54 of the Plan).	100%	NA	NA
Classes 10A through 10E	Section 510 Claims	O	No property shall be distributed to or retained by the Holders of Section 510 Claims, and such Claims shall be extinguished on the Effective Date. Holders of Section 510 Claims shall not receive any distribution pursuant to the Plan.	0%	0.0%	0.0%
Classes 11A through 11E	Non-Debtor Affiliate Claims	P	On the Effective Date, all Non-Debtor Affiliate Claims shall be Reinstated.	NA	11A - NII Holdings, Inc. - 0.30% 11C - Nextel International (Services), Ltd. - 0.10% 11D - NII International Telecom S.C.A. - 45.70% 11E - McCaw International (Brazil), LLC - 0.11%	11A - NII Holdings, Inc. - 0.30% 11C - Nextel International (Services), Ltd. - 0.10% 11D - NII International Telecom S.C.A. - 10.57% 11E - McCaw International (Brazil), LLC - <0.01%
Class 12A	NII Interests	Q	On the Effective Date, all NII Interests shall be cancelled and extinguished. Holders of NII Interests shall not receive any distribution pursuant to the Plan.	0%	$-	$-
Classes 13B through 13E	Subsidiary Debtor Equity Interests	R	On the Effective Date, all Subsidiary Debtor Equity Interests shall not receive any distribution pursuant to the Plan and shall be Reinstated, subject to Section III.C.1 of the Plan.	NA	NA	NA

A. Except as specified in this Section II.A.1 of the Plan, and subject to Section II.A.1.d of the Plan and subject to the bar date provisions in the Plan, unless otherwise agreed by the Holder of an Administrative Claim and the applicable Reorganized Debtor, each Holder of an Allowed Administrative Claim shall receive, in full satisfaction of its Administrative Claim, Cash equal to the Allowed amount of such Administrative Claim on either (i) the latest to occur of (A) the Effective Date (or as soon thereafter

as practicable), (B) the date such Claim becomes an Allowed Administrative Claim and (C) such other date as may be agreed upon by the Reorganized Debtors and the Holder of such Claim or (ii) on such other date as the Bankruptcy Court may order.

B. All fees payable pursuant to 28 U.S.C. § 1930 after the Effective Date shall be paid by the applicable Reorganized Debtor in accordance therewith until the earlier of the conversion or dismissal of the applicable Chapter 11 Case under section 1112 of the Bankruptcy Code or the closing of the applicable Chapter 11 Case pursuant to section 350(a) of the Bankruptcy Code.

C. Pursuant to the Plan Support Agreement, the Debtors have sought to obtain authorization pursuant to the Plan Support Agreement Order to pay in full in cash the Requisite Consenting Noteholder Professionals Fees/Expenses, subject to the limitations set forth in Section I.A.158 of the Plan, with such payment to be made on the Effective Date. To the extent the Requisite Consenting Noteholders Professionals Fees/Expenses are not paid in full in cash pursuant to the Plan Support Agreement Order, in light of the substantial contribution that each of the Requisite Consenting Noteholders and their respective Requisite Consenting Noteholder Professionals have made to the Chapter 11 Cases resulting in an actual and demonstrable benefit to the Debtors' estates and all creditors, the Requisite Consenting Noteholder Professionals Fees/Expenses shall constitute Allowed Administrative Claims and shall be paid in full in Cash, subject to the limitations set forth in Section I.A.158 of the Plan.

D. Upon consummation of the Mexico Sale Transaction, Allowed DIP Claims shall be paid in Cash in an amount equal to the full amount of those Claims in accordance with the DIP Credit Agreement and to the extent such Allowed DIP Claims have not been otherwise paid pursuant to a separate order(s) of the Bankruptcy Court.

E. Pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, unless otherwise agreed by the Holder of a Priority Tax Claim and the Plan Proponents (with the consent of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed), each Holder of an Allowed Priority Tax Claim shall receive, in full satisfaction of its Allowed Priority Tax Claim that is due and payable on or before the Effective Date, on account of and in full and complete settlement, release and discharge of such Claim, Cash equal to the amount of such Allowed Priority Tax Claim on the later of: (i) the Effective Date (or as soon as reasonably practicable thereafter); and (ii) the date such Priority Tax Claim becomes an Allowed Priority Tax Claim, or as soon as practicable thereafter; provided, however, that all Allowed Priority Tax Claims that are not due and payable on or before the Effective Date shall be paid in the ordinary course of business by the Reorganized Debtors as they become due.

F. On the later of (a) the Effective Date and (b) the date on which such Priority Claim becomes an Allowed Priority Claim, unless otherwise agreed to by the Plan Proponents (with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) and the Holder of an Allowed Priority Claim (in which event such other agreement will govern), each Holder of an Allowed Priority Claim against a Plan Debtor shall receive on account and in full and complete settlement, release and discharge of such Claim, at the Plan Debtors' election (following consultation with the Creditors' Committee and with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed), (i) Cash in the amount of such Allowed Priority Claim in accordance with section 1129(a)(9) of the Bankruptcy Code and/or (ii) such other treatment required to render such Claim unimpaired pursuant to section 1124 of the Bankruptcy Code. All Allowed Priority Claims against the Plan Debtors that are not due and payable on or before the Effective Date shall be paid by the Reorganized Debtors when such Claims become due and payable in the ordinary course of business in accordance with the terms thereof.

G. Unless otherwise agreed by the Holder of a Secured Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, each Holder of a Secured Claim shall receive the following treatment at the option of the Plan Proponents (with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed): (i) such Allowed Secured Claim shall be Reinstated; (ii) payment in full (in Cash) of any such Allowed Secured Claim; (iii) satisfaction of any such Allowed Secured Claim by delivering the collateral securing any such Allowed Secured Claim and paying any interest required to be paid under section 506(b) of the Bankruptcy Code; or (iv) providing such Holders with such treatment in accordance with section 1129(b) of the Bankruptcy Code as may be determined by the Bankruptcy Court.

H. Unless otherwise agreed by the Holder of a Sale-Leaseback Guaranty Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, the Luxco Sale-Leaseback Guarantee and each of the Holdings Sale-Leaseback Guarantees shall be extinguished and each Holder of an Allowed Sale-Leaseback Guaranty Claim shall receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim the New NIIATC Guaranty.

I. Unless otherwise agreed by the Holder of a Luxco Note Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed:

A. to each Holder of an Allowed Luxco Note Claim in Classes 4A and 4D, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata share of the Luxco Notes Distributable Value Allocation (i.e., the amount equal to 60.25% multiplied by the Plan Distributable Value), and with respect to specific distributions on account of Claims in each of Class 4A and Class 4D shall be comprised of:

i. with respect to each Holder of an Allowed Luxco Note Claim in Class 4D, its Pro Rata Share of the Luxco Notes Distributable Value Allocation; and

ii. having satisfied such Claims in full as a result of distributions to Holders of Class 4D Claims, no further distribution with respect to each Holder of an Allowed Luxco Note Claim in Class 4A; and

B. an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustee under the Luxco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise its contractual lien rights prior to distribution)

J. Unless otherwise agreed by the Holder of a Capco Note Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed:

A. to each Holder of an Allowed Capco Note Claim in Classes 5A, 5B and 5C, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata share of the Capco Distributable Value Allocation (i.e., the amount equal to 29.61% multiplied by the Plan Distributable Value), and with respect to specific distributions on account of Claims in each of Class 5A, 5B and 5C shall be comprised of:

i. with respect to each Holder of an Allowed Capco Note Claim in Class 5A, its Pro Rata share of 19.34% of the Capco Distributable Value Allocation;

ii. with respect to each Holder of an Allowed Capco Note Claim in Class 5B, its Pro Rata share of 69.22% of the Capco Distributable Value Allocation; and

iii. with respect to each Holder of an Allowed Note Claim in Class 5C, its Pro Rata share of 11.44% of the Capco Distributable Value Allocation;

B. an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustees under the Capco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise their contractual lien rights prior to distribution).

K. Unless otherwise agreed by the Holder of a Transferred Guarantor Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed to each Holder of an Allowed Transferred Guarantor Claim in Class 6E, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata share of the TG Claims Distributable Value Allocation (i.e., the amount equal to 10.14% multiplied by the Plan Distributable Value).

L. Unless otherwise agreed by the Holder of a CDB Documents Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, each Holder of an Allowed CDB Documents Claim, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, shall receive the CDB Amended Guarantee.

M. Unless otherwise agreed by the Holder of a General Unsecured Claim and the applicable Debtor and the Creditors' Committee and each of the Requisite Consenting Noteholders, on the Effective Date, each Holder of an Allowed General Unsecured Claim in Classes 8A, 8B, 8C, 8D and 8E shall receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, a distribution equal to the following:

A. with respect to each Holder of an Allowed General Unsecured Claim in Class 8A, Cash in an amount equal to 5.64% of its Allowed General Unsecured Claim against Holdings;

B. with respect to each Holder of an Allowed General Unsecured Claim in Class 8B, Cash in an amount equal to 20.18% of its Allowed General Unsecured Claim against Capco, provided that, in the event of an Overbid, such percentage shall equal the result, expressed as a percentage, of dividing (x) the Capco Distributable Value Allocation on account of the Capco Note Claims against Capco after accounting for such Net Overbid Proceeds, by (y) the amount of the Allowed Class 5B Claims;

C. with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NIS, Cash in an amount equal to 4.51% of its Allowed General Unsecured Claim;

D. with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Aviation, Inc., Cash in an amount equal to 0.15% of its Allowed General Unsecured Claim;

E. with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Funding Corp., Cash in an amount equal to 0.24% of its Allowed General Unsecured Claim;

F. with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Global Holdings, Inc., Cash in an amount equal to 0.18% of its Allowed General Unsecured Claim;

G. with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Holdings S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Holdings S.à r.l.;

H. with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Services S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Services S.à r.l.;

I. with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against Luxco, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against Luxco;

J. with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against NIU Holdings LLC, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NIU Holdings LLC;

K. with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against McCaw International (Brazil), LLC, its share of the property available for distribution of McCaw International (Brazil), LLC ratably with all other Allowed unsecured Claims against McCaw International (Brazil), LLC;

L. with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against Airfone Holdings, LLC, its share of the property available for distribution of Airfone Holdings, LLC ratably with all other Allowed unsecured Claims against Airfone Holdings, LLC; and

M. with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against NII Mercosur, LLC, its share of the property available for distribution of NII Mercosur, LLC ratably with all other Allowed unsecured Claims against NII Mercosur, LLC.

N. Unless otherwise agreed by the Holder of a Convenience Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, each Holder of an Allowed Convenience Claim shall receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, Cash equal to the amount of such Allowed Claim (as reduced, if applicable, pursuant to an election by the Holder thereof in accordance with Section I.A.54 of the Plan).

O. No property shall be distributed to or retained by the Holders of Section 510 Claims, and such Claims shall be extinguished on the Effective Date. Holders of Section 510 Claims shall not receive any distribution pursuant to the Plan.

P. No property shall be distributed to or retained by the Holders of Section 510 Claims, and such Claims shall be extinguished on the Effective Date. Holders of Section 510 Claims shall not receive any distribution pursuant to the Plan.

Q. On the Effective Date, all Subsidiary Debtor Equity Interests shall not receive any distribution pursuant to the Plan and shall be Reinstated, subject to Section III.C.1 of the Plan.

EXHIBIT 3

Prospective Financial Information

FINANCIAL PROJECTIONS

The Debtors (together with the Non-Debtor Affiliates, the "Company"), with the assistance of their advisors, developed a set of financial projections for the four-year period of 2015 through and including 2018 (such projections, the "Financial Projections" and, such period, the "Projection Period") for the purpose of demonstrating feasibility of the Plan.[1] The Financial Projections present, to the best of the Debtors' knowledge, the Reorganized Debtors' projected financial position, results of operations, and cash flows during the Projection Period and reflect the Debtors' assumptions and judgments as of December 2014, except for certain updates made to the projections described below.

Scope of Projections

The Financial Projections are based on the assumption that the Effective Date will occur on or about June 30, 2015. If the Effective Date is significantly delayed or if certain projected proceeds are not timely received, additional expenses, including professional fees, and additional post-petition financing may be incurred and operating results may be negatively impacted.

The following significant changes were made to the previous version of the Financial Projections prepared in December 2014:

- The sale of NII Mexico is assumed to close on April 30, 2015 for proceeds of $1.875 billion less adjustments for net debt and other items. Approximately $688 million of the net proceeds are distributed on the Effective Date to bondholders in accordance with the Plan Support Agreement and approximately $515 million is retained by the Company to fund its operations, which excludes restricted cash held in escrow. In addition, the planned sale of certain tower assets in Mexico in the first quarter of 2015 has been removed.
- The sale of NII Argentina is assumed to occur on June 30, 2015 and the expected proceeds have been adjusted downward.
- The business plan for the Company's headquarters has been revised to reflect the avoidance of certain costs related to the support of NII Mexico, removal of the previously contemplated $500 million exit financing, and inclusion of the borrowing and subsequent repayment of $350 million debtor-in-possession financing.

Other than these changes, the operating results in the Financial Projections do not reflect any material changes to the assumptions and judgments used as of December 2014. In addition, the estimated beginning balances as of January 1, 2015 included in the Financial Projections have not been updated to reflect the actual financial results as of December 31, 2014 reported in the Company's annual report on Form 10-K filed with the SEC on March 10, 2015.

The Financial Projections do not fully reflect the application of fresh start accounting. In addition, any gain or loss resulting from the sale of NII Mexico and NII Argentina directly impacts shareholders' equity in the Financial Projections.

The Financial Projections include the (i) Projected Consolidated Income Statement of Reorganized NII Holdings, Inc., (ii) Projected Consolidated Balance Sheet of Reorganized NII Holdings, Inc., and (iii) Projected Consolidated Cash Flow Statement of Reorganized NII Holdings, Inc.

The Financial Projections are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Factors that could cause actual results to differ materially from the Financial Projections include, but are not limited to: increased competition impacting service offerings, pricing, and ability to attract and retain subscribers; ability to keep pace with technological changes in the wireless industry; cost of equipment and infrastructure; changes in government policies, regulations and requirements applicable to the Company; foreign exchange fluctuations and ability to repatriate funds held in foreign currencies; significance of coverage in areas

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[1] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Plan or the Disclosure Statement, as applicable.

where the Company does not have and/or plan to expand service; increase in expectations of network quality; customer and/or vendor concerns related to restructuring and financial health of the Company; execution of network investment plan; supplier performance for iDEN equipment; revocation or modification of operating licenses; major network disruptions and/or security threats; and availability of funding as forecasted in the Financial Projections.

KEY ASSUMPTIONS TO FINANCIAL PROJECTIONS

Methodology

The Debtors prepared a business plan (the "Business Plan") that presents the Financial Projections of consolidated operations and cash flows of the Debtors, including all operations of the Non-Debtor Affiliates. The Business Plan incorporates assumptions related to certain economic and business conditions for the Projection Period, including macroeconomic factors as well as trends in the mobile telecommunications industry. The Business Plan projects that only NII Brazil will remain under the ownership of the Company for the entire Projection Period, while NII Mexico and NII Argentina are projected to be divested. The Company's headquarters is projected to continue providing necessary corporate functions to support the U.S. stock listing and public disclosure requirements of the ongoing Brazil operations, including accounting, tax, legal, and finance functions. The Financial Projections reflect the consummated sale of NII Chile in August 2014 and no further impact to the Financial Projections thereafter.

The Financial Projections for NII Brazil were prepared in local currency, Brazilian *reais* (BRL), and converted into U.S. dollars (USD) at an average exchange rate of 2.44 BRL/USD in 2015 and 2.4 BRL/USD in 2016 through 2018. These rates approximate the 52 week average value of the BRL as of March 2015.The Financial Projections for NII Mexico were prepared in U.S. dollars assuming the average Mexican peso (MXN) to U.S. dollar (USD) foreign currency exchange rate is 13.2 MXN/USD in 2015.

Due to recent economic trends, the current prevailing foreign currency exchange rates in Brazil and Mexico are significantly weaker than the foreign currency exchange rates assumed in the Financial Projections. A decline in the values of the local currencies in the markets in which the Company operates affects its operating results because the Company generates nearly all of its revenues in foreign currencies, but it pays for some of its operating expenses and capital expenditures in U.S. dollars. Further, because the Company reports its results of operations in U.S. dollars, declines in the value of local currencies in its markets relative to the U.S. dollar result in reductions in the Company's reported revenues, as well as a reduction in the carrying value of the Company's assets, including the value of cash investments held in local currencies. Depreciation of the local currencies also results in increased costs to the Company for imported equipment. The Company has entered into some limited hedging arrangements to mitigate short-term volatility in foreign exchange rates, but has not hedged against long-term movements in foreign exchange rates because the alternatives currently available for hedging against those movements are limited and costly. Because the Financial Projections assume that NII Mexico will be sold on April 30, 2015, the impact of the weaker foreign currency exchange rates in Mexico is expected to be limited. However, if the actual foreign currency exchange rates in Brazil are different from what is assumed in the Financial Projections, it would likely have an impact on the Company's future financial results.

Revenue

The Financial Projections forecast wireless service and other revenues. Wireless service revenue primarily includes fixed monthly charges for mobile telephone service, wireless data services and push-to-talk and other services, including revenues from calling party pays programs and variable charges for airtime and two-way radio usage, long-distance charges, and international roaming revenues derived from calls placed by the Company's subscribers. Wireless service revenue considers a variety of service plans tailored for subscribers on the Company's iDEN and 3G/4G networks. Other revenues primarily includes revenues generated by the Company's handset maintenance programs, roaming revenues generated from other service providers' subscribers that roam on the Company's networks and co-location rental revenues from third-party tenants that rent space on the Company's towers. Wireless service and other revenues exclude revenues generated from the sales of handsets and accessories, which are netted against handset upgrades costs in Operating Expenses before Marketing, Sales, and Fulfillment and against cost of handset sales in Marketing, Sales and Fulfillment.

The Debtors' primary revenue stream is related to customer access to the Company's mobile communications networks. The Financial Projections forecast a growing share of subscribers on the more advanced 3G/4G networks and a declining share of subscribers on the iDEN networks during the Projection Period. The Debtors used third-party industry projections as a basis for industry subscriber counts, gross subscriber additions ("gross adds"), subscriber churn ("churn"), and average revenue per user ("ARPU") for market segments relevant to the Company. The Debtors then assumed a share of gross additions and ARPU by market segment consistent with historical results, macroeconomic expectations, and/or future marketing strategies. Churn estimates considered industry projections for market segments relevant to the Company, historical performance, and/or expected customer experience on the Company's 3G/4G networks.

NII Brazil is projected to generate service revenue from both its 3G/4G and iDEN networks. Total subscribers and ARPU on the iDEN network in Brazil are forecasted to decline during the Projection Period. Total subscribers on the 3G/4G network in Brazil are forecasted to increase significantly over the Projection Period as the Company aggressively pursues new subscribers with its attractive service offerings and as a certain portion of subscribers on its iDEN network switch to the advanced 3G/4G network. Despite the significant expected subscriber growth, NII Brazil's share of gross subscriber additions (gross adds) is expected to remain at or below historical levels. ARPU from subscribers on its 3G/4G network is forecasted to be fairly stable over the Projection Period. NII Brazil does not expect to add subscribers who pay on a prepaid basis.

Recently, the macroeconomic conditions in Brazil have weakened, which has led to slower growth in the wireless telecommunications market. While NII Brazil continues to gain share of the 3G postpaid segment in line with or better than projected, these conditions have led to slower than expected subscriber growth, higher subscriber churn, lower revenue growth and higher bad debt expense. If these macroeconomic conditions continue, they could adversely affect NII Brazil's ability to generate the operating results in the Financial Projections.

NII Mexico is projected to generate service revenue from both its iDEN and 3G/4G networks. In addition, NII Mexico expects to add subscribers that pay for their services both on a prepaid and postpaid basis. Consistent with historical results and expected rate plans, postpaid subscribers on both iDEN and 3G/4G are expected to generate a higher ARPU compared to prepaid subscribers.

Operating Expenses other than Marketing, Sales, and Fulfillment

The Debtors view a certain subset of operating expenses as costs to provide wireless service to the entire subscriber base and do not relate to subscriber acquisition. The Debtors designate these costs as Operating Expenses before Marketing, Sales, and Fulfillment and refers to them on an average subscriber basis as "Cash Costs per User" or "CCPU". These costs include interconnect costs, site costs, service and repair costs, handset upgrade costs, general and administrative expenses, and other expenses unrelated to customer acquisition. In calculating CCPU, the sum of these costs on a monthly basis is divided by the average number of subscribers during the period. In general, CCPU on a consolidated basis declines over the entire Projection Period as a result of projected scale advantages, local regulatory rules favoring the Company, mix shift of handset upgrades away from customized handsets, and targeted cost reduction efficiencies.

The key assumptions related to Operating Expenses before Marketing, Sales and Fulfillment that are reflected in CCPU are as follows:

For interconnect costs, the Debtors assume that mobile termination rates will decline based on industry trends and regulatory reforms, which will be partially offset by higher usage as the subscriber base shifts from its iDEN network to its 3G/4G network. The Debtors also assume that it will leverage its existing roaming relationship with Telefonica in Brazil, under which the Company pays for charges when its subscribers roam on Telefonica's network. Among other things, the Debtors used third-party forecasts and its knowledge of the industry to develop these assumptions.

For site costs, the Debtors assume that new cell sites will be built to, among other things, support the expected growth in mobile voice and data usage as the subscriber base grows and meet the Company's regulatory coverage requirements in Brazil. The assumptions used in the Financial Projections are based on the Debtors' estimate of the

number of cell sites needed to support the Company's growth plans, which incorporates the expected use of the Company's existing roaming relationship with Telefonica.

For service and repair costs, the Debtors assume that the Company will continue to provide these services to its subscribers. Service and repair costs per subscriber are expected to decline as the Company does not offer this service to its 3G or 4G subscribers in Brazil.

For handset upgrade costs, the Debtors assume that the Company will continue to invest in both retaining existing subscribers and migrating certain subscribers to its 3G/4G network by offering handset upgrade subsidies and other retention-related offers. The Debtors' forecast for upgrade costs is consistent with what it believes the Company will need to spend to maintain its churn at the forecasted levels.

For general and administrative costs (G&A), the Debtors assume that the Company will capture economies of scale as it grows its subscriber base over the coming years. It also reflects the implementation of cost reduction initiatives the Company has implemented and expects to implement in the future.

For other costs, the Debtors assume that the Company will continue to incur costs that are necessary to support the business operation that are not captured in the other cost categories.

Marketing, Sales, and Fulfillment Expenses

The Debtors view a certain subset of operating expenses as costs incurred for subscriber acquisition. The Debtors designate these costs as Marketing, Sales, and Fulfillment Expenses and refer to them on a gross subscriber addition basis as "Cost per Gross Addition" or "CPGA". The costs included in this metric are advertising costs, commissions, handset subsidies, and fulfillment and other costs. In calculating CPGA, the sum of these costs on a monthly basis is divided by the total number of gross adds during the period. In general, consolidated CPGA is projected to decline in 2015, resulting from a shift in handset mix; marketing strategy favoring direct channels, which are more cost efficient; more efficient handset delivery options; and targeted cost reductions and efficiencies. Thereafter, consolidated CPGA generally increases in 2016 through and including 2018, reflecting increased costs for newer technology handsets and marketing costs to support continued subscriber growth.

The key assumptions related to Marketing, Sales and Fulfillment Expenses that are reflected in CPGA are as follows:

For advertising costs, the Debtors assume that the Company will spend at a level consistent with industry-wide benchmarks. The Company's brand positioning is a key competitive differentiator.

For commissions costs, the Debtors assume that the Company will continue to incentivize both its direct and indirect sales forces to reach its gross add targets. The Debtors' estimate of commission rates reflects their best estimate of the cost of remaining competitive.

For handset subsidies costs, the Debtors assume that the Company will continue to offer handset subsidies to new postpaid subscribers consistent with the market. The Debtors' forecasts for per-gross add handset subsidies reflect their estimate of the cost of devices and the subsidy level required for the Company to remain competitive for market segments relevant to the Company.

For fulfillment and other costs, the Debtors assume that the Company will employ a more efficient handset delivery model than it does today, based on initiatives implemented and that it expects to implement in the future. The costs the Debtors have assumed for fulfillment and other are their best estimate of the costs required for the Company to reach its growth aspirations.

Taxes

The Debtors forecasted tax liabilities and payments for income taxes and value added taxes ("VAT"). Both taxes considered rates in all jurisdictions where the Company operates along with rules and regulations in place at the time the Financial Projections were prepared.

The Debtors forecasted income tax liabilities based on projected pre-tax income for each quarter during the Projection Period. Income taxes were forecasted independently in each region and included the ability within each region to utilize historical and forecasted net losses and/or other tax attributes to offset local tax payments in the future. The basis for all tax calculations considers local rules and regulations in place at the time the Financial Projections were prepared.

From 2015 through and including 2018, NII Brazil is projected to pay income taxes beginning in 2017 as soon as it begins to generate positive taxable income. From 2015 through and including 2018, the Debtors do not project to pay any income taxes in the United States for its headquarters operations as no taxable income is expected to be generated in the Projection Period.

The Debtors forecasted VAT liabilities based primarily on aggregate sales and purchases during the Projection Period as well as other business activities in Brazil that would generate a VAT liability. VAT was forecasted considering local rules and regulations in place at the time the Financial Projections were prepared. In addition, VAT payments assume that existing credits are able to be utilized in the Projection Period based on the credit schemes in place at the time the Financial Projections were prepared.

From 2015 through and including 2018, NII Brazil is projected to pay VAT at an increasing amount each year as existing credits are fully utilized by the beginning of 2015, and the volume of handset sales and service revenue increases during the Projection Period.

Capital Expenditures

The Debtors forecasted capital expenditures to support the continued build-out of the enhanced 3G/4G networks and regulatory requirements. Capital expenditures are forecasted to mainly consist of the costs to build, maintain, and update the Company's 3G/4G network equipment, including towers, antennas, and transmission equipment. To determine the capital needs for the 3G/4G networks, the Debtors considered projected subscriber growth rates; projected voice, data, and messaging traffic usage per subscriber consistent with industry expectations; and geographic capacity and coverage required to maintain a quality network experience.

To determine the capital expenditures required to support the additional network needs during the Projection Period, the Debtors considered the mix of new sites (e.g., indoor, outdoor), network equipment per site, and historical costs per site. For NII Brazil, the Debtors assume the Company's purchase of spectrum from the government in 2015 to support the broader build-out of the 4G network in São Paulo. In addition, for capital expenditures the Debtors assume the Company's ability to optimize costs through collocation of equipment, technology overlays, and strategic use of roaming agreements with other carriers.

The Debtors have included negligible amounts of capital expenditures in the Financial Projections to maintain the existing iDEN networks. The Financial Projections assume all regulatory requirements that were in effect at the time the Financial Projections were prepared are met in Brazil throughout the Projection Period.

Outside of network-related capital expenditures, the Financial Projections include amounts for other investments, including retail stores, furniture and fixtures, and information technology. These non-network expenditures considered the investments necessary to support maintenance of assets and any new direct-channel marketing activities.

Financing

The Financial Projections assume the business operations will be fully funded throughout the Projection Period using proceeds from the sale of NII Mexico and NII Argentina. In addition, the Financial Projections assume that the Company borrows $350 million in debtor-in-possession financing in March 2015 and repays the amount borrowed and accrued interest in April 2015 using proceeds from the sale of NII Mexico. The Financial Projections assume that all pre-petition unsecured senior notes are cancelled.

CONSOLIDATED INCOME STATEMENT ($ Millions)

Revenue	**2015E**	**2016E**	**2017E**	**2018E**
Service	$2,147	$2,112	$2,554	$2,927
Other	245	$268	$324	$372
Total revenue	**$2,391**	**$2,381**	**$2,878**	**$3,299**
% growth	*(32%)*	*(0%)*	*21%*	*15%*
Interconnect	$212	$278	$403	$495
Site Costs	515	398	438	462
Service & Repair Cost	28	5	0	0
Upgrade Cost	140	95	124	148
G&A	571	478	523	546
Other	205	218	247	272
Expenses before marketing and sales cost	**$1,672**	**$1,471**	**$1,736**	**$1,923**
Cash cost per user (USD/month)	*$19.27*	*$21.65*	*$22.14*	*$21.99*
EBITDA Before Marketing and Sales	**$720**	**$910**	**$1,142**	**$1,376**
Advertising	$95	$90	$104	$112
Commissions	129	91	81	84
Subsidies	178	165	186	195
Fulfillment & Other	162	129	129	131
Marketing and sales	**$565**	**$475**	**$501**	**$523**
Cost per gross add (CPGA)	*$174*	*$198*	*$205*	*$207*
Total operating expenses	**$2,236**	**$1,946**	**$2,237**	**$2,445**
EBITDA	**$155**	**$434**	**$641**	**$854**
% margin	*6.5%*	*18.3%*	*22.3%*	*25.9%*
Depreciation	$359	$326	$355	$376
Amortization	$49	$45	$45	$45
Depreciation and amortization	**408**	**371**	**400**	**421**
EBIT	**($253)**	**$63**	**$242**	**$433**
% margin	*(11%)*	*3%*	*8%*	*13%*
Interest expense	$163	$143	$123	$98
Interest income	(18)	(12)	(8)	(16)
Other expenses	124	0	0	0
Pre-tax (loss) / income	**($521)**	**($68)**	**$127**	**$352**
Income tax provision	$11	$0	$26	$77
Tax rate	*(2.2%)*	*0.0%*	*20.4%*	*21.8%*
Net (loss) / income	**($533)**	**($68)**	**$101**	**$275**

CONSOLIDATED BALANCE SHEET ($ Millions)

	2015E	2016E	2017E	2018E
Cash, restricted cash and ST investments	$816	$619	$550	$714
Accounts receivable, net	452	592	700	791
Inventory, net	86	60	71	80
Prepaid expenses & other	92	60	63	68
Value added tax receivable	254	337	433	539
Total current assets	**$1,700**	**$1,668**	**$1,817**	**$2,191**
PP&E and intangibles, net	$2,248	$2,238	$2,113	$1,888
Other long-term assets	167	172	177	182
Total assets	**$4,115**	**$4,077**	**$4,106**	**$4,260**
Accounts payable	$86	$140	$159	$171
Accrued expenses	516	598	659	697
Other current liabilities	105	119	131	140
Total current liabilities	**$706**	**$857**	**$948**	**$1,009**
Senior notes	$0	$0	$0	$0
Bank loans and vendor financing	810	701	545	366
Towers financing and capitalized leases	226	215	207	205
Total debt	**$1,036**	**$916**	**$753**	**$571**
Other long-term liabilities	229	229	229	229
Total liabilities	**$1,972**	**$2,002**	**$1,930**	**$1,809**
Shareholders' equity	2,143	2,075	2,176	2,451
Total liabilities and shareholders equity	**$4,115**	**$4,077**	**$4,106**	**$4,260**

CONSOLIDATED STATEMENT OF CASH FLOWS ($ Millions)

	2015E	2016E	2017E	2018E
Operating				
Net (loss) / income	($533)	($68)	$101	$275
Depreciation	359	326	355	376
Amortization	49	45	45	45
Change in net working capital	(168)	70	(31)	(44)
VAT	(83)	(83)	(96)	(105)
Other changes in cash	(5)	(5)	(5)	(5)
Cash flows from operating activities	**($381)**	**$285**	**$369**	**$542**
Investing				
Proceeds from sales of assets	$1,541	$0	$0	$0
Capital expenditures and spectrum licenses	(450)	(361)	(275)	(196)
Cash flows from investing activities	**$1,090**	**($361)**	**($275)**	**($196)**
Cash flows before financing	**$710**	**($76)**	**$94**	**$346**
Financing				
Borrowings	$444	$0	$0	$0
Repayments and distributions	(1,073)	(120)	(163)	(182)
Total repayments	(629)	(120)	(163)	(182)
Net change in cash	**$81**	**($196)**	**($69)**	**$164**
Beg balance, cash, restricted cash and ST investments	**$735**	**$816**	**$619**	**$550**
Net change	81	(196)	(69)	164
End balance, cash, restricted cash and ST investments	**$816**	**$619**	**$550**	**$714**

Cash and ST investments	**$609**	**$427**	**$545**	**$710**
Restricted cash	207	192	5	4
Total	**$816**	**$619**	**$550**	**$714**

EXHIBIT 4

Valuation Analysis

Valuation Analysis

I. Overview

Rothschild Inc. ("Rothschild") has performed an analysis of the estimated distributable value of NII Holdings, Inc. (together with its subsidiaries, the "Company" or "NII") on a going-concern basis.[1]

In preparing its analysis, Rothschild has, among other things: (i) reviewed certain recent publicly available financial results of the Company; (ii) reviewed certain internal financial and operating data of the Company, including the financial projections prepared and provided by the Company's management ("Management") on March 12, 2015 for the calendar years 2015 through 2018 (the "Financial Projections"); (iii) discussed with certain senior executives the current operations and prospects of the Company, as well as key assumptions related to the Financial Projections; (iv) prepared discounted cash flow analyses based on the Financial Projections, utilizing various discount rates, perpetuity growth rates and terminal value multiples; (v) considered the multiples of certain publicly traded companies in businesses reasonably comparable to the operating businesses of the Company; (vi) utilized specific tax assumptions and net operating loss carryforward ("NOL") information and analysis prepared by Management; (vii) considered the terms of the Stalking Horse Purchase Agreement; and (viii) conducted such other analyses as Rothschild deemed necessary under the circumstances. Rothschild also has considered a range of potential risk factors.

Rothschild assumed, without independent verification, the accuracy, completeness and fairness of all of the financial and other information available to it from public sources or as provided to Rothschild by the Company or its representatives. Rothschild also assumed that the Financial Projections have been reasonably prepared on a basis reflecting the Company's best estimates and judgment as to future operating and financial performance. Rothschild did not make any independent evaluation of the Company's assets, nor did Rothschild verify any of the information it reviewed. To the extent the valuation is dependent upon the Reorganized NII's achievement of the Financial Projections, the valuation must be considered speculative. Rothschild does not make any representation or warranty as to the fairness of the terms of the Plan.

In addition to the foregoing, Rothschild relied upon the following assumptions with respect to the valuation of the Company:

- The Effective Date occurs on or about June 30, 2015 ("Effective Date").
- This valuation was conducted as of March 12, 2015.
- The Company is able to recapitalize with adequate liquidity as of the Effective Date.
- The Company performs to the levels forecasted in the Financial Projections.
- The Company closes the sale of NII Mexico by April 30, 2015 and the sale of NII Argentina by June 30, 2015.

[1] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Plan or the Disclosure Statement, as applicable.

- The pro forma debt levels of the Company at the Effective Date will be approximately $1.0 billion, assuming the completion of the sale of NII Mexico by April 30, 2015.

- Reorganized NII is able to offset earnings against NOLs based on the tax analysis prepared by Management and the Company's outside accountants.

- General financial and market conditions as of the Effective Date will not differ materially from those conditions prevailing as of March 12, 2015.

- Rothschild has not considered the impact of a prolonged bankruptcy case and has assumed operations will continue in the ordinary course consistent with the Financial Projections.

II. Valuation Methodologies

In developing the valuation range, Rothschild used the following methodologies:

A. Discounted Cash Flow Analysis

The Discounted Cash Flow analysis ("DCF") is a forward-looking valuation methodology that is used to calculate the intrinsic value of an asset or a business by calculating the present value of expected future cash flows and the value of the business beyond the projected horizon ("Terminal Value") and discounting them by the company's weighted average cost of capital ("WACC"), using mid-year convention. The Terminal Value is derived using either an exit multiple of EBITDA based on a range selected to reflect the trading levels of peer companies or a perpetuity growth rate. The WACC is a blended rate of return that captures the required returns of both debt and equity investors. For the DCF, Rothschild made the following assumptions:

Segment	**Terminal Value methodology**	**WACC**
Brazil	5.0-5.5x EBITDA	12.0-14.0%
HQ[2]	0% perpetuity growth	13.0%

In addition, the DCF included the net present value of the NOLs.

B. Trading Values Analysis

The Trading Values analysis estimates the value of a company based on a relative comparison with other publicly traded companies with similar operating and financial characteristics. Rothschild selected public companies that offer wireless telecommunications services in Latin America and the Caribbean and for which revenues relating to telecommunications services in those regions comprised at least two-thirds of such companies' revenues. Under this methodology, the enterprise value for each selected public company was determined by examining the trading prices for the equity securities of such companies in the public markets and adding the aggregate amount of outstanding net debt for such company and

[2] "HQ" refers to NII Holdings corporate headquarters.

minority interest and subtracting equity in affiliates. Those enterprise values are commonly expressed as multiples of various measures of operating statistics, most commonly revenues, EBITDA and EBITDA less capital expenditures. In addition, each of the selected public companies' operational performance, operating margins, profitability, leverage and business trends were examined.

In addition, the Trading Values analysis adjusts for the DCF value of HQ as described above.

C. Additional Valuation Considerations

Rothschild considered valuation analyses based upon precedential or comparable transactions, which analyses estimate value by examining public merger and acquisition transactions that involve companies similar to Reorganized NII. However, due to the general scarcity of recent data points in this respect, Rothschild concluded precedential transactions were not applicable to this valuation analysis. Notwithstanding the above, Rothschild assumed that NII Mexico had an implied enterprise value of $1.875 billion, pursuant to the Stalking Horse Purchase Agreement.

III. Total Enterprise Value and Total Distributable Value

As a result of such analyses, review, discussions, considerations and assumptions, Rothschild estimates the total distributable value ("TDV") of the Company at approximately $2.6 billion to $3.1 billion. The TDV reflected in the Plan is $2.813 billion as of June 30, 2015.

The calculation of TDV is comprised of:

(1) Reorganized NII total enterprise value ("TEV") which includes the Brazil and HQ segments, less pro forma total debt as of June 30, 2015 to estimate total equity value in Reorganized NII, and

(2) Estimated distributable net cash proceeds from the sale of NII Mexico and NII Argentina, adjusted as described below and net of repayment of the DIP Loan in full.

The distributable net cash proceeds from the sale of NII Mexico were adjusted for the repayment of debt and spectrum license payment rebates, in each case as provided by Management. In addition, Rothschild's valuation range assumes an expected value to the Company of indemnity escrow proceeds equal to (i) with respect to the high-end of Rothschild's valuation range, 100% of the escrowed amounts, discounted to June 30, 2015 at the cost of equity, and (ii) with respect to the low-end of Rothschild's valuation range, 50% of the high-end value.

	Rothschild valuation range[3]	
	Low	**High**
Reorganized NII Total Enterprise Value[1]	**$2.5**	**$2.9**
Less: Debt as of June 30, 2015[2]	(1.0)	(1.0)
Reorganized NII Equity Value	1.5	1.9
Plus: Assumed NII Mexico and NII Argentina Distributable Cash Proceeds	1.4	1.5
Less: $350m DIP Loan Repayment	(0.4)	(0.4)
Total Distributable Value	**$2.6**	**$3.1**

Notes
1 Includes the Brazil and HQ segments
2 Assumes no excess cash or cash equivalents as of June 30, 2015
3 Figures may not sum to total due to rounding

These estimated ranges of values are based on a hypothetical value that reflects the estimated intrinsic value of Reorganized NII derived through the application of various valuation methodologies. Rothschild's estimate is based on economic, market, financial and other conditions as they exist on, and on the information made available as of March 12, 2015. It should be understood that, although subsequent developments, before or after the Confirmation Hearing, may affect Rothschild's conclusions, Rothschild does not have any obligation to update, revise or reaffirm its estimate.

The summary set forth above does not purport to be a complete description of the analyses performed by Rothschild. The preparation of an estimate involves various determinations as to the most appropriate and relevant methods of financial analysis and the application of these methods in the particular circumstances and, therefore, such an estimate is not readily susceptible to summary description. The value of an operating business is subject to uncertainties and contingencies that are difficult to predict and will fluctuate with changes in factors affecting the financial condition and prospects of such a business and the state of the financial markets. The estimates prepared by Rothschild assume that the Reorganized NII will continue as the owner and operator of its businesses and assets and that such assets are operated in accordance with the Company's Financial Projections. Depending on the results of the Company's operations or changes in the financial markets, a valuation analysis as of the Effective Date may differ from that disclosed herein.

THE FOREGOING VALUATION IS BASED UPON A NUMBER OF ESTIMATES AND ASSUMPTIONS THAT ARE INHERENTLY SUBJECT TO SIGNIFICANT UNCERTAINTIES AND CONTINGENCIES BEYOND THE CONTROL OF THE COMPANY OR REORGANIZED NII. ACCORDINGLY, THERE CAN BE NO ASSURANCE THAT THE RANGES REFLECTED IN THE VALUATION WOULD BE REALIZED IF THE PLAN WERE TO BECOME

EFFECTIVE, AND ACTUAL RESULTS COULD VARY MATERIALLY FROM THOSE SHOWN HERE.

THE ESTIMATED CALCULATIONS OF ENTERPRISE VALUE, EQUITY VALUE AND TOTAL DISTRIBUTABLE VALUE ARE HIGHLY DEPENDENT UPON ACHIEVING THE FUTURE FINANCIAL RESULTS AS SET FORTH IN THE COMPANY'S FINANCIAL PROJECTIONS, AS WELL AS THE REALIZATION OF CERTAIN OTHER ASSUMPTIONS, NONE OF WHICH ARE GUARANTEED AND MANY OF WHICH ARE OUTSIDE OF THE COMPANY'S CONTROL, AS FURTHER DISCUSSED IN SECTION XI OF THE DISCLOSURE STATEMENT.

THE CALCULATIONS OF VALUE SET FORTH HEREIN REPRESENT ESTIMATED REORGANIZATION VALUES AND DO NOT NECESSARILY REFLECT VALUES THAT COULD BE ATTAINABLE IN PUBLIC OR PRIVATE MARKETS OR THE ACTUAL VALUES OF DISTRIBUTIONS MADE PURSUANT TO THE PLAN. THE EQUITY VALUE STATED HEREIN DOES NOT PURPORT TO BE AN ESTIMATE OF THE POST-REORGANIZATION MARKET VALUE. SUCH VALUE, IF ANY, MAY BE MATERIALLY DIFFERENT FROM THE REORGANIZED EQUITY VALUE RANGES ASSOCIATED WITH THIS VALUATION ANALYSIS. THE IMPLIED TOTAL DISTRIBUTABLE VALUES SET FORTH HEREIN ARE ESTIMATES ONLY AND DO NOT REFLECT ACTUAL VALUES THAT MAY BE ATTAINABLE IN ANY DISTRIBUTION MADE PURSUANT TO THE PLAN. NO RESPONSIBILITY IS TAKEN BY ROTHSCHILD FOR CHANGES IN MARKET CONDITIONS AND NO OBLIGATIONS ARE ASSUMED TO REVISE THIS CALCULATION OF REORGANIZED NII'S VALUE TO REFLECT EVENTS OR CONDITIONS THAT SUBSEQUENTLY OCCUR. THE CALCULATIONS OF VALUE DO NOT CONFORM TO UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE.

EXHIBIT B-2

First Amended Disclosure Statement for First Amended Joint Plan of Reorganization Proposed by the Plan Debtors and Debtors in Possession and the Official Committee of Unsecured Creditors

(Blackline)

THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THIS DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT. THIS DISCLOSURE STATEMENT MAY BE REVISED TO REFLECT EVENTS THAT OCCUR AFTER THE DATE HEREOF BUT PRIOR TO BANKRUPTCY COURT APPROVAL OF THE DISCLOSURE STATEMENT.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	:	Chapter 11
NII Holdings, Inc., et al.,[1]	:	Case No. 14-12611 (SCC)
Debtors.	:	(Jointly Administered)

FIRST AMENDED DISCLOSURE STATEMENT FOR FIRST AMENDED JOINT PLAN OF REORGANIZATION PROPOSED BY THE PLAN DEBTORS AND DEBTORS IN POSSESSION AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

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ATTORNEYS FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

[1] The Debtors in the jointly administered bankruptcy cases are comprised of the following fourteen entities (the last four digits of their respective U.S. taxpayer identification numbers follow in parentheses): NII Holdings, Inc. (1412); Nextel International (Services), Ltd. (6566); NII Capital Corp. (6843); NII Aviation, Inc. (6551); NII Funding Corp. (6265); NII Global Holdings, Inc. (1283); NII International Telecom S.C.A. (7498); NII International Holdings S.à r.l. (N/A); NII International Services S.à r.l. (6081); Airfone Holdings, LLC (1746); Nextel International (Uruguay), LLC (5939); McCaw International (Brazil), LLC (1850); NII Mercosur, LLC (4079); and NIU Holdings LLC (5902). The location of the Debtors' corporate headquarters and the Debtors' service address is: 1875 Explorer Street, Suite 800, Reston, VA 20190.

Facsimile: (216) 579-0212

ATTORNEYS FOR DEBTORS
AND DEBTORS IN POSSESSION

Dated: ~~March 13~~ April 2, 2015

IMPORTANT INFORMATION FOR YOU TO READ

THE DEADLINE TO VOTE ON THE PLAN IS [_____], 2015 AT [__:__][A.][P.].M. PREVAILING EASTERN TIME, UNLESS EXTENDED BY THE DEBTORS (THE "VOTING DEADLINE").

FOR YOUR VOTE TO BE COUNTED, YOUR BALLOT MUST BE *ACTUALLY RECEIVED* BY THE VOTING AGENT BEFORE THE VOTING DEADLINE AS DESCRIBED HEREIN.

PLEASE BE ADVISED THAT ARTICLE IX OF THE PLAN CONTAINS RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS. YOU SHOULD REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MAY BE AFFECTED THEREUNDER.

NII Holdings, Inc., Nextel International (Services), Ltd., NII Capital Corp., NII Aviation, Inc., NII Funding Corp., NII Global Holdings, Inc., NII International Telecom S.C.A., NII International Holdings S.à r.l., NII International Services S.à r.l., Airfone Holdings, LLC, McCaw International (Brazil), LLC, NII Mercosur, LLC, and NIU Holdings LLC, as debtors and debtors in possession (collectively, the "Plan Debtors" and together with their affiliates and subsidiaries, "NII"), together with the official committee of unsecured creditors appointed in the Chapter 11 Cases (the "Creditors' Committee" and, together with the Plan Debtors, the "Plan Proponents") are providing you with the information in this First Amended Disclosure Statement (as amended, supplemented and modified from time to time, the "Disclosure Statement") because you may be a creditor entitled to vote on the Plan.[2]

Both the Plan Debtors and the Creditors' Committee as Plan Proponents believe that the Plan is in the best interests of creditors and other stakeholders. All creditors entitled to vote thereon are urged to vote in favor of the Plan. A summary of the voting instructions is set forth beginning on page 56 of this Disclosure Statement and in the Disclosure Statement Order. More detailed instructions are contained on the ballots distributed to the creditors entitled to vote on the Plan. To be counted, your ballot must be duly completed, executed and actually received by the Voting Agent by **[__]** p.m., prevailing Eastern time, on **[_____]**, 2015, unless extended by the Debtors.

[2] Except as otherwise provided herein, capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the First Amended Joint Plan of Reorganization Proposed by Debtors and Debtors in Possession and the Creditors' Committee (as amended, supplemented and modified from time to time, the "Plan"), attached hereto as Exhibit 1.

The effectiveness of the proposed Plan is subject to material conditions precedent, some of which may not be satisfied or waived. See Sections VI.I and J. There is no assurance that these conditions will be satisfied or waived.

This Disclosure Statement and any accompanying letters are the only documents to be used in connection with the solicitation of votes on the Plan. Subject to the statutory obligations of the Creditors' Committee to provide access to information to creditors, no person is authorized by any of the Plan Proponents in connection with the Plan or the solicitation of acceptances of the Plan to give any information or to make any representation other than as contained in this Disclosure Statement and the exhibits attached hereto or incorporated by reference or referred to herein. If given or made, such information or representation may not be relied upon as having been authorized by any of the Plan Proponents. Although the Plan Proponents will make available to creditors entitled to vote on the Plan such additional information as may be required by applicable law prior to the Voting Deadline, the delivery of this Disclosure Statement will not under any circumstances imply that the information herein is correct as of any time after the date hereof.

ALL CREDITORS ENTITLED TO VOTE ON THE PLAN ARE ENCOURAGED TO READ AND CAREFULLY CONSIDER THIS ENTIRE DISCLOSURE STATEMENT, INCLUDING THE PLAN ATTACHED AS EXHIBIT 1 AND THE RISK FACTORS DESCRIBED UNDER SECTION XI, PRIOR TO SUBMITTING BALLOTS IN RESPONSE TO THIS SOLICITATION.

The summaries of the Plan and other documents contained in this Disclosure Statement are qualified in their entirety by reference to the Plan itself, the exhibits thereto (the "Confirmation Exhibits") and documents described therein as Filed prior to approval of this Disclosure Statement or subsequently as Plan Supplement materials. In the event that any inconsistency or conflict exists between this Disclosure Statement and the Plan, the terms of the Plan will control. Except as otherwise indicated, the Debtors will File all Confirmation Exhibits with the Bankruptcy Court and make them available for review at the Debtors' document website located online at http://cases.primeclerk.com/nii (the "Document Website") no later than seven ~~calendar~~ days before the ~~Confirmation Hearing to the extent not Filed~~ earlier~~; *provided*, *however*, that (a) exhibits relating to the assumption and rejection of Executory Contracts and Unexpired Leases under the Plan will be Filed no later than seven calendar days prior to the~~ of the (a) Voting Deadline and (b) ~~other key exhibits to the Plan will be either (i) included in any solicitation materials distributed to Holders of Claims in Classes entitled to vote to accept or reject the Plan or (ii) Filed as part of the Plan Supplement no later than seven calendar days prior to the Voting Deadline.~~deadline for objections to Confirmation of the Plan (or such later date as may be approved by the Bankruptcy Court).

This Disclosure Statement contains, among other things, descriptions and summaries of provisions of the Plan being proposed by the Plan Proponents. The Plan Proponents reserve the right to modify the Plan consistent with section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019.

The statements contained in this Disclosure Statement are made only as of the date of this Disclosure Statement, and there can be no assurance that the statements contained herein will be correct at any time after this date. The information contained in this Disclosure Statement, including the information regarding the history, businesses and operations of the Debtors, the financial information regarding the Debtors and the liquidation analysis relating to the Debtors, is included for purposes of soliciting acceptances of the Plan, but, as to contested matters and adversary proceedings, is not to be construed as admissions or stipulations, but rather as statements made in settlement negotiations as part of the Debtors' attempt to settle and resolve their Liabilities pursuant to the Plan. This Disclosure Statement will not be admissible in any non-bankruptcy proceeding, nor will it be construed to be conclusive advice on the tax, securities or other legal effects of the Plan as to Holders of Claims against, or Interests in, either the Debtors or the Reorganized Debtors. Except where specifically

noted, the financial information contained in this Disclosure Statement and in its exhibits has not been audited by a certified public accountant and has not been prepared in accordance with generally accepted accounting principles in the United States.

FORWARD-LOOKING STATEMENTS

This Disclosure Statement contains forward-looking statements based primarily on the current expectations of the Debtors and projections about future events and financial trends affecting the financial condition of the Debtors' and the Operating Companies' businesses and assets. The words "believe," "may," "estimate," "continue," "anticipate," "intend," "expect" and similar expressions identify these forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described below under the caption "Plan-Related Risk Factors" in Section XI. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this Disclosure Statement may not occur, and actual results could differ materially from those anticipated in the forward-looking statements. The Plan Proponents do not undertake any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

This Disclosure Statement has been prepared in accordance with section 1125 of the Bankruptcy Code and Bankruptcy Rule 3016 and not necessarily in accordance with federal or state securities laws or other non-bankruptcy laws. This Disclosure Statement has not been approved or disapproved by the United States Securities and Exchange Commission (the "SEC"), any state securities commission or any securities exchange or association nor has the SEC, any state securities commission or any securities exchange or association passed upon the accuracy or adequacy of the statements contained herein.

QUESTIONS AND ADDITIONAL INFORMATION

If you would like to obtain copies of this Disclosure Statement, the Plan or any of the documents attached hereto or referenced herein, or have questions about the solicitation and voting process or the Debtors' Chapter 11 Cases generally, please contact Prime Clerk LLC, the Voting Agent, by either (i) visiting the Document Website at http://cases.primeclerk.com/nii or (ii) calling (844) 224-1140.

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I. INTRODUCTION

NII Holdings, Inc., Nextel International (Services), Ltd., NII Capital Corp., NII Aviation, Inc., NII Funding Corp., NII Global Holdings, Inc., NII International Telecom S.C.A., NII International Holdings S.à r.l., NII International Services S.à r.l., Airfone Holdings, LLC, McCaw International (Brazil), LLC, NII Mercosur, LLC, and NIU Holdings LLC, as debtors and debtors in possession (collectively, the "Plan Debtors"),[3] and the official committee of unsecured creditors appointed in the Chapter 11 Cases (the "Creditors' Committee" and, together with the Plan Debtors, the "Plan Proponents") submit this Disclosure Statement pursuant to section 1125 of title 11 of the United States Code (the "Bankruptcy Code") in connection with the solicitation of acceptances of the First Amended Joint Plan of Reorganization Proposed by the Plan Debtors and Debtors in Possession and the Official Committee of Unsecured Creditors (as amended, supplemented and modified from time to time, the "Plan"). A copy of the Plan is attached hereto as Exhibit 1.

This Disclosure Statement sets forth certain information regarding the prepetition operating and financial history of NII, the events leading up to the commencement of the Chapter 11 Cases, significant events that have occurred during the Chapter 11 Cases and the anticipated organization, operations and capital structure of the Reorganized Debtors if the Plan is confirmed and becomes effective. This Disclosure Statement also describes terms and provisions of the Plan, including certain effects of Confirmation of the Plan, certain risk factors (including those associated with securities to be issued under the Plan), certain alternatives to the Plan and the manner in which distributions will be made under the Plan. The Confirmation process and the voting procedures that Holders of Claims entitled to vote on the Plan must follow for their votes to be counted are also discussed herein.

The Plan Debtors and the Creditors' Committee — which represents the interest of all unsecured creditors of all of the Plan Debtors — are co-proponents of the Plan and believe that the Plan is the best means to efficiently and effectively pave the way for the Plan Debtors' emergence from bankruptcy. Additional parties who support the Plan include several of the largest holders of the Prepetition Notes (collectively, the "Consenting Noteholders"), each of whom have executed a plan support agreement dated March 5, 2015 (the "Plan Support Agreement") and related plan term sheet (the "Plan Term Sheet") on which the Plan is based.

Except as otherwise provided herein, capitalized terms not otherwise defined in this Disclosure Statement have the meanings ascribed to them in the Plan. Except as otherwise stated herein, all dollar amounts provided in this Disclosure Statement and in the Plan are given in United States dollars.

[On [_____], 2015, the Bankruptcy Court entered an order approving this Disclosure Statement as containing "adequate information," i.e., information of a kind and in sufficient detail to enable a hypothetical reasonable investor typical of the Holders of Claims or Interests to make an informed judgment about the Plan. THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE STATEMENT CONSTITUTES NEITHER A GUARANTY OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN NOR AN ENDORSEMENT OF THE MERITS OF THE PLAN BY THE BANKRUPTCY COURT.]

A. Material Terms of the Plan

As discussed in more detail in Sections IV and V below, the Plan includes a consensual resolution of a number of complex Claims that have been the subject of extensive and vigorous negotiations beginning pre-petition and continuing post-petition among the Plan Debtors, certain of their largest unsecured creditor constituencies, and the Creditors' Committee, once formed. The distributions contemplated by the Plan reflect the impact of an agreed-upon settlement of certain complex disputes, which has been evaluated and approved by

[3] Because the Mexico Sale Order (as defined below) contemplates the dismissal of Nextel International (Uruguay), LLC's bankruptcy case, Nextel International (Uruguay), LLC is not a Plan Proponent. The Mexico Sale Order will provide that all Claims previously asserted against Nextel International (Uruguay), LLC will be assigned to and assumed by NIU Holdings LLC.

an independent manager of one of the Debtors as described in more detail below. The Plan Proponents believe that absent such settlement, these bankruptcy cases would require extensive and potentially prohibitively expensive litigation to the detriment of the Plan Debtors' estates and all stakeholders. Through the integrated settlement of these Claims and all other disputed issues among the Plan Proponents and the Consenting Noteholders, the Plan, in conjunction with the sale of NII Mexico as described below, will allow the Plan Debtors to strengthen their balance sheet by converting $4.35 billion of Prepetition Notes into Reorganized NII Common Stock and Cash and will permit the Plan Debtors to avoid the incurrence of significant litigation costs and delays in connection with the Potential Litigation Claims (as defined in Section IV.A) and exit bankruptcy protection expeditiously and with sufficient liquidity to execute their business plan.

THE PLAN PROPONENTS AND THE CONSENTING NOTEHOLDERS BELIEVE THAT THE IMPLEMENTATION OF THE PLAN IS IN THE BEST INTERESTS OF EACH OF THE PLAN DEBTORS AND ITS STAKEHOLDERS. FOR ALL OF THE REASONS DESCRIBED IN THIS DISCLOSURE STATEMENT, THE PLAN PROPONENTS URGE YOU TO RETURN YOUR BALLOT ACCEPTING THE PLAN BY THE VOTING DEADLINE (I.E., THE DATE BY WHICH YOUR BALLOT MUST BE ACTUALLY RECEIVED), WHICH IS [__], 2015 AT [__].

As set forth in further detail below, the material terms of the Plan are as follows:

Treatment of Claims and Interests

For administrative convenience, the Plan organizes the Plan Debtors into five groups and assigns a letter to each such group (each, a "Debtor Group") and a number to each of the Classes of Claims against or Interests in the Plan Debtors in such Debtor Group. For consistency, similarly designated Classes of Claims and Interests are assigned the same number across each of the Debtor Groups.

The Debtor Groups are as follows:

Letter	Debtor Group
A	**Holdings Debtor Group** NII Holdings, Inc.
B	**Capco Debtor Group** NII Capital Corp.
C	**Capco Guarantors Debtor Group** Nextel International (Services), Ltd. NII Aviation, Inc. NII Funding Corp. NII Global Holdings, Inc.
D	**Luxembourg Debtor Group** Nextel International Holdings S.à r.l. Nextel International Services S.à r.l. NII International Telecom S.C.A.
E	**Transferred Guarantor Debtor Group** NII Mercosur, LLC Airfone Holdings, LLC NIU Holdings LLC (including as assignee of Claims against NIU pursuant to the Mexico Sale Order) McCaw International (Brazil), LLC

As further detailed in the Plan, the Plan contemplates the following treatment of Claims and Interests:[4]

[4] The cash amounts reflected here are estimates based on the expected net proceeds from the Mexico Sale Transaction (as defined below) net of the maximum Retained Cash Amount. These estimates may be

- Administrative Claims – Each Holder of an Allowed Administrative Claim will receive Cash equal to the full Allowed amount of such Claim. These Claims are Unimpaired and are unclassified under the Plan.

- Priority Tax Claims – Each Holder of an Allowed Priority Tax Claim will receive Cash equal to the full Allowed amount of such Claim. These Claims are Unimpaired and are unclassified under the Plan.

- Priority Claims – Each Holder of an Allowed Priority Claim (which does not include Administrative Claims or Priority Tax Claims) will receive Cash equal to the full Allowed amount of such Claim, or such other treatment to render such Claim as Unimpaired. These Claims are Class 1A-1E Claims under the Plan.

- Secured Claims – Each Secured Claim will be Reinstated. These Claims are Unimpaired Class 2A–2E Claims under the Plan.

- Sale-Leaseback Guaranty Claims – Each Holder of an Allowed Sale-Leaseback Guaranty Claim will receive the New-ATC Guaranty. Such Claims are Impaired Class 3A and 3D Claims under the Plan.

- Luxco Note Claims – Each Holder of an Allowed Luxco Note Claim in Class 4A and Class 4D will receive its Pro Rata share of 60.25%[5] of the Plan Distributable Value (as defined below), ~~subject to downward adjustment based on the receipt of Net Overbid Proceeds (if any),~~ which will be comprised~~, before accounting for any such adjustment,~~ of (1) the Luxco Notes Stock Allocation (which is expected to be comprised~~, before accounting for any such adjustment,~~ of 60.25% of Reorganized NII Common Stock), subject to dilution by any Management Incentive Plan Shares, and (2) the Luxco Notes Cash Allocation (which is expected to be comprised~~, before accounting for any such adjustment,~~ of $414.5 million in Cash). An amount of Cash equal to the reasonable and documented fees and expenses as of the Effective Date of the Indenture Trustee under each of the Luxco Indentures will be paid to this class of Claims (as to which it is anticipated that such Indenture Trustee will exercise its contractual lien rights prior to distribution). Such Claims are Impaired Class 4A and 4D Claims under the Plan.
Total recovery rate: **100.00%**

- Capco Note Claims – Each Holder of an Allowed Capco Note Claim in Classes 5A, 5B and 5C will receive its Pro Rata share of 29.61% of the Plan Distributable Value (as defined below), ~~subject to adjustment based on the receipt of Net Overbid Proceeds (if any),~~ which will be comprised~~, before accounting for any such adjustment,~~ of (1) the Capco Stock Allocation (which is expected to be

Transaction (as defined below) net of the maximum Retained Cash Amount. These estimates may be adjusted to reflect adjustments to the purchase price, including with respect to outstanding indebtedness of NII Mexico, under the terms of the Purchase Agreement (as defined below).

[5] Individual percentages in this Disclosure Statement are rounded and may not total 100%.

	comprised~~, before accounting for any such adjustment,~~ of 33.07% of Reorganized NII Common Stock), subject to dilution by any Management Incentive Plan Shares, and (2) the Capco Cash Allocation (which is expected to be comprised~~, before accounting for any such adjustment,~~ of $130.2 million in Cash). An amount of Cash equal to the reasonable and documented fees and expenses outstanding as of the Effective Date of the Indenture Trustees under the Capco Indentures will be paid to this class of Claims (as to which it is anticipated that the applicable Indenture Trustee will exercise its contractual lien rights prior to distribution). Such Claims are Impaired Class 5A, 5B and 5C Claims under the Plan. ***Total recovery rate:*** **29.15%** • Transferred Guarantor Claims – Each Holder of an Allowed Transferred Guarantor Claim in Class 6E will receive its Pro Rata share of 10.14% of the Plan Distributable Value (as defined below), ~~subject to downward adjustment based on the receipt of Net Overbid Proceeds (if any),~~ which will be comprised of (1) the TG Claims Stock Allocation (which is expected to be comprised~~, before accounting for any such adjustment,~~ of 6.68% of Reorganized NII Common Stock), subject to dilution by any shares of Reorganized NII Common Stock issued pursuant to the Management Incentive Plan and (2) the TG Claims Cash Allocation (which is expected to be comprised~~, before accounting for any such adjustment,~~ of $143.2 million in Cash). Such Claims are Impaired Class 6E Claims under the Plan. ***Total recovery rate:*** **21.00% (based on the amount of asserted Claims)** • CDB Documents Claims – Holders of Allowed CDB Documents Claims will receive the CDB Amended Guarantees. Such Claims are Impaired Class 7A Claims under the Plan. • General Unsecured Claims – Each Holder of an Allowed General Unsecured Claims will receive a distribution of Cash in an amount equal to that set forth on the General Unsecured Claims Chart (defined below). Such Claims are Impaired Class 8A–8E Claims under the Plan. • Convenience Claims – Each Holder of an Allowed Convenience Claim will receive Cash equal to the amount of such Allowed Claim. Such Claims are Unimpaired Class 9A–9C Claims under the Plan. • Section 510 Claims – On the Effective Date, Section 510 Claims will be extinguished, cancelled and discharged and Holders of Section 510 Claims will receive no distributions on account of their Claims. Such Claims are Impaired Class 10A–10E Claims under the Plan. • Non-Debtor Affiliate Claims – On the Effective Date, Non-Debtor Affiliate Claims will be Reinstated. Such Claims are Unimpaired Class 11A–11E Claims under the Plan. • NII Interests – On the Effective Date, NII Interests will be extinguished, cancelled and discharged and Holders of such Claims

	will receive no distributions on account of their Interests. Such Claims are Impaired Class 12A Claims under the Plan. • Subsidiary Debtor Equity Interests – On the Effective Date, Subsidiary Debtor Equity Interests will be reinstated. Such Claims are Unimpaired Class 13B–13E Claims under the Plan.
Settlement and Compromise	As further detailed in Section IV, the Plan contains and effects a compromise and settlement of all Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims (each as defined below) pursuant to section 1123(b)(3) and Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "Settlement"). The Settlement will result in: • the recoveries to creditors of the Plan Debtors being calculated as if: o 25% of certain allegedly avoidable transfers were avoided; and o 25% of certain intercompany obligations existing between a Debtor and another Debtor or between a non-Debtor subsidiary of NII Holdings and a Debtor outstanding as of the Petition Date are recharacterized as equity, with the remaining 75% of such obligations treated as unsecured debts against the obligors of such intercompany obligations, except that the Capco Intercompany Note will be treated as a debt obligation in its entirety, but the Claim with respect to the subordination of the intercompany loan represented by the Capco Intercompany Note will be resolved pursuant to the Settlement of the Avoidance Claims. In addition, if a Claim is subject to both Avoidance Claims and Recharacterization Claims, there is a compounding effect on such a Claim resulting from the Settlement; and • the recoveries to Holders of Prepetition Notes being calculated as if 21% of each of the guarantees of the Transferred Guarantors remained in place. The recoveries pursuant to the Settlement, which are taken into account in the treatment of Claims and Interests and related distributions contemplated in the Plan, will be in full satisfaction of any and all potential recoveries that could have been included as part of the Avoidance Claims, Recharacterization Claims or the Transferred Guarantor Claims, regardless of whether such claims are identified above or have been or could have been asserted.

Plan Distributable Value	The Plan Distributable Value is $2.813 billion (the "Plan Distributable Value"). ~~The Plan Distributable Value is subject to adjustment in the event of the Debtors' acceptance of a higher and better offer in connection with an auction pursuant to the sale of NII Mexico (as detailed below) (an "Overbid"), whereby the Plan Distributable Value will be increased by the amount of incremental proceeds received by the Plan Debtors by the Overbid after deducting (i) any breakup fee or expense reimbursement, if applicable and (ii) if proceeds are received from the Overbid after April 30, 2015, any negative cash flow before financing at NII Mexico from April 30, 2015 to the date on which the Overbid proceeds are received.~~[6]
DIP Financing	The Plan Debtors have ~~filed a motion seeking approval of~~obtained funding pursuant to a $350 million superpriority debtor-in-possession credit facility (the "DIP Loan"). The members of the Luxco Group ~~have committed to provide~~provided 65.00% the DIP Loan, with Capital Group and Aurelius ~~committing to provide~~providing 20.56% and 14.44% of the DIP Loan, respectively.
Exit Financing	The Plan Debtors may seek exit financing ("Exit Financing") on terms and conditions reasonably acceptable to the Creditors' Committee, Capital Group and Aurelius. The Plan Debtors will consult with the Luxco Group regarding the proposed Exit Financing and the negotiation of the terms thereof and the final terms and conditions of such Exit Financing will be subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; *provided, however,* that if Capital Group or Aurelius participates in the Exit Financing, such financing will be on terms and conditions reasonably acceptable to each of the Plan Proponents and each of the Requisite Consenting Noteholders.
Means of Implementation	The Plan contains standard means of implementation, including provisions for the continued corporate existence of the Reorganized Debtors, the cancellation of certain prepetition debt and debt agreements, the cancellation of prepetition equity interests in NII Holdings, the issuance of the Reorganized NII Common Stock and the revesting of Plan Debtors' assets in the Reorganized Debtors.
Reorganized NII Common Stock	The Plan provides for the cancellation of all outstanding NII common stock and the issuance of Reorganized NII Common Stock, par value $0.001 per share, in Reorganized NII. Each share of the Reorganized NII Common Stock will entitle its holder to one vote. NII Holdings will be obligated to register the New NII Common Stock under the Securities Exchange Act of 1934 (the "Exchange Act"). The Plan also provides that, upon emergence, Reorganized NII will amend and restate its charter to, among other things, authorize 150,000,000 shares of Reorganized NII Common Stock, of which up to 100,000,000 shares will initially be issued and outstanding pursuant to the Plan as of the Effective Date.

[6] ~~In the event there are no Qualified Bids received by the Bid Deadline in the Mexico Sale Transaction (as such terms are defined in the Sale Motion, as defined below) and therefore no auction is held, there will be no Overbid or Net Overbid Proceeds.~~

	As soon as practicable after the Effective Date, but no later than 60 days after the Effective Date, Reorganized NII will use its commercially reasonable efforts to cause the Reorganized NII Common Stock to be listed for trading on the New York Stock Exchange or the Global Market or Global Select Market of the NASDAQ Stock Market. The Reorganized NII Common Stock will be issued in transactions exempt from the registration requirements of the Securities Act and state securities laws pursuant to and freely tradable in accordance with section 1145 of the Bankruptcy Code or other applicable exemptions. On the Effective Date, Reorganized NII will enter into a registration rights agreement, which will provide parties, together with their affiliates, who receive 10% or more of Reorganized NII Common Stock issued under the Plan with registration rights pursuant to the Registration Rights Agreement.
Management Incentive Plan	On or after the Effective Date, the New Board (as defined below) will adopt the Management Incentive Plan, which will provide for grants of equity-based compensation to members of Reorganized NII's management team, including potential grants of (1) restricted stock units for up to 2.5% of the Reorganized NII Common Stock and (2) options to purchase up to 2.5% of the Reorganized NII Common Stock with any applicable exercise price to be determined by the New Board (collectively, the "Management Incentive Plan Shares"), in each case, on a fully diluted basis. The selection of participants in the Management Incentive Plan, the number of Management Incentive Plan Shares granted to those participants, and the vesting and other terms of the Management Incentive Plan Shares granted under the Management Incentive Plan will be determined by the New Board.
Releases	The Plan provides certain customary release provisions for the benefit of the Plan Debtors, their directors, officers, and agents and their respective attorneys, financial advisors or other specified professionals, the Consenting Noteholders, the Indenture Trustees, the Creditors' Committee, the members of the Creditors' Committee and their respective agents, and each of their respective attorneys, financial advisors or other specified professionals to the extent permitted by applicable law.
Exculpation	The Plan provides certain customary exculpation provisions, which include a full exculpation from liability in favor of the Plan Debtors, the Indenture Trustees, the Consenting Noteholders, the Creditors' Committee, the members of the Creditors' Committee and all of the foregoing parties' respective current and former officers, directors, members, employees, advisors, attorneys, professionals, accountants, investment bankers, consultants, agents or other representatives (including their respective officers, directors, employees, members and professionals) from any and all claims and causes of action arising on or after the Petition Date and any and all claims and causes of action relating to any act taken or omitted to be taken in connection with, or related to, formulating, negotiating, preparing, disseminating, implementing, administering, soliciting, confirming or consummating the Plan, the Disclosure Statement or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan or any other act taken or omitted to be taken in connection with or in contemplation of the Chapter 11 Cases or the restructuring of the Plan Debtors, with the exception of willful misconduct or gross negligence.

B. Parties Entitled to Vote on the Plan

Under the provisions of the Bankruptcy Code, not all parties in interest are entitled to vote on a chapter 11 plan. Creditors or equity interest holders whose claims or interests are not impaired by a plan are deemed to accept the plan under section 1126(f) of the Bankruptcy Code and are not entitled to vote. In addition, creditors or equity interest holders whose claims or interests are impaired by the plan and will receive no distribution under the plan are also not entitled to vote because they are deemed to have rejected the plan under section 1126(g) of the Bankruptcy Code. For a discussion of these matters, see Section VII.B below.

The following table sets forth which Classes are entitled to vote on the Plan and which are not, and sets forth the estimated Allowed amount, the estimated recovery and/or the impairment status for each of the separate Classes of Claims provided for in the Plan:

Class(es)	Designation	Impairment	Estimated Allowed Amount[76]	Estimated Recovery Rate[87]	Entitled to Vote
1A – 1E	Priority Claims	Unimpaired	$130,000	100%	Deemed to Accept
2A – 2E	Secured Claims	Unimpaired	$~~45,000~~764	100%	Deemed to Accept
3A, 3D	Sale-Leaseback Guaranty Claims	Impaired	See Section IV.I.2.	See Section IV.I.2.	Entitled to Vote
4A, 4D	Luxco Note Claims[98]	Impaired	$1,694.9 million	100%	Entitled to Vote
5A – 5C	Capco Note Claims[8]	Impaired	$2,858.1 million	29.15%	Entitled to Vote
6E	Transferred Guarantor Claims	Impaired	$285.1 million	21.00% (based on the amount of asserted Claims)	Entitled to Vote
7A	CDB Documents Claims	Impaired	See Section IV.I.1.	See Section IV.I.1.	Entitled to Vote
8A – 8E	General Unsecured Claims	Impaired	See General Unsecured Claims Chart below.	See General Unsecured Claims Chart below.	Entitled to Vote
9A – 9C	Convenience Claims	Unimpaired	$~~[_____]~~787,908	100%	Deemed to Accept
10A –	Section 510 Claims	Impaired			Deemed to

[76] The Estimated Allowed Amounts are estimates only and actual amounts may be greater or less than those set forth herein.

[87] The Estimated Recovery Rates are estimates only and actual recoveries may be greater or less than those set forth herein based on, among other things, Allowed Claims arising from the rejection of Executory Contracts or Unexpired Leases and resolution of disputed or unliquidated Claims.

[98] The overall recovery rate for Luxco Note Claims, Capco Note Claims and Transferred Guarantor Claims may be subject to change based on the actual amount of General Unsecured Claims and Convenience Claims elections.

Class(es)	Designation	Impairment	Estimated Allowed Amount[76]	Estimated Recovery Rate[87]	Entitled to Vote
10E			Unknown	0%	Reject
11A – 11E	Non-Debtor Affiliate Claims	Unimpaired	N/A (Reinstated)	N/A	Deemed to Accept
12A	NII Interests	Impaired	N/A (Cancelled)	0%	Deemed to Reject
13B – 13E	Subsidiary Debtor Equity Interests	Unimpaired	N/A (Reinstated)	N/A	Deemed to Accept

The Bankruptcy Code defines "acceptance" of a plan by a class of claims as acceptance by creditors in that class that hold at least two-thirds in dollar amount and more than one-half in number of the claims actually voted to accept or reject the plan. Your vote on the Plan is important. The Bankruptcy Code requires as a condition to confirmation of a plan of reorganization that each class that is impaired and entitled to vote under a plan votes to accept such plan, unless the plan is being confirmed under the "cramdown" provisions of section 1129(b) of the Bankruptcy Code. Section 1129(b) permits confirmation of a plan of reorganization, notwithstanding the non-acceptance of the plan by one or more impaired classes of claims or equity interests, so long as at least one impaired class of claims or interests votes to accept a proposed plan. Under that section, a plan may be confirmed by a bankruptcy court if it does not "discriminate unfairly" and is "fair and equitable" with respect to each non-accepting class.

The following table (the "General Unsecured Claims Chart") sets forth the estimated Allowed amount and the estimated recovery rate for Holders of General Unsecured Claims for each Plan Debtor.[109]

[109] The estimates in the General Unsecured Claims Chart do not assume Claims over $[_____]20,000 will elect into the Convenience Class; however, the amounts of Claims in Classes 9A A, 9B and 9C could are likely to increase, and the amounts of Claims in Classes 8A, 8B and 8C are likely to decrease, based on Holders of Allowed General Unsecured Claims in Classes 8A, 8B and 8C electing into those Classes.

Plan Debtor	Class	Estimated Allowed Amount[1110]	Estimated Recovery Rate[1211]
NII Holdings, Inc.	8A	$12,649,29521,192,843	5.64%
NII Capital Corp.	8B	$135,088	20.18%
Nextel International (Services), Ltd.	8C	$284,841	4.51%
NII Aviation, Inc.	8C	$135,088	0.15%
NII Funding Corp.	8C	$135,088	0.24%
NII Global Holdings, Inc.	8C	$135,088	0.18%
Nextel International Holdings S.à r.l.	8D	$0	N/A
Nextel International Services S.à r.l.	8D	$0	N/A
NII International Telecom S.C.A.	8D	$0	N/A
NII Mercosur, LLC	8E	$0	N/A
Airfone Holdings, LLC	8E	$0	N/A
NIU Holdings LLC	8E	$0	N/A
McCaw International (Brazil), LLC	8E	$0	N/A

For a detailed description of the Classes of Claims and Interests and their treatment under the Plan, see Section VI.B.

C. Solicitation Package

The package of materials (the "Solicitation Package") to be sent to Holders of Claims and Interests entitled to vote on the Plan will contain:

1. a cover letter describing (a) the contents of the Solicitation Package, (b) the contents of any enclosed CD-ROM and instructions for use of the CD-ROM and (c) information about how to obtain, at no charge, hard copies of any materials provided on the CD-ROM;

2. a paper copy of the notice of the Confirmation Hearing (the "Confirmation Hearing Notice");

3. a copy – either as a paper copy or in an enclosed CD-ROM – of the Disclosure Statement together with the exhibits thereto, including the Plan, that have been Filed with the Bankruptcy Court before the date of the mailing.

4. a paper copy of the letter from the Creditors' Committee setting forth its recommendations with respect to the Plan;

[1110] The Estimated Allowed Amounts are estimates only and actual amounts may be greater or less than those set forth herein.

[1211] The Estimated Recovery Rates are estimates only and actual recoveries may be greater or less than those set forth herein based on, among other things, Allowed Claims arising from the rejection of Executory Contracts or Unexpired Leases and resolution of disputed or unliquidated Claims.

~~6~~5. the Disclosure Statement Order; and

~~7~~6. for Holders of Claims in voting Classes (i.e., Holders of Claims in Classes 3A, 3D, 4A, 4D, 5A-5C, 6E, 7A and 8A-8E), an appropriate form of Ballot, instructions on how to complete the Ballot and a Ballot return envelope and such other materials as the Bankruptcy Court may direct.

In addition to the service procedures outlined above (and to accommodate creditors who wish to review exhibits not included in the Solicitation Packages in the event of paper service): (1) the Plan, the Disclosure Statement and, once they are filed, all exhibits to both documents will be made available online at no charge at the Document Website (http://cases.primeclerk.com/nii); and (2) the Plan Debtors will provide parties in interest (at no charge) with hard copies of the Plan and/or Disclosure Statement upon written request to NII Ballot Processing, c/o Prime Clerk LLC, 830 Third Avenue, 9th Floor, New York, NY 10022.

D. Voting Procedures, Ballots and Voting Deadline

If you are entitled to vote to accept or reject the Plan, a Ballot(s) has been enclosed in your Solicitation Package for the purpose of voting on the Plan. Please vote and return your Ballot(s) to Prime Clerk LLC (the "Voting Agent") at NII Ballot Processing, c/o Prime Clerk LLC, 830 Third Avenue, 9th Floor, New York, NY 10022, unless you are a beneficial owner of a security who receives a Ballot from a broker, bank, dealer or other agent or nominee (each, a "Master Ballot Agent"), in which case you must return the Ballot to that Master Ballot Agent (or as otherwise instructed by your Master Ballot Agent). Ballots should not be sent directly to the Plan Debtors, the Creditors' Committee, their agents (other than the Voting Agent) or any of the Indenture Trustees.

After carefully reviewing (1) the Plan, (2) this Disclosure Statement, (3) the order entered by the Bankruptcy Court (Docket No. [__]) (the "Disclosure Statement Order") that, among other things, established the voting procedures, scheduled a Confirmation Hearing and set the voting deadline and the deadline for objecting to Confirmation of the Plan and (4) the detailed instructions accompanying your Ballot, please indicate on your Ballot your vote to accept or reject the Plan. In order for your vote to be counted, you must complete and sign your original Ballot (copies will not be accepted) and return it to the appropriate recipient (i.e., either a Master Ballot Agent or the Voting Agent) so that it is actually received by the Voting Deadline by the Voting Agent.

Each Ballot has been coded to reflect the Class of Claims it represents. Accordingly, in voting to accept or reject the Plan, you must use only the coded Ballot or Ballots sent to you with this Disclosure Statement.

If you (1) hold Claims in more than one voting Class, or (2) hold multiple Claims within one Class, including if you (a) hold more than one series of Prepetition Notes, (b) are the beneficial owner of Prepetition Notes held in street name through more than one Master Ballot Agent or (c) are the beneficial owner of Prepetition Notes registered in your own name as well as the beneficial owner of Prepetition Notes registered in street name, you may receive more than one Ballot.

If you are the beneficial owner of Prepetition Notes held in street name through more than one Master Ballot Agent, for your votes with respect to such Prepetition Notes to be counted, your Ballots must be mailed to the appropriate Master Ballot Agents at the addresses on the envelopes enclosed with your Ballots so that such Master Ballot Agent has sufficient time to record the votes of such beneficial owner on a Master Ballot and return such Master Ballot so it is actually received by the Voting Agent by the Voting Deadline.

All other Ballots, in order to be counted, must be properly completed in accordance with the voting instructions on the Ballot and **actually received** no later than the Voting Deadline (i.e., **[_____]**, 2015 at **[__]**:00 p.m. (prevailing Eastern time)) by the Voting Agent via regular mail, overnight courier or personal delivery at the following address: NII Ballot Processing, c/o Prime Clerk LLC, 830 Third Avenue, 9th Floor, New York, NY 10022. Except with respect to Ballots used by Master Ballot Agents for recording votes cast by beneficial owners holding securities (each, a "Master Ballot"), no Ballots may be submitted by electronic mail or any other means of electronic transmission, and any Ballots submitted by electronic mail or other means of

electronic transmission will not be accepted by the Voting Agent. Ballots should not be sent directly to the Plan Proponents.

If a Holder of a Claim delivers to the Voting Agent more than one timely, properly completed Ballot with respect to such Claim prior to the Voting Deadline, the Ballot that will be counted for purposes of determining whether sufficient acceptances required to confirm the Plan have been received will be the timely, properly completed Ballot determined by the Voting Agent to have been received last from such Holder with respect to such Claim.

If you are a Holder of a Claim who is entitled to vote on the Plan as set forth in the Disclosure Statement Order and did not receive a Ballot, received a damaged Ballot or lost your Ballot, or if you have any questions concerning the Disclosure Statement, the Plan, the Ballot or the procedures for voting on the Plan, please contact the Voting Agent (1) by telephone (a) for U.S. callers toll-free at (844) 224-1140 and (b) for international callers at (917) 962-8496, (2) by e-mail at niiballots@primeclerk.com or (3) in writing at NII Ballot Processing, c/o Prime Clerk LLC, 830 Third Avenue, 9th Floor, New York, NY 10022.

FOR FURTHER INFORMATION AND INSTRUCTIONS ON VOTING TO ACCEPT OR REJECT THE PLAN, SEE SECTION VII.

Before voting on the Plan, each Holder of a Claim in Classes 3A, 3D, 4A, 4D, 5A-5C, 6E, 7A and 8A-8E should read, in its entirety, this Disclosure Statement, the Plan, the Disclosure Statement Order, the Confirmation Hearing Notice and the instructions accompanying the Ballots. These documents contain important information concerning how Claims are classified for voting purposes and how votes will be tabulated. Holders of Claims entitled to vote are also encouraged to review the relevant provisions of the Bankruptcy Code and Bankruptcy Rules and/or consult their own attorney.

E. Confirmation Exhibits

The Plan Debtors will separately file copies of all Confirmation Exhibits with the Bankruptcy Court no later than seven ~~calendar~~ days before the ~~Confirmation Hearing to the extent not filed~~ earlier~~; *provided, however*, that (1) exhibits relating to the assumption and rejection of Executory Contracts and Unexpired Leases pursuant to the Plan will be filed no later than seven calendar days prior to the~~ of the (a) Voting Deadline and (~~2) other key exhibits to the Plan will be either (a) included in any solicitation materials distributed to Holders of Claims in Classes entitled to vote to accept or reject the Plan or (b) Filed as part of the Plan Supplement no later than seven calendar days prior to the Voting Deadline~~b) deadline for objections to Confirmation of the Plan (or such later date as may be approved by the Bankruptcy Court). All Confirmation Exhibits will be made available on the Document Website once they are Filed. The Plan Proponents reserve the right, in accordance with the terms of the Plan, to modify, amend, supplement, restate or withdraw any of the Confirmation Exhibits after they are Filed and will promptly make such changes available on the Document Website.

F. Confirmation Hearing and Deadline for Objections to Confirmation

The Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing on whether the Plan Proponents have fulfilled the confirmation requirements of section 1129 of the Bankruptcy Code. The Confirmation Hearing has been scheduled for **[_____], 2015 at [__:__] [a][p].m.**, prevailing Eastern time, before the Honorable Judge Shelley C. Chapman, United States Bankruptcy Judge for the Southern District of New York, in a courtroom to be determined at the United States Bankruptcy Court for the Southern District of New York, located at One Bowling Green, New York, NY 10004. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice.

Any objection to Confirmation must (1) be in writing, (2) state the name and address of the objecting party and the nature of the Claim or Interest of such party and (3) state with particularity the basis and nature of such objection. Any such objections must be Filed and served upon the persons designated in the Confirmation Hearing Notice in the manner and by the deadline described therein.

II. THE DEBTORS' BUSINESS AND CORPORATE STRUCTURE

A. The Debtors' Business and Corporate Structure[13][12]

NII Holdings, Inc. ("NII Holdings"), a Delaware corporation, is the ultimate parent and holding company for each of the Debtors and thirty-two non-debtor affiliates (collectively, the "Non-Debtor Affiliates" and, together with the Debtors, "NII"). Certain of the Debtors' Non-Debtor Affiliates (the "Operating Companies") provide wireless communication services for businesses and consumers in Brazil, Argentina and, until the consummation of the Mexico Sale Transaction (as defined below), Mexico.[14][13]

Debtor NII Holdings is a public reporting company under the Securities and Exchange Act of 1934. Until September 25, 2014, NII Holdings' shares of common stock, par value $0.001, were publicly traded under the symbol NIHD on the NASDAQ Global Select Market and since that date have been traded under the symbol NIHDQ on the OTC Bulletin Board. As of March 1, 2015, there were 172,363,259 shares of NII Holdings' common stock outstanding.

Because the Plan Debtors are primarily holding companies, the principal assets of NII Holdings and almost all the other Plan Debtors are (1) their intercompany accounts receivable, (2) their equity interests in their respective subsidiaries (if they have any) and (3) Cash held by NII Holdings, Nextel International (Services), Ltd. ("NIS"), NII Capital Corp. ("Capco"), NII International Telecom S.C.A. ("Luxco"), NII Funding Corp. ("NII Funding") and NII Global Holdings, Inc. ("NII Global"). Of the Plan Debtors, only NIS has any property, plant and equipment on its balance sheet.

1. NII Holdings and NIS

NII Holdings has the exclusive right to use the Nextel™ brand in its markets pursuant to a trademark license agreement with a subsidiary of Sprint Corporation and offers unique push-to-talk ("PTT") services associated with the Nextel™ brand in Latin America. NII Holdings has entered into intercompany license and sublicense agreements with the Operating Companies that cover the trademarks, patents and related improvements related to the NII business and licensed to or owned by NII Holdings including the license to use the Nextel brand pursuant to the trademark license agreement.

NII Holdings also employs the Plan Debtors' work force and leases the building for the NII Holdings' headquarters in Reston, Virginia (the "Headquarters Office"). NII Holdings and NIS own or lease certain of the office equipment for the Headquarters Office. As of March 1, 2015, NII Holdings had 65 full-time employees. NIS pays substantially all of the costs and expenses associated with the operation of the Plan Debtors, including employee wages and benefits. On an as-needed basis, NII Holdings provides funds to NIS to pay costs and expenses, and records such fund transfers as capital contributions to NIS.

Employees of NII Holdings historically provided a variety of services to the Operating Companies pursuant to certain intercompany services agreements or similar arrangements. In the past, such services included, among other things, services related to business development, strategy, product development, sourcing, procurement, vendor management, sales, customer care, finance, legal and communications support activities. As part of the Plan Debtors' cost-cutting efforts, as described in greater detail in Section II.C below, the Plan Debtors significantly reduced the number of NII Holdings' employees, and many of the services previously performed by NII Holdings' employees are now being performed directly by employees of the Operating

[13][12] Certain figures and percentages reflected in this Section II have been approximated.

[14][13] Each of the Operating Companies is referred to by the country in which it operates, i.e., NII Brazil and NII Argentina. NII previously also had operations in Chile and Peru, but such operations were sold in 2013 and 2014, respectively, as described in greater detail below. The Bankruptcy Court has approved the sale of NII Mexico ~~is the subject of a pending motion before the Bankruptcy Court~~ [Docket No. ~~406~~]575], which sale is pending consummation, as further described at Section III.H.3.

Companies. The remaining employees of NII Holdings continue to provide certain services related to the finance, legal, corporate governance, network engineering support, information technology support and strategic management functions.

2. Other U.S.-Based Plan Debtors

NII Aviation, Inc. ("NII Aviation") was a party to certain agreements related to the Plan Debtors' corporate aircraft, which was sold in early July 2014. NII Funding is no longer used for any significant purpose, and NII Global serves as a holding company in the Plan Debtors' corporate organizational structure. Notwithstanding the limited existence of these corporate entities, as described in greater detail below, all three of these entities, along with NII Holdings and NIS, are guarantors of the senior unsecured notes issued by Capco.

3. The Luxembourg Entities

NII International Holdings S.à r.l. ("International Holdings") and NII International Services S.à r.l. ("International Services" and, together with Luxco and International Holdings, the "Luxembourg Entities") jointly own Luxco.[~~15~~14]

4. The Operating Companies

The services offered by the Operating Companies, all of which are provided under the Nextel™ brand, include: (a) mobile telephone voice service; (b) wireless data services, including text messaging services, mobile internet services and email services; and (c) PTT services, including Direct Connect®, Prip and International Direct Connect® services. The Operating Companies also offer (x) other value-added services, including location-based services, which include the use of Global Positioning System technologies, digital media services, and a wide ranging set of applications available via NII's content management system, as well as the Android™ open application market; (y) business solutions, such as security, work force management, logistics support and other applications that help business subscribers improve their productivity; and (z) voice and data roaming services. Since 2013, Luxco has transferred funds to certain of the Operating Companies to (a) support their operating costs and working capital, (b) to repay certain local debt and (c) to fund (i) the build out of the third-generation (3G) networks ("3G Networks") utilizing wideband code division multiple access ("WCDMA") technology (as described in greater detail below) and (ii) other capital expenditures. Historically, such transfers were effected pursuant to intercompany loan agreements with, or in the form of equity investments in, the relevant Operating Company, depending on what was most beneficial to Luxco and the relevant Operating Company with respect to each particular transaction. Advancing such funds to the Operating Companies is necessary to ensure the Operating Companies are not at risk of breaching various covenants under their local lending agreements or of having insufficient cash to operate. During the Chapter 11 Cases, Luxco has continued, and is anticipated to, to transfer funds to NII Brazil and NII Mexico, as needed, in the form of intercompany loans based on forecasts prepared by the Plan Debtors. These forecasts are part of a long-term business plan to return the Operating Companies to profitability.

a. NII Brazil

NII Brazil provides wireless services in major business centers in Brazil, including Rio de Janeiro, São Paulo, Belo Horizonte and Brasilia, in areas in the northeast region of Brazil, including Salvador, Fortaleza and Recife, as well as in Vitoria, which is in the southeast region of Brazil and along related transportation corridors

[~~15~~14] International Holdings was created to serve as the general partner of Luxco, and International Services was created to serve as the limited partner of Luxco. Other than a de minimis amount of cash, the only assets of these two Luxembourg entities are their respective ownership interests in Luxco. Despite their status as Luxembourg entities, certain members of the Board of Managers of both International Holdings and International Services reside in, and telephonically participate in meetings from, the United States.

and in a number of smaller markets. NII Brazil's operations are headquartered in São Paulo, with branch offices in Rio de Janeiro and various other cities.

For the year ended December 31, 2014, NII Brazil recorded operating revenues of $1,848.9 million. This represented 50.0% of NII's consolidated operating revenues for the year ended December 31, 2014. As of December 31, 2014, NII Brazil had assets of $3.0 billion and liabilities of $3.3 billion (which includes intercompany liabilities).

b. NII Mexico

NII Mexico provides wireless services in major business centers, including Mexico City, Guadalajara, Puebla, Leon, Monterrey, Toluca, Tijuana, Torreon, Ciudad Juarez and Cancun, as well as in smaller markets and along related transportation corridors throughout Mexico. NII Mexico is headquartered in Mexico City and has many regional offices throughout Mexico.

For the year ended December 31, 2014, NII Mexico recorded operating revenues of $1,417.2 million. This represented 38% of NII's consolidated operating revenues for the year ended December 31, 2014. As of December 31, 2014, NII Mexico had assets of $1.7 billion and liabilities of $1.2 billion.

~~The~~On March 23, 2015, the Bankruptcy Court approved the sale of 100% of NII's indirect ownership interests in NII Mexico ~~is the subject of a pending motion~~ [Docket No. ~~406~~575], as further described below.

c. NII Argentina

NII Argentina provides wireless services in major business centers, including Buenos Aires, Cordoba, Rosario and Mendoza, along related transportation corridors and in a number of smaller markets. NII Argentina is headquartered in Buenos Aires and has regional offices in Mar del Plata, Rosario, Mendoza and Cordoba, and numerous branches in the Buenos Aires area.

For the year ended December 31, 2014, NII Argentina recorded operating revenues of $425.0 million. This represented 12% of NII's consolidated operating revenues for the year ended December 31, 2014. As of December 31, 2014, NII Argentina had assets of $279.7 million and liabilities of $146.2 million.

d. Recently Divested Operations

In connection with the strategic evaluation of its business described in greater detail below, in August 2014, NII sold its operations in Chile. At the time of its divestiture, NII Chile accounted for less than 2% of NII's consolidated operating revenues. Previously, in August 2013, NII sold its operations in Peru, which, in the year prior to its sale, accounted for 6% of NII's consolidated operating revenues.

e. Royalty, Services and Similar Fees

Under intercompany intellectual property licensing agreements between NII Holdings and NII Brazil, NII Brazil is only to be charged royalty fees after achieving certain financial milestones, which have not yet been achieved.~~16~~15

~~16~~15 Royalty Fee obligations for NII Argentina were suspended in 2013, with accrued obligations recorded as intercompany payables owing to NII Holdings. While the Debtors have intercompany balances for royalty and service fees owed by NII Mexico to Holdings, after considering such balances for purposes of the Settlement, such amounts are expected to be cancelled in connection with the sale of NII Mexico. As stated in the proposed Sale Order, the netting of such intercompany obligations upon consummation of the Mexico Sale Transaction shall be disregarded solely for purposes of allocating the net proceeds of the Mexico Sale Transaction among the Plan Debtors, which shall be allocated pursuant to the Plan.

While NII Brazil previously was party to an intercompany services agreement with NIS, the relevant services agreement and the payment of Services Fees by NII Brazil were discontinued as of January 1, 2013.[~~17~~16] Instead, beginning in 2013, NIS has recorded an intercompany claim against NII Brazil in its books and records for services provided directly to NII Brazil under certain intercompany agreements (described below) in accordance with International Financial Reporting Standards, such as the costs of certain expatriate employees, handset development charges, software management fees and other similar charges. While such charges accrue quarterly, they are invoiced annually with any past due amounts accruing interest at the rate of 2% per annum until paid. As of August 31, 2014, NII Brazil owed NIS $15 million in Services Fees.

NIS and NII Holdings also are parties to service agreements with NII Brazil and NII Argentina under which those Operating Companies provide services in Latin America to NIS and NII Holdings and charge a fee equal to the cost of providing such services plus 6% (NII Brazil) and 10% (NII Argentina), with past due amounts accruing interest at the rate of 2% per annum.

NIS has incurred costs with respect to the development of handsets that are equipped to provide NII's PTT feature on NII's new 3G Network in Brazil. These development costs are separately charged to NII Brazil pursuant to intercompany agreements, and NIS has recorded intercompany claims against NII Brazil with respect to such charges.[~~18~~17]

Certain of the Plan Debtors engage in transactions with the Operating Companies on an as-needed basis. For example, NII Holdings has sometimes paid certain intellectual property licensing fees or amounts due under certain master agreements on behalf of certain Operating Companies and recorded an intercompany claim on account of such payments against the applicable Operating Company.

While NII Holdings anticipates that payment of the various fees that have been charged to the Operating Companies will be paid by the applicable Operating Companies in the future when their performance improves, the ability of NII Brazil to repay amounts owed to the Plan Debtors are limited by the terms of certain of their local lending agreements.[~~19~~18]

B. The Plan Debtors' Prepetition Capital Structure

As of the Petition Date, the Plan Debtors had $4.35 billion in outstanding principal amount of senior unsecured notes (defined in the Plan as the "Prepetition Notes"). The Prepetition Notes consist of three series of senior unsecured notes issued by Capco (the "Capco Notes") and two series of senior unsecured notes issued by Luxco (the "Luxco Notes"). The proceeds of the Capco Notes were used primarily for general corporate purposes, including, without limitation, for (1) capital expenditures, (2) acquisition of telecommunications spectrum licenses and (3) deployment of new network technologies. The proceeds of the Luxco Notes were used primarily for general corporate purposes and to (a) repay in full (i) an NII Mexico Mexican peso-denominated term loan facility with three Mexican banks and (ii) an NII Brazil bank loan with Banco Bradesco S.A. and (b) repay or repurchase certain other loans of NII Brazil. The table below summarizes certain data related to each series of Prepetition Notes.

[~~17~~16] Historically, NII Argentina also was charged Services Fees, but these charges were discontinued in 2013.

[~~18~~17] No handset development fees are charged to NII Argentina because NII Argentina continues to operate on a legacy 2G network and does not have a 3G network in development.

[~~19~~18] The local lending agreements of NII Brazil are described in greater detail below.

Issue Date	Issuer	Guarantor(s)[20][19]	Principal Amount (in millions)	Ranking	Interest Rate	Interest Payment Dates	Maturity Date
August 18, 2009	Capco	NII Holdings NIS NII Aviation NII Funding NII Global	$800	Senior unsecured	10%	February 15 August 15	August 15, 2016
December 15, 2009	Capco	NII Holdings NIS NII Aviation NII Funding NII Global	$500	Senior unsecured	8.875%	June 15 December 15	December 15, 2019
March 29, 2011 and December 8, 2011	Capco	NII Holdings NIS NII Aviation NII Funding NII Global	$1,450	Senior unsecured	7.625%	April 1 October 1	April 1, 2021
February 19, 2013 and April 15, 2013	Luxco	NII Holdings	$900	Senior unsecured	11.375%	February 15 August 15	August 15, 2019
May 23, 2013	Luxco	NII Holdings	$700	Senior unsecured	7.875%	February 15 August 15	August 15, 2019

1. Other Prepetition Liabilities of the Plan Debtors

Other than the Prepetition Notes, only NII Holdings, NIS and Luxco have a material amount of liabilities to third parties. The other Plan Debtors generally have negligible amounts of third-party liabilities.

For NII Holdings, its material third-party liabilities (other than its guarantee obligations in respect of the Prepetition Notes) are primarily related to (a) deferred tax liabilities, (b) certain liabilities associated with global supply agreements to which NII Holdings is party, (c) obligations owed to NII Holdings' employees, (d) obligations under the lease for the Headquarters Office and (e) certain contingent indemnification liabilities arising out of the sale of NII Peru in 2013. For NIS, its material third-party liabilities (other than its guarantee obligations in respect of the Capco Notes) are primarily related to certain third party service providers and other costs and expenses of operating the Plan Debtors.

In addition, NII Holdings and Luxco guarantee certain obligations of NII Brazil and NII Mexico.[21][20] Specifically, in July 2011, NII Mexico entered into U.S. dollar-denominated loan agreements with China

[20][19] As discussed below, at the time of the issuance of two series of the Capco Notes in 2009, the Transferred Guarantors were guarantors of such notes. Certain Holders of the Capco Notes issued in 2009 assert that the guarantees by the Transferred Guarantors of such Capco Notes were not released and remain in effect.

[20][20] As discussed below, at the time of the issuance of two series of the Capco Notes in 2009, the Transferred Guarantors were guarantors of such notes. Certain Holders of the Capco Notes issued in 2009 assert that the guarantees by the Transferred Guarantors of such Capco Notes were not released and remain in effect.

[21][21] Other material indebtedness incurred by NII Brazil that is not guaranteed by any of the Debtors includes unsecured loans in the amount, as of December 31, 2014, of R$512 million (Brazilian *reais*) and R$400 million (Brazilian *reais*) with Caixa Econômica Federal and Banco do Brasil S.A., respectively.

Development Bank Corporation ("CDB"), which provided for an aggregate loan commitment of $375 million (the "NII Mexico CDB Agreements") to be used to finance infrastructure equipment and certain other costs related to the deployment of NII Mexico's 3G Network.[2222] As of the Petition Date, there was $346.1 million principal amount outstanding under the NII Mexico CDB Agreements. In April 2012, NII Brazil entered into U.S. dollar-denominated loan agreements with CDB, which provided for an aggregate loan commitment of $500 million (the "NII Brazil CDB Agreements" and, together with the CDB Mexico Agreements and various related agreements, the "CDB Agreements").[2323] As of the Petition Date, there was $366.9 million principal amount outstanding under the NII Brazil CDB Agreements.

In connection with certain modifications to the CDB Agreements required in connection with the Tower Transactions (as defined below), NII Holdings provided a guarantee of NII Mexico's obligations under the NII Mexico CDB Agreements and NII Brazil's obligations under the NII Brazil CDB Agreements. While these guarantees are in effect, each of NII Brazil and NII Mexico has historically been required to maintain a minimum cash balance and has been prevented in certain circumstances from making any payments on account of intercompany indebtedness, including amounts owed under services and royalty agreements.

In August 2013, NII Brazil and NII Mexico entered into sale-leaseback transactions with respect to 2,790 and 1,666 communication towers, respectively, with the ATC Counterparties and other affiliates of American Tower Corporation ("ATC") in two separate transactions for total estimated proceeds based on foreign currency exchange rates at the time of $432 million and $391 million, respectively (together, the "Tower Transactions"). Luxco agreed to provide certain credit support with respect to the lease obligations of NII Brazil, including a guarantee of repayment by NII Brazil up to a maximum amount of R$746,439,616 (Brazilian *reais*) (subject to certain adjustments) and an agreement to subordinate, under certain circumstances, any right to repayment of amounts owed by NII Brazil to Luxco to obligations owed to the applicable ATC affiliate in connection with the Tower Transactions. In addition, NII Holdings provided guarantees in favor of affiliates of ATC in connection with sale-leaseback transactions among such ATC affiliates, NII Mexico and NII Brazil that were consummated in 2004 and 2005.

C. Recent Financial Performance and Events Leading to the Commencement of the Chapter 11 Cases

1. NII's Business in Recent Years

Historically, NII's second-generation networks ("2G Networks"), using a technology developed and provided by Motorola referred to as "iDEN" (Integrated Digital Enhanced Network), provided high-quality services that were attractive to business users and other professionals that NII targeted as customers (including the PTT feature that is the hallmark of the Nextel™ brand). This gave NII a unique competitive advantage.

However, beginning in 2009 NII's competitive advantage slowly began to erode because its competitors launched new third-generation networks ("3G Networks") that provided significantly enhanced data capabilities and the introduction of the smart-phone to the Latin American market place. Because smart-phones generally require faster data transmission speeds, facilitate internet browsing and often integrate the use of GPS technology — little of which is supported by iDEN networks — customers who wanted the benefits of a wider range of

[2222] This financing has a final maturity of ten years, with a three-year borrowing period and a seven-year repayment term commencing in 2014. The obligations of NII Mexico to CDB that are guaranteed by NII Holdings will be repaid in connection with the sale of NII Mexico as described below.

[2323] This financing has a final maturity of ten years, with a three-year borrowing period and a seven-year repayment term commencing in 2015.

data services began to switch to NII's competitors to gain access to the services supported by their 3G Networks, including the wider range of services and functionality provided on smart-phones.[24]

In response to these competitive pressures, over the past several years, NII has focused substantial resources on acquiring spectrum that could support more advanced services, and deploying 3G Networks in Brazil and Mexico — NII's two largest markets, which together generated 88% of NII's total consolidated operating revenues in 2014 — to complement NII's 2G Networks in those markets (and ultimately replace them). The deployment of these 3G Networks is essential to the continued survival and growth of the Operating Companies for three principal reasons. First, as described above, consumers in Latin America — including in Brazil and Mexico — are increasingly demanding high-speed wireless networks with the capacity to support the data services available using smart-phones and their related applications. Second, the WCDMA technology of the 3G Network is a more widely utilized standards-based platform, which is supported by a broader range of suppliers of network equipment and handsets, enabling NII to obtain equipment and handsets on more favorable pricing terms and to support cutting edge handsets. Finally, other wireless communications providers have deactivated or announced plans to deactivate their iDEN networks, including Sprint, which was the largest operator of iDEN-based networks and deactivated its iDEN-based network the United States in June 2013. This transition of operators away from the technology means (a) fewer handsets that operate using iDEN networks will be available, (b) vendors may not continue the same level of research and development, maintenance, optimization and other ongoing support of iDEN networks and subscriber equipment and (c) consumers with iDEN handsets will not be able to roam onto the wireless networks of other carriers.[25]

In connection with the acquisition of spectrum and deployment of its 3G Networks, between 2011 and 2013, NII spent $3.4 billion in capital expenditures across its markets (excluding NII Peru and NII Chile). These capital expenditures were financed with proceeds of the Prepetition Notes (through equity investments or intercompany loans from Capco and Luxco), operating cash flows from the Operating Companies, debt raised by NII Brazil and NII Mexico and the Tower Transactions.

As NII was pursuing the build out of its 3G Networks, it was experiencing increasing turnover of its customer base as customers were offered more attractive services by its competitors on their 3G Networks. This forced NII to (a) offer lower-priced wireless plans and implement more aggressive subscriber-retention programs in an effort to stem the continuing loss of its 2G customers to competitors with 3G Networks and (b) relax its credit policies to try to attract new customers. These actions, in turn, led to lower average revenue per subscriber, higher customer turnover rates, and an increase in bad debt expense. In response to these trends, NII Brazil introduced new rate plans in 2012 designed to improve its average revenue per subscriber and made adjustments to its credit policies, including the implementation of more stringent credit policies for new subscribers, while concurrently taking steps to accelerate the deactivation of certain subscribers who were identified as being unprofitable. This action resulted in a net loss of nearly 300,000 subscribers in Brazil during the fourth quarter of 2012.

Macroeconomic factors also imposed pressure on NII's performance. Beginning in late 2011 and continuing throughout 2012 and 2013, uncertainty in worldwide economic conditions drove a significant decline in the value of the currencies in Latin America relative to the U.S. dollar — particularly in Brazil and Argentina. This had a significant effect on NII's reported results because nearly all of its revenues are earned in foreign currencies, while a significant portion of its capital and operating expenditures, including expenditures to purchase imported network equipment and handsets, and a substantial portion of its outstanding debt, are denominated in U.S. dollars. From 2011 to 2012, the depreciation of foreign currencies resulted in an

[24] Because iDEN does not support the data speeds typical of 3G networks, smart-phones simply were not manufactured to function on an iDEN network or to support PTT services.

[25] All but a very few handsets that function on iDEN networks do not function on other network platforms. Thus, when iDEN networks are deactivated, consumers with iDEN devices are unable to roam on the non-iDEN replacement networks, substantially reducing the geographic area in which consumers can use their iDEN handsets.

approximate 11% decrease in NII's consolidated operating revenues. From 2012 to 2013, the depreciation of foreign currencies resulted in an approximate 5% decrease in NII's consolidated operating revenues.

Similarly, economic growth in both Brazil and Mexico slowed significantly from 2010 and 2013. In Brazil, annual GDP growth fell from 7.5% in 2010 to 2.7% in 2011, to 0.9% in 2012 and recovered nominally to 2.3% in 2013. In Mexico, annual GDP growth fell from 5.1% in 2010 to 4% in 2011, to 3.8% in 2012 and to just 1.1% in 2013. This general economic slowdown in NII's two largest markets also impacted NII's profitability as slower economic growth dampened consumer demand for NII's services.

The combination of these conditions began to affect NII's financial results in 2011 and 2012. In 2011, NII generated consolidated operating revenue of $6.4 billion — an increase of more than $1 billion over consolidated operating revenues in 2010 — but experienced a decline in net income of over $100 million from 2010 to 2011, from $339 million to $225 million. In 2012, NII's consolidated operating revenue declined to $5.7 billion and it recorded a net loss of $765 million.

In addition, over the course of the last two years, NII has continued to experience increased competition and operational challenges in its markets, particularly in Brazil and Mexico, as the 3G Networks have been deployed. During the second half of 2013, these factors, and a failure to effectively execute plans to address them, continued to have a negative impact on NII's results, which was intensified by Sprint's decision to deactivate its iDEN network in the U.S. Because of the sharp influx of subscribers that were migrated to NII Mexico's 3G Network upon the deactivation of Sprint's iDEN network, customers experienced various network outages and increased dropped calls on NII Mexico's 3G Network. In addition, the deactivation of Sprint's iDEN network resulted in changes to the connections previously available between NII's customers and their contacts in the U.S., as well as changes in their ability to roam in the U.S., making NII Mexico's services less attractive to its subscribers who used their iDEN handsets both to communicate with Sprint iDEN customers using PTT and to communicate with both Sprint and NII Mexico iDEN customers when roaming in the U.S. These changes had an adverse impact on NII customers' experience using NII's services and created a negative perception of the 3G Network in Mexico. This, in turn, led to a loss of existing customers and a decrease in new customers, particularly customers living in areas near the border of Mexico and the U.S. As a result, (a) NII Mexico's operating revenues for the year ended December 31, 2014 declined year-over-year by 24% from $1.87 billion to $1.42 billion and (b) NII Mexico's segment earnings for the year ended December 31, 2014 declined year-over-year from $179.9 million in 2013 to segment losses of $90.5 million in 2014.

Similarly, to avoid network quality and go-to-market readiness concerns in Brazil, the launch of the 3G Networks there was delayed until late 2013 to ensure an optimized roll-out, leading to 2013 subscriber and revenue growth rates that were significantly lower than originally planned, although revenue and growth rates in Brazil have recovered somewhat since the 3G Network was launched. At the same time, NII Brazil continued to collect lower revenues as a result of the incentives it was required to provide to retain customers on its 2G Networks in the face of competition. As a result of these factors, as well as a continuing decline in the value of the Brazilian *real* relative to the U.S. dollar, (a) NII Brazil's operating revenues for the year ended on December 31, 2014 declined year-over-year by 16% from $2.21 billion to $1.85 billion, and (b) NII Brazil's segment earnings for the year ended December 31, 2014 declined year-over-year from $311.1 million in 2013 to segment losses of $133.7 million in 2014.

As a result of the various factors described above, and others described in the various SEC filings of NII Holdings, for the year ended December 31, 2014, NII recorded a net loss of $1.96 billion on consolidated operating revenues of $3.69 billion. As of December 31, 2014, utilizing unaudited book values, on a consolidated basis NII had assets of $5.4 billion and liabilities of $7.4 billion.

2. Mitigating Strategies and the Development of a Turnaround Plan

NII took a number of steps over the course of 2013 and 2014 to reduce its operating costs and realign its operations to be more efficient consistent with recent operating trends.

For example, NII undertook a comprehensive strategic review of its business with the help of various outside consultants and developed a plan to strengthen and improve NII's performance in its core markets of Brazil and Mexico while exploring possible strategic transactions with respect to its non-core operations.

Consistent with this approach, in August 2013, NII completed the sale of all of its outstanding equity interests of NII Peru to Empresa Nacional de Telecomunicaciones S.A. and one of its subsidiaries, Entel Inversiones S.A., for $406 million in cash, which included $50 million that was deposited in escrow on NII's behalf to satisfy potential indemnification claims.[~~26~~26]

In December 2013, NII signed agreements with Telefonica Moviles ("Telefonica"), under which Telefonica agreed to provide NII Brazil and NII Mexico with nationwide roaming voice and data coverage services on Telefonica's networks. This has allowed NII Brazil and NII Mexico to enhance their service offerings by expanding areas in which customers using NII's 3G Networks can access voice and data services without requiring the capital expenditures that would have been required in connection with the physical expansion of those networks.

To streamline operations and reduce its cost structure, NII re-evaluated the services provided by employees of NII Holdings to the Operating Companies. As part of this ongoing evaluation, NII has been in the process of migrating many of the services previously provided to the Operating Companies by employees of NII Holdings downstream to the Operating Companies themselves. As functions such as marketing strategy, vendor management and procurement were migrated to the Operating Companies, NII Holdings reduced its headcount at the Headquarters Office accordingly. Over the last two years, NII Holdings went from over 300 employees to 65 employees as of March 1, 2015. Since January 1, 2014, the Plan Debtors have reduced their workforce by approximately 172 employees.

NII also has implemented a number of cost-savings measures at the Operating Companies. For example, NII Brazil has, among other things: steadily reduced its headcount by over 1,700 employees over the past twenty-one months; begun the process of closing forty-eight under-performing locations; and renegotiated certain significant contracts. Similarly, NII Mexico has, among other things, reduced its workforce by approximately 1,100 employees over the last eleven months.

Finally, NII completed the sale of its operations in Chile in August. On August 14, 2014, NII's operations in Chile, which generated continuing losses, were sold to Fucata S.A., a *sociedad anónima* existing under the laws of the Oriental Republic of Uruguay ("Fucata"), for a de minimis amount. NII also continues to explore the possible sale of its operations in Argentina. Although NII Argentina, unlike NII Chile, was historically profitable, the unavailability of affordable spectrum suitable to support 3G technology combined with the implementation by the Argentinean government of capital controls and restrictions on repatriation of funds has negatively affected NII's ability to realize benefits, or repatriate any cash, from those operations. While NII has been focused on growing and improving its businesses in Brazil and Mexico, it has continued to explore a variety of options for those markets and various strategic transactions, including the sale of NII Mexico (the "Mexico Sale Transaction"), as further detailed below in Section III.H.3.

3. The Decision to File Chapter 11

Because of the difficulties experienced by the Operating Companies, including the impact of the overall decline in the size of the subscriber base and average revenue per subscriber, increased capital needs and slower than expected growth in customers on its 3G Networks, the Debtors determined in early 2014 that they would not have sufficient cash to continue making interest payments on the Prepetition Notes while continuing to fund the capital expenditures and operational needs of the Operating Companies.

[~~26~~26] To date, $9.5 million of the amount deposited in escrow has been released as a result of the settlement of certain indemnification claims, and remaining amounts will continue to be held in escrow to satisfy potential future indemnification claims.

In an effort to find a solution to their future liquidity issues, towards the end of the first quarter of 2014, the Debtors began to engage certain Holders of significant amounts of the Prepetition Notes (collectively, the "Cross-Holder Group") and their respective legal and financial advisors regarding a potential restructuring of the Prepetition Notes.

On March 4, 2014, Aurelius Capital Management, LP ("Aurelius") sent a letter to NII Holdings, Capco, NII Global, McCaw International Brazil, LLC, Airfone Holdings, LLC and Nextel International (Uruguay), LLC (the latter three Debtors, collectively, the "Transferred Guarantors") alleging that (a) the inter-company transfer of equity interests in the Transferred Guarantors in 2009 violated the terms of the indenture governing the 10% Capco Notes and the 8.875% Capco Notes, (b) the purported release of the Transferred Guarantors in 2009 from their guarantees of the 10% Capco Notes and the 8.875% Capco Notes was ineffective and such guarantees remain in full force and effect (Claims relating to and/or arising from the matters described in the immediately preceding clauses (a) and this clause (b) and relating to and/or arising from the intercompany transfer of equity interests of NII Mercosur, LLC and purported release of NII Mercosur, LLC from its guarantees of the 10% Capco Notes and the 8.875% Capco Notes on May 28, 2010, the "Transferred Guarantor Claims") and (c) certain intercompany transactions undertaken in connection with the issuance in 2013 of the Luxco Notes allegedly constituted fraudulent transfers. An additional letter was sent to interested Holders of Prepetition Notes by Aurelius on September 5, 2014 (together with the March 4, 2014 letter, the "Aurelius Letters"), containing additional allegations and potential claims. A more detailed discussion of these allegations and claims is set forth in Section IV.A below.

On March 19, 2014, Cede & Co., in its capacity as the Holder of record of the 8.875% Capco Notes, delivered on behalf of Aurelius, in its capacity as the beneficial owner of more than 25% of the 8.875% Capco Notes, to NII Holdings and Capco a notice of default (the "Aurelius Notice of Default") alleging that certain transactions undertaken by NII in 2009 described above violated the terms of, and gave rise to a default under, the 8.875% Capco Note Indenture.

On March 25, 2014, the Cross-Holder Group delivered to Wilmington Trust Company ("Wilmington Trust"), then-trustee under the 8.875% Capco Note Indenture, a purported waiver of the alleged defaults asserted in the Aurelius Notice of Default, which was effective for an initial 30-day period and later extended for an additional 45 days from April 23, 2014.[~~27~~27]

In an effort to avoid unnecessary litigation expenses and distract key personnel from focusing on NII's business and a holistic restructuring of the Prepetition Notes, in April 2014, the Debtors opened discussions with a group of Holders of Capco Notes (the "Capco Group") including Aurelius, regarding (a) the allegations in the March 4, 2014 Aurelius Letter and the Aurelius Notice of Default and (b) a potential restructuring of the Prepetition Notes.

While engaging in discussions and conducting diligence of NII, the Capco Group identified and raised certain additional issues that were not addressed in the March 4, 2014 Aurelius Letter or the Aurelius Notice of Default, including the Nextel Peru Claims and the Recharacterization Claims (each as described in Section IV.A below).

The advisors for the Cross-Holder Group and the Capco Group were provided with access to a data room containing a voluminous body of information and documentation relating to NII's operations, and the Debtors responded to, and participated in numerous meetings regarding, extensive diligence requests from such advisors. On June 18, 2014, certain of the Debtors, the Capco Group and the Cross-Holder Group entered into a forbearance agreement with respect to certain alleged defaults asserted by Aurelius in the Aurelius Notice of Default (the "Forbearance Agreement").

[~~27~~27] Because the Cross-Holder Group no longer owned or controlled over 50% of the 8.875% Capco Notes, further extension of this waiver was not sought and it was allowed to expire.

The Forbearance Agreement expired as of August 15, 2014, the same day on which NII publicly announced that it had elected not to pay $118.8 million in interest due on August 15, 2014 on certain of the Prepetition Notes, and entered a 30-day grace period with respect to such interest payments under the applicable indentures. Also, on August 15, 2014, NII publicly disclosed a broad array of information that was previously furnished to certain Holders of Prepetition Notes in the interest of fostering informed restructuring discussions. This information bears on many issues related to the Plan (including the Intercompany Claims described in Section IV.A) and remains available at the Investor Relations page of NII's website (www.nii.com) under "Bondholder Information."

At the same time that the Debtors were in discussions with the Cross-Holder Group and the Capco Group, NII commenced discussions with certain significant lenders of NII Brazil and NII Mexico regarding potential covenant relief or other modifications to the CDB Agreements and certain other local lending agreements of those operations. On June 27, 2014, CDB granted waivers to NII Brazil and NII Mexico, the borrowers under the CDB Agreements, of their obligations to maintain compliance, as of the calculation date of June 30, 2014, with certain financial covenants under the applicable CDB Agreements. In August 2014, NII Brazil, NII Mexico and CDB reached a preliminary agreement in principle regarding the terms of proposed amendments to the CDB Agreements. Since that agreement in principle was reached, NII Brazil, NII Mexico and CDB have entered into the definitive documentation for these amendments.

Similarly, prior to the Petition Date, NII engaged in discussions with NII Brazil's two major local lenders, Banco do Brasil S.A. ("BdB") and Caixa Econômica Federal ("Caixa"), regarding potential waivers and amendments to the terms of the credit agreements with these lenders (the "Brazilian Credit Agreements") that would address the financial covenants and amortization schedule under each agreement. These discussions have since resulted in NII Brazil's entry into standstill agreements with each of BdB and Caixa under which BdB and Caixa agreed that they would not seek remedies under the Brazilian Credit Agreements related to NII Brazil's failure to satisfy the financial covenants in the Brazilian Credit Agreements in the period before September 15, 2015 and that further principal repayment obligations due between the signing date and September 15, 2015 would be suspended. In addition, the standstill agreements formally commit BdB and Caixa to sign amendments once certain conditions are met that implement permanent amendments to the terms of the Brazilian Credit Agreements, including with respect to the financial covenants and principal repayment schedule for these loans.

Even as discussions with significant creditor constituencies were ongoing, and despite NII's best efforts to mitigate its losses and stabilize operations, NII Brazil and NII Mexico continued to experience a number of challenges in the first half of 2014 related to the various factors discussed above. For the nine months ended September 30, 2014, NII experienced a consolidated net loss of $1.4 billion on operating revenues of $2.8 billion. As of September 30, 2014, utilizing unaudited book values, on a consolidated basis NII had assets of $6.2 billion and liabilities of $6.5 billion. Accordingly, given continuing losses through the half-year that ended on June 30, 2014 and the expiration of the 30-day grace period during which NII could elect to make the August interest payments on the Prepetition Notes and cure any potential non-payment claims, and after engaging in extensive negotiations with the Cross-Holder Group[~~28~~28] and the Capco Group during the months leading up to the Petition Date, the Debtors determined to commence these Chapter 11 Cases to complete the negotiation of, and propose and confirm, a plan of reorganization.

III. THE CHAPTER 11 CASES

A. Voluntary Petitions

On September 15, 2014 (the "Petition Date"), certain of the Plan Debtors ~~(the "Original Debtors")~~ commenced these cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. On

[~~28~~28] Shortly prior to the commencement of the Chapter 11 Cases, a group of Holders of Luxco Notes withdrew from the Cross-Holder Group and retained separate advisors (the "Luxco Group").

October 8, 2014, the Transferred Guarantors and NII Mercosur, LLC also filed chapter 11 bankruptcy petitions in this District. On January 25, 2015, NIU Holdings LLC also filed a chapter 11 bankruptcy petition in this District. All of the Debtors' chapter 11 cases have been consolidated for procedural purposes only and are being administered jointly.

The Debtors have continued, and will continue until the Effective Date, to manage their properties as debtors-in-possession, subject to the supervision of the Bankruptcy Court and in accordance with the provisions of the Bankruptcy Code. An immediate effect of the filing of the Chapter 11 Cases was the imposition of the automatic stay under section 362 of the Bankruptcy Code, which, with limited exceptions, enjoined the commencement or continuation of: (1) all collection efforts by creditors; (2) enforcement of liens against any assets of the Plan Debtors; and (3) litigation against the Debtors.

B. First Day Relief

On the Petition Date, the Debtors filed a number of motions and other pleadings (the "First Day Motions"), the most significant of which are described below. The First Day Motions were proposed to ensure the Debtors' orderly transition into chapter 11.

The First Day Motions included:

- motions relating to case administration, joint administration and the use of Prime Clerk LLC as the Debtors' Notice and Claims Agent;
- a motion to confirm the protections of the automatic stay;
- a motion to approve the payment of certain employee wages and benefits;
- a motion relating to the continued use of the Debtors' existing cash management system;
- a motion for approval of the Debtors' payment of certain prepetition taxes;
- a motion for approval of the Debtors' ability to renew or extend its insurance policies and make related payments; and
- a motion to establish procedures for transfers of equity securities, and to establish a record date for notice and sell down procedures for trading in claims against the Debtors' estates.

The First Day Motions were granted with certain adjustments or modifications to accommodate the concerns of the Bankruptcy Court, the United States Trustee for the Southern District of New York (the "U.S. Trustee") and other parties in interest.[29]

C. Retention of Advisors for the Debtors

Soon after the commencement of the Chapter 11 Cases, the Debtors obtained Bankruptcy Court approval of the retention of (1) Jones Day as the Debtors' primary bankruptcy counsel; (2) Prime Clerk as their administrative advisor; (3) Alvarez & Marsal North America, LLC as restructuring consultant to the Debtors; (4) Rothschild, Inc. as their financial advisor and investment banker ("Rothschild"); (5) KPMG LLP as their auditor; (6) Deloitte Tax LLP as their tax advisor; (7) McKinsey Recovery & Transformation Services U.S., LLC as their turnaround advisor; and (8) Ernst & Young LLP to provide certain accounting services to the Debtors. NII Holdings also subsequently obtained approval for the retention of Togut, Segal & Segal LLP as

[29] The motion relating to the continued use of the Debtors' cash management system has been approved on an interim basis but has not yet been heard on a final basis.

conflicts counsel solely for NII Holdings and PricewaterhouseCoopers LLC to complete certain prior-year audits on behalf of the Debtors.

These applications were granted with certain adjustments or modifications to accommodate the concerns of the Bankruptcy Court, the U.S. Trustee, the Creditors' Committee, and other parties in interest. In connection with these applications, the Debtors sought and obtained approval to establish procedures for interim monthly compensation of professionals. The Debtors also sought and obtained approval to employ certain professionals not involved in the administration of the Chapter 11 Cases in the ordinary course of business.

D. The Creditors' Committee

On September 29, 2014, the U.S. Trustee appointed the Creditors' Committee in these Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code.

The Creditors' Committee as fully formed consists of the following seven members: (1) Wilmington Trust, National Association; (2) Capital Research and Management Company ("Capital Group"); (3) Aurelius Investment, LLC; (4) Wilmington Savings Fund Society, FSB; (5) American Tower do Brasil – Cessao de Infraestruturas Ltda.; (6) Motorola Mobility LLC; and (7) U.S. Bank National Association. Counsel to the Creditors' Committee is Kramer Levin Naftalis & Frankel LLP. The Creditors' Committee also retained FTI Consulting, Inc. ("FTI") as its financial advisor.

Since its appointment, the Creditors' Committee has been actively involved with the Debtors in overseeing the administration of the Chapter 11 Cases as a fiduciary for all unsecured creditors of all Debtors in these Chapter 11 Cases, and has consulted with the Debtors on various matters relevant to the Chapter 11 Cases. The Debtors have also discussed their business operations with the Creditors' Committee and their advisors and have negotiated with the Creditors' Committee regarding actions and transactions outside of the ordinary course of business. The Creditors' Committee has participated actively in reviewing NII's business operations, operating performance and business plan. The Creditors' Committee has also conducted an investigation into the Potential Litigation Claims described in Section IV and also actively participated in and negotiated the Settlement of the Potential Litigation Claims that are embodied in the Plan.

E. Further Motions and Related Events in the Chapter 11 Cases

Since the Petition Date, the Debtors have sought and obtained approval for a number of additional motions to aid in the efficient administration of the Chapter 11 Cases. These include: (1) approval to reject certain unexpired leases; (2) approval to establish certain notice, case management and administrative procedures; (3) approval to establish procedures for the sale, transfer or abandonment of miscellaneous and de minimis assets; and (4) approval of the Debtors' entry into an amendment to their Headquarters Office lease.

1. The KERP / KEIP Motions

On November 20, 2014, the Debtors sought approval of their Key Employee Retention Plan (the "KERP") developed prior to the Petition Date for twelve (12) of the Debtors' non-insider employees (the "Key Employees") who are critical to the Debtors' continued operation and a successful restructuring. Given recent and significant headcount reductions, the Debtors formulated the KERP to incentivize Key Employees, many of whom have unique institutional knowledge of the Debtors, to remain with the Debtors before, during and after these chapter 11 cases, both to ensure the Debtors' continued operation and to avoid the significant costs associated with obtaining and training replacements.

The KERP proposes to make retention payments to Key Employees over a two-year period, with the first payment being due the earlier of (a) the Effective Date of the Plan Debtors' approved Plan or (b) the one-year anniversary of the date the retention agreement was executed. The second payment is due one year from the first payment. The total cost of the KERP is expected to be $1.26 million, assuming there is no attrition among Key Employees. The KERP also proposes a small discretionary pool of not more than $250,000 in the aggregate for the Debtors' senior management to award as retention payments in their discretion or on an as-needed basis to prevent the attrition of non-insider employees that are not currently KERP participants. The Plan Debtors will likely assume the KERP agreements with the Key Employees in connection with the Plan.

The Creditors' Committee reviewed the terms of the KERP, the timing of the payments, the criticality of the Key Employees, and determined that the KERP was reasonable and appropriate under the circumstances. The Bankruptcy Court approved the KERP on December 10, 2014 [Docket No. 290].

On March 30, 2015, the Debtors filed a motion seeking approval of an amendment to the KERP to (a) include the participation of twenty-five (25) additional individuals (the "Additional Participants") in the KERP and (b) authorize payments to the Additional Participants [Docket No. 605] (the "KERP Amendment Motion"). The KERP Amendment Motion is scheduled to be heard on April 20, 2015.

On November 26, 2014, the Debtors filed a motion (the "KEIP Motion") seeking approval of (a) their Key Employee Incentive Plan (the "KEIP") for eight (8) of the Debtors' senior management employees (the "Senior Management Employees") who are responsible for implementing an aggressive business plan for NII's operations that is vital to a successful restructuring of the Plan Debtors' business, (b) cash bonus incentive payments for three (3) employees who were excluded from the relief sought in one of the First Day Motions with respect to the Cash Bonus Incentive Plan because of the possibility that they might be deemed "insiders" under the Bankruptcy Code and (c) potential severance payments to certain insider employees in the event that such employees are terminated postpetition. Subsequent to the filing of the KEIP Motion but prior to the Bankruptcy Court's approval of the same, the KEIP was modified to accommodate the concerns of the Creditors' Committee and certain other parties in interest.

As modified, the KEIP awards incentive payments to Senior Management Employees based on two components: (a) cash bonus incentive payments tied to the achievement of certain financial and operational metrics; and (b) a restructuring metric, the achievement of which provides an additional cash payment tied to (i) the timing of the Plan Debtors' restructuring and, to the extent applicable, (ii) a sale of all or a portion of the Debtors' assets based on the incremental value achieved for the asset(s) over the threshold value assigned to the asset(s) (the "Restructuring Metric"). The estimated total cost of the KEIP, assuming the achievement of target performance under each metric, would be approximately $8.62 million. On December 23, 2014, the Bankruptcy Court entered an order approving the modified KEIP [Docket No. 328].

2. The Stay of Prepetition Securities Litigation

On March 4, 2014, a purported class action lawsuit was filed against NII Holdings, Capco and certain of the Debtors' current and former directors and executive officers in the United States District Court for the Eastern District of Virginia on behalf of a putative class of persons who purchased or otherwise acquired the securities of NII Holdings or Capco between February 25, 2010 and February 27, 2014. The lawsuit is captioned *In re NII Holdings, Inc. Secs. Litig.,* Case No. 14-CV-227 (the "Securities Litigation"). On July 18, 2014, the parties that have been designated as the lead plaintiffs in the Securities Litigation filed a second amended complaint against only NII Holdings and three current and former officers, which generally alleges that the defendants made false or misleading statements or concealed material adverse information about NII Holdings' financial condition and operations in violation of Section 10(b), Rule 10b-5 and Section 20(a) of the Securities Exchange Act of 1934. The complaint seeks class certification and unspecified damages, fees and injunctive relief.

On September 22, 2014, the Securities Litigation was stayed pursuant to the filing of these Chapter 11 Cases [Docket No. 146]. On October 6, 2014, NII Holdings' and the individual defendants' motion to dismiss was denied [Docket No. 149], and the Securities Litigation is currently continuing as to the remaining individual defendants. On November 3, 2014, at the request of the parties, the court ordered that the case against the three individual defendants be stayed indefinitely [Docket No. 162], and on January 7, 2015, the court extended the stay until the earlier of May 22, 2015 or the Effective Date [Docket No. 166].

F. Plan Exclusivity

Upon commencement of these Chapter 11 Cases, Section 1121(d) of the Bankruptcy Code provided the Debtors with the exclusive right to file and solicit a chapter 11 plan through and including January 13, 2015 and March 14, 2015, respectively. The Bankruptcy Court granted an extension of the Debtors' exclusive periods in January 2015, granting the Debtors the exclusive right (i) to file a plan through and including April 13, 2015,

and (ii) solicit votes through and including June 12, 2015 [Docket No. 375]. The Debtors requested this extension to give them sufficient time to, among other things, reach accord with the major parties in interest on a consensual plan and pursue confirmation of such a plan of reorganization.

On April 1, 2015, the Debtors filed a motion seeking a further extension of the exclusive right (i) to file a plan through and including July 13, 2015, and (ii) solicit votes through and including September 10, 2015, without prejudice to the Debtors' right to seek further extensions of such periods [Docket No. 610] (the "Exclusivity Motion"). The Exclusivity Motion is scheduled to be heard on April 15, 2015.

G. Claims Process and Bar Date

On October 15, 2014 the Debtors filed their Schedules identifying the assets and liabilities of their Estates. On October 31, 2014 the Transferred Guarantors and NII Mercosur, LLC filed their Schedules identifying the assets and liabilities of their Estates, and certain of the Debtors also filed amended Schedules. In addition, pursuant to an order dated November 13, 2014 [Docket No. 218] (the "Bar Date Order"), the Bankruptcy Court established the following bar dates for the filing of Proofs of Claim in these Chapter 11 Cases:

1. the general bar date (the "General Bar Date") for all Claims, except as noted below, of December 23, 2014;

2. a bar date for government units holding Claims against the Debtors of April 6, 2015;

3. a bar date for Claims amended or supplemented by the Debtors' amended Schedules by the later of (a) the General Bar Date; and (b) the date that is thirty (30) days after the date that notice of the applicable amendment to the Schedules is served on the claimant;

4. a bar date for any claims arising from or relating to the rejection of executory contracts or unexpired leases, in accordance with section 365 of the Bankruptcy Code and pursuant to an order of the Bankruptcy Court entered prior to the confirmation of the (any such order, a "Rejection Order"), the later of (a) the General Bar Date and (b) the date that is thirty (30) days after the entry of the applicable Rejection Order; and

5. a bar date for Claims against Nextel International (Uruguay), LLC ("NIU") relating to or arising from any grant by NIU from and after the Petition Date applicable to NIU of a lien on or security interest in any of its property must file a Proof of Claim in writing so that such proof of claim is actually received on or before the later of (a) the General Bar Date and (b)(i) the date that is thirty (30) days after the date on which the documents creating and perfecting such lien or security interest are delivered to such entity as authorized by an order of the Bankruptcy Court or (ii) in the event no such order is granted, such other date as the Bankruptcy Court will determine.

The Debtors provided notice of the bar dates above as required by the Bar Date Order. To date, Proofs of Claim for approximately ~~183~~192 General Unsecured Claims have been Filed against the Debtors, totaling approximately $~~51,587,005~~60,867,570.79. The Plan Proponents expect ~~new and~~ amended Proofs of Claim to be Filed in the future, including amended Proofs of Claim originally Filed with no designated value. To date, the Debtors have filed five omnibus objections to certain Claims [Docket Nos. 462, 463, 464, 465 and 466], including objections seeking to disallow and expunge certain Claims and objections seeking to modify or reclassify certain Claims.

H. Exploration of Strategic Alternatives and Asset Sales

As discussed in Section II.C.2 above, prior to the Petition Date, NII explored the possible sale of its operations in Argentina and a variety of options for its operations in Brazil and Mexico, including various strategic transactions. These efforts continued postpetition.

1. NII Argentina

Prior to the Petition Date, NII Holdings retained Citigroup as a financial advisor in connection with the possible sale of NII Argentina and, since the first quarter of 2013, NII Holdings and Citigroup have contacted over 20 potential purchasers. These potential purchasers included both financial and strategic buyers for NII Argentina. Following these initial communications, approximately 13 of the 20 potential purchasers signed nondisclosure agreements and were provided access to an extensive electronic data room that was specifically created for the NII Argentina sale process.

The Debtors received non-binding proposals to purchase NII Argentina from eight of the 13 parties that received access to the data room.

A unique set of factors has affected the applicable Debtors' ability to reach an agreement relating to the sale of NII Argentina including the status of the Argentine economy, the impact of Argentina's recent default on sovereign debt and deterioration in the value of the Argentine peso. In addition, the sale of NII Argentina requires approval by the Argentine telecommunications regulatory agency. Accordingly, while the Debtors continue to explore the possible sale of NII Argentina including by continuing to evaluate the proposals that have been received and in some cases engage in negotiations with the parties making them, the Debtors have not entered into a definitive agreement to sell NII Argentina as of the date of this Disclosure Statement, and there is no assurance that the Debtors or Reorganized Debtors will sell NII Argentina in the future.

2. NII Brazil and NII Mexico

The Debtors have been engaged in an effort to explore the sale of their businesses, including a sale of NII Brazil and NII Mexico, since early 2014. In connection with these efforts, NII Holdings retained UBS Securities LLC ("UBS") as a financial advisor in the first quarter of 2014 to explore and advise the company on potential strategic opportunities, including a potential sale of NII Brazil and/or NII Mexico. The Debtors and UBS developed a list of more than 50 potential purchasers and solicited initial interest in a sale transaction of the Debtors' businesses. These potential purchasers included both financial and strategic buyers. Following these initial communications, approximately six parties executed nondisclosure agreements and were provided access to an extensive electronic data room that was specifically created for the sale of the Debtors' businesses.

The Debtors and UBS engaged in preliminary discussions with five potential purchasers. However, such discussions never moved to a formal offer or indication of intent from any of the prospective purchasers prior to the Petition Date.

Following the commencement of these cases, the Debtors renewed their efforts to explore the possible sale of one or more of their businesses with the assistance of Rothschild. Rothschild launched a formal sale process on September 22, 2014, pursuant to which it ultimately contacted 35 potential purchasers. This included all of the parties that had expressed some interest in the prepetition process run by UBS, as well as a number of new potential strategic and financial purchasers.

The deadline for potential purchasers to submit offers in connection with the Debtors' postpetition sale efforts was October 23, 2014. By that time, the Debtors received one indication of interest with respect to the sale of NII Mexico, as further described below. The Debtors ultimately received no offers in connection with the potential sale of NII Brazil.

3. Mexico Sale Transaction

The Debtors continued to negotiate with the potential purchaser of NII Mexico following the receipt of its initial indication of interest on the terms of the proposed purchase price and the other terms of agreement and ultimately reached agreement on the definitive terms of such a transaction.

On January 26, 2015, Debtor NII Holdings publicly announced that it had reached an agreement relating to the sale of the company's operations in Mexico pursuant to a Purchase and Sale Agreement (the "Purchase Agreement") with an affiliate of AT&T (the "Purchaser") for $1.875 billion, which will be subject to higher or otherwise better offers (the "Mexico Sale Transaction"). On January 26, 2015, the Debtors

also filed the Notice of Support Stipulation [Docket No. 398] (the "Support Stipulation"), whereby certain of the parties to the Plan Support Agreement stated their support of the Mexico Sale Transaction.

On January 27, 2015, the Debtors filed the Motion of Debtors and Debtors in Possession for (I) an Order (A) Approving Bidding Procedures for the Sale of NII Mexico, (B) Approving Bidder Protections and (C) Scheduling a Final Sale Hearing and Approving the Form and Manner of Notice Thereof; and (II) an Order (A) Authorizing the Sale of NII Mexico Free and Clear of Liens, Claims, Interests and Encumbrances, (B) Dismissing the Bankruptcy Case of Nextel International (Uruguay), LLC and (C) Granting Related Relief [Docket No. 408] ~~(the "Sale Motion")~~ seeking approval of the Mexico Sale Transaction pursuant to section 363 of the Bankruptcy Code and other relief, including the dismissal of the Chapter 11 Case of NIU and the assignment of Claims against NIU to Debtor NIU Holdings LLC.

On February 17, 2015, the Bankruptcy Court approved the bidding procedures related to the ~~NII~~ Mexico Sale~~. The deadline for submission of initial indications of interest was March 11, 2015. No initial indications of interest were received at that time. The deadline for submission of bids is set for~~ Transaction [Docket No. 472] (the "Bidding Procedures Order"). The Bidding Procedures Order established March 17, 2015~~. An~~ as the deadline for submission of Qualified Bids (as defined in the Bidding Procedures Order). No Qualified Bids were received by that time, and accordingly, the Debtors cancelled the auction ~~(if necessary) is set for~~on March 17, 2015 [Docket No. 539].

~~March 20, 2015 and a hearing on the Sale Motion is set for~~On March 23, 2015~~. The NII~~, the Bankruptcy Court entered an order approving the Mexico Sale Transaction [Docket No. 575] (as such order may be amended from time to time, the "Mexico Sale Order"). The Mexico Sale Transaction is scheduled to close no later than June 30, 2015, but may be extended under certain conditions to September 30, 2015. The consummation of the Mexico Sale Transaction is a condition to the ~~effectivenss~~effectiveness of the Plan.

I. Nextel International Share Pledge Motion

As discussed in Section IV.I.1 below, on February 4, 2015, the Debtors filed the Nextel International Share Pledge Motion (the "Share Pledge Motion") seeking Bankruptcy Court approval to enter into the Share Pledge Agreement (as defined below). On February 25, 2015, the Bankruptcy Court entered an order approving the Share Pledge Motion.

J. DIP Loan Motion

On March 5, 2015, the Debtors filed a motion seeking authorization by the Bankruptcy Court to enter into a debtor-in-possession bridge financing agreement (the "DIP Loan Motion"). The DIP Loan Motion ~~requests~~requested Bankruptcy Court approval ~~of~~ of a secured superpriority single-draw term loan facility in an aggregate principal amount of $350 million (~~which will include~~with the net proceeds reflecting original issue discount) (the "~~Bridge~~DIP Loan"), 100% of which ~~will~~was to be drawn on the closing date of the DIP Loan. On March 23, 2015, the Bankruptcy Court entered an order approving the DIP Loan Motion [Docket No. 573], and the DIP Loan was drawn on March 24, 2015. The members of the Luxco Group ~~have committed to provide~~provided 65.00% of the DIP Loan, with Capital Group and Aurelius ~~committing to provide~~providing 20.56% and 14.44% of the DIP Loan, respectively. The DIP Loan matures at the earliest of (i) the date that is 12 months after the entry of the order approving the DIP Loan Motion, (ii) no later than the second business day following the consummation of the Mexico Sale Transaction, (iii) the Effective Date and (iv) acceleration of the DIP Loan facility.

The DIP Loan is the result of a robust and arms'-length marketing process designed to attract multiple financing proposals from a focused set of lenders with the sophistication and capacity to provide the Debtors with substantial financing in a relatively short period of time. This process was also geared towards promoting competition and obtaining financing on the best terms available to fit the Debtors' anticipated needs. The Debtors and Rothschild sought proposals from 16 potential financing sources, which included both third party lenders and certain of the Debtors' existing constituents. The Debtors received three proposed commitment letters and related term sheets for possible debtor-in-possession financing, two from third party lenders, and one

from the Luxco Group, which was joined by Aurelius and Capital Group. Ultimately, the Debtors determined that the DIP Loan provided by the Luxco Group, Aurelius and Capital Group was the most favorable offer.

~~A hearing on the DIP Loan Motion is set for March 23, 2015.~~

K. Plan Support Agreement

On March 5, 2015 the Consenting Noteholders and the Plan Proponents entered into the Plan Support Agreement. On March 5, 2014, the Debtors filed a notice of filing of the Plan Support Agreement and Plan Term Sheet [Docket No. ~~249~~506]. In addition to outlining the main terms of the Plan and the resolution of the complex legal issues and potential litigation Claims raised by creditors, the Plan Support Agreement also provides a number of relevant milestones that must be satisfied, including:

- not later than March 24, 2015, the Bankruptcy Court must have entered an order approving the Mexico Sale Transaction;
- not later than April 20, 2015, the Bankruptcy Court must have entered an order approving this Disclosure Statement;
- not later than June 3, 2015, the Bankruptcy Court must have held the Confirmation Hearing;
- not later than June 12, 2015, the Bankruptcy Court must have entered the Confirmation Order;
- not later than June 26, 2015, the Effective Date must have occurred, unless the only remaining condition to the Effective Date is the completion of the Mexico Sale Transaction and the only remaining conditions to the completion of the Mexico Sale Transaction are the receipt of all governmental approvals for the Mexico Sale Transaction and the completion of deliveries that are required to be made at the closing of the Mexico Sale Transaction by the respective parties to the Purchase Agreement; and
- not later than September 30, 2015, the Mexico Sale Transaction must be consummated.

In the event that any of these milestones are not satisfied, the Creditors' Committee and each of the Requisite Consenting Noteholders may terminate its support of the Plan and the Plan Term Sheet.

On March 24, 2015, the Debtors filed a motion seeking authorization by the Bankruptcy Court to enter into the Plan Support Agreement [Docket No. 590] (the "PSA Motion"). The PSA Motion is scheduled to be heard on June 3, 2015.

IV. POSTPETITION PLAN NEGOTIATIONS

A. The Potential Litigation Claims

As discussed in more detail above, prior to the Petition Date, Aurelius sent the Aurelius Letters to the Debtors and to Holders of Prepetition Notes (disseminated through major trading desks) identifying certain potential litigation claims that it believed could be asserted against one or more of the Debtors. The Claims identified in the Aurelius Letters, as well as certain additional inter-debtor Claims later identified by the Capco Group and/or other parties in interest, including the Nextel Peru Claims and the Recharacterization Claims (collectively, the "Potential Litigation Claims"), can be broadly broken down into the following three categories:

1. Avoidance Claims

The first group of Potential Litigation Claims consists of certain claims and causes of action that could be asserted (a) against any of the Plan Debtors by any other Debtor and (b) against any non-debtor subsidiary of any of the Plan Debtors by any of the Plan Debtors, including, without limitation, claims and causes of action

pursuant to chapter 5 of the Bankruptcy Code (the "Avoidance Claims"). The Avoidance Claims include, but are not limited to, claims to avoid and/or recover the following:

- NII Holdings' guarantees of the Luxco Notes;
- Capco's agreement to subordinate its $644 million loan receivable from Luxco (the "Capco Intercompany Note") to the Luxco Notes;
- the release or transfer of intercompany receivables or obligations (the "2013 Intercompany Claims") by various Plan Debtors that had been owed to them by other Plan Debtors or Non-Debtor Affiliates, including approximately (a) $614 million of receivables owed to NII Holdings by NII Brazil and transferred to Luxco in February 2013 and (b) $48 million owed to NII Holdings, NIS and NII Funding Corp. from McCaw International (Brazil), LLC; and
- the release or transfer in April 2013 by NIS and NII Holdings of approximately $93 million in intercompany receivables owed to them by Nextel del Peru S.A. (the "Nextel Peru Claims").

2. Recharacterization Claims

Another category of the Potential Litigation Claims are claims to recharacterize as equity the intercompany obligations existing between a Debtor and another Debtor or between a non-Debtor subsidiary of NII Holdings and a Debtor outstanding as of the Petition Date (the "Recharacterization Claims" and, together with the Avoidance Claims, the "Intercompany Claims"). The Recharacterization Claims include, but are not limited to, the following:

- the 2013 Intercompany Claims;
- the Capco Intercompany Note;
- the Nextel Peru Claims;
- $19.6 million owing from NII Brazil to NII Holdings and NIS; $151.8 million owing from NII Mexico to NII Holdings, NIS and NII Funding Corp.; and $16.4 million owing from NII Argentina to NII Holdings, NIS and NIS Funding Corp.;
- $3.06 billion owing from NII Holdings to Capco;
- $788 million owing from NIS to NII Holdings;
- $214 million owing from NII Funding to NII Holdings; and
- certain other intercompany claims owed to Luxco, including intercompany notes owing from NII Brazil to Luxco in the aggregate principal amount of $1.38 billion.

3. The Transferred Guarantor Claims

The third category of Potential Litigation Claims is the Transferred Guarantor Claims, which include Claims alleging that (a) various components of the inter-company transfers (the "2009 Transfers") of equity interests of the Transferred Guarantors in 2009 violated the terms of the indentures (the "2009 NII Capital Notes Indentures") governing the 10% Capco Notes and the 8.875% Capco Notes (the "2009 NII Capital Notes"); and (b) the purported releases of the Transferred Guarantors in 2009 from their guarantees of the 2009 NII Capital Notes were ineffective and such guarantees remain in full force and effect or, alternatively, should be reinstated.

Specifically, in December 2009, all the outstanding equity interests in McCaw International (Brazil), LLC and NIU, originally held as subsidiaries of NII Holdings, were transferred through a series of inter-company transactions, to Capco, NII Global, then to International Holdings, and then to Luxco. Holders of the

Transferred Guarantor Claims have alleged that the transfer from NII Global to International Holdings violated Section 10.04 of the 2009 NII Capital Notes Indentures, which sets forth the circumstances under which a guarantor of the 2009 NII Capital Notes (a "2009 NII Capital Notes Guarantor") (here, NII Global) may dispose of substantially all of its assets. While not raised in the Aurelius Letters, it could also be argued that the initial transfer of assets from NII Holdings violated Section 5.01 of the 2009 Capital Notes Indentures, which sets forth the circumstances and conditions under which NII Holdings may transfer substantially all of its and its Restricted Subsidiaries' assets. In March 2010, supplemental indentures to the 2009 NII Capital Notes Indentures pertaining to the 2009 Transfers were entered into by Capco and the then-existing Indenture Trustee evidencing the purported releases of the guarantees of the 2009 NII Capital Notes by the Transferred Guarantors on the ground that the 2009 Transfers had caused the Transferred Guarantors to become "Foreign Restricted Subsidiaries," leading to a release of their guarantees pursuant to Section 10.05(a)(v) of the 2009 NII Capital Notes Indentures. The supplemental indentures were publicly filed with the SEC in March 2014. It is alleged that, pursuant to the terms of these 2009 NII Capital Notes Indentures, the 2009 Transfers' compliance with the relevant terms of the 2009 NII Capital Notes Indentures was a condition to a valid release of the guarantees under Section 10.05; that the 2009 Transfers did not comply with Sections 10.04 and 5.01; that the purported releases of the Transferred Guarantor's guarantees of the 2009 NII Capital Notes was therefore ineffective; and that the guarantees remain in full force and effect or, alternatively, should be reinstated.

In the months since the Debtors' receipt of the Aurelius Letters, Jones Day has reviewed tens of thousands of documents and e-mails and conducted interviews of numerous employees of the Debtors in connection with its own analysis regarding the merits of the Potential Litigation Claims. The Plan Debtors have used Jones Day's analysis of the Potential Litigation Claims in their efforts to negotiate a consensual restructuring as discussed in Section IV.C below.

B. Committee Investigation of Potential Litigation Claims

Immediately after its appointment, the Creditors' Committee commenced a comprehensive investigation into the merits of each of the Potential Litigation Claims discussed above. The Debtors — and each of the creditor constituencies — urged the Creditors' Committee to conduct a thorough and independent investigation into the Potential Litigation Claims on an expedited timeframe in light of the constraints on the Debtors' businesses if the bankruptcy cases were prolonged. In furtherance of its investigation, on October 9, 2014, the Creditors' Committee delivered an informal document request to the Debtors, seeking the documents and e-mails relating to each of the Potential Litigation Claims, and the events surrounding those claims.

Over the course of approximately 45 days, the Creditors' Committee conducted its investigation, during which the professionals for the Creditors' Committee reviewed and analyzed thousands of pages of documents made available by the Debtors, as well as tens of thousands of documents and e-mails provided voluntarily by the Debtors in response to the Creditors' Committee's informal document request. To facilitate its investigation, professionals for the Creditors' Committee met with each of the potential parties to litigation surrounding the Potential Litigation Claims on multiple occasions — including lengthy meetings and calls with representatives of and advisors to the Debtors, Aurelius, Capital Group, and the ad hoc group of holders of the Luxco Notes (the "Luxco Group") in early October and again in early November. For purposes of furthering its understanding of the Debtors' solvency and capitalization, together with the historical, business, and legal relationships among the Debtors and Non-Debtor Affiliates, the Creditors' Committee retained FTI to assist its counsel in this analysis.

Based on its analysis of each of the Potential Litigation Claims, the professionals for the Creditors' Committee determined that litigation of the Potential Litigation Claims would be lengthy, expensive and complex, with an ultimately uncertain outcome. As discussed below, certain of the Potential Litigation Claims — including the potential fraudulent conveyance and recharacterization claims — are also highly fact-based and would require significant evidence and expert testimony if brought to trial.

The professionals for the Creditors' Committee presented their views relating to the Potential Litigation Claims to the Creditors' Committee on November 12, 2014. Among other things, the Creditors' Committee used its professionals' analysis of the Potential Litigation Claims in negotiating a consensual restructuring as discussed in Section IV.C below.

C. The Settlement and the Plan Support Agreements

As discussed above in Section II.C.3, beginning in the spring of 2014, the Debtors actively engaged in good-faith negotiations with certain Holders of significant amounts of the Prepetition Notes (including Aurelius, Capital Group and the Luxco Group) and their advisors to negotiate the terms of a restructuring proposal that could form the basis of a confirmable chapter 11 plan. In order for the Debtors' various competing creditor constituencies to understand the scope and complexity of both the Debtors' businesses, including current operations and expected future financial performance, as well as the Potential Litigation Claims, the principals of Aurelius and Capital Group and their advisors, as well as the advisors to the Luxco Group, were provided with access to a data room containing a voluminous body of information and documentation relating to NII's operations, and the Debtors, Rothschild and Jones Day responded to, and participated in numerous meetings regarding, extensive diligence requests from such advisors. In addition, multiple in-person meetings were held at the offices of Rothschild and Jones Day in New York with various professionals and representatives of such Holders, and the parties engaged in near constant communications via telephone and email over the terms of a potential restructuring in the months leading up to the Petition Date.

These extensive negotiations continued during the several months since the Petition Date. Such negotiations included the exchange of multiple plan term sheets and settlement proposals. All groups were made aware that the Plan Debtors were pursuing simultaneous negotiation tracks, with the goal that the groups' awareness of the parallel negotiations would push each group towards a deal more favorable to, and inuring to the ultimate benefit of, the Plan Debtors' estates as a whole. Further, given Capital Group's substantial holdings across different series of the Notes, it played an important role in negotiations and remains a key constituency whose support is needed to move forward with any restructuring given the voting and acceptance requirements in section 1126 of the Bankruptcy Code. In addition, the Creditors' Committee joined in these discussions after its formation, with its participation in negotiations informed by its ongoing investigation. The role of the Creditors' Committee in attempting to broker a deal and facilitate due diligence has been particularly important given that the members of the Creditors' Committee represent a cross section of holders of Notes, as well as other important unsecured creditor constituencies in the Plan Debtors' bankruptcy cases.

In November 2014, after nearly nine months of ongoing, intense negotiations, the Plan Proponents, Capital Group and Aurelius reached an agreement in principle on the material terms of a plan of reorganization (the "Initial Plan"), as set forth in a plan term sheet (the "Initial Plan Term Sheet"). Jones Day and Rothschild concluded and recommended to the Debtors' and the NII Holdings' board of directors and, separately, the board of managers of International Holdings (in its capacity as the sole manager of Luxco) (the "Board of Managers") that the Initial Plan Term Sheet represented the best path forward.

In order to reach agreement on the Initial Plan Term Sheet, the parties extensively analyzed and compared the Initial Plan Term Sheet to other restructuring proposals, including proposals that would have preserved the Potential Litigation Claims to be resolved until after the Effective Date of the plan (an "all reserve" plan), partial-reserve plans and plans involving various litigation and arbitration alternatives. To conduct this analysis, Jones Day and Rothschild coordinated multiple working sessions with the advisors and principals of Aurelius, Capital Group and the Luxco Group, as well as advisors to the Creditors' Committee, to assist parties in understanding the workings of the financial waterfall model, including the impact on plan distributions based on the waterfall model that would flow from a variety of potential outcomes if some or all of the Potential Litigation Claims were litigated to conclusion. These discussions also considered the impact that the creation of a litigation reserve relating to the Potential Litigation Claims would potentially have on creditor recoveries in these Chapter 11 Cases and the operation of the businesses of the Plan Debtors and the Operating Companies.

To memorialize their respective commitments to support the Initial Plan Term Sheet and to undertake the necessary steps to implement the Initial Plan, on November 24, 2014, certain creditors, including Capital Group and Aurelius, and the Plan Proponents entered into a plan support agreement (the "Initial Plan Support Agreement"). On December 22, 2014, the Debtors filed a motion seeking approval of the Initial Plan Support Agreement [Docket No. 320] as well as the initial version of this Disclosure Statement [Docket No. 323] and the Initial Plan [Docket No. 322].

However, because the transactions contemplated pursuant to the Mexico Sale Transaction have altered the economics and structure of the terms of the Initial Plan Term Sheet and Initial Plan, the Debtors exercised their right to terminate the Initial Plan Support Agreement, and re-engaged with all of their major stakeholders in an effort to gain support for consensual modifications to the Initial Plan that would allow the Plan Debtors to emerge from chapter 11. These subsequent negotiations resulted in the Plan Term Sheet, which enjoys the support of the parties to the Initial Plan Support Agreement as well as the Luxco Group and encompasses a fully consensual, global settlement, as discussed below.

To memorialize their respective commitments to support the Plan Term Sheet and to undertake the necessary steps to implement the Plan, on March 5, 2015 the Consenting Noteholders and the Plan Proponents entered into the Plan Support Agreement. On March 5, 2014, the Debtors filed a notice of filing of the Plan Support Agreement and Plan Term Sheet [Docket No. 249].

Ultimately, the Plan Proponents concluded that the Plan Term Sheet represented the best path forward, not only because such agreement was supported by the Plan Debtors, the Creditors' Committee, and important creditor constituencies consisting of holders of over 70% in amount of the Capco Notes and approximately 72% in amount of the Luxco Notes, but also, importantly, because it reflects a consensual resolution of a number of complex intercreditor issues.

The Plan Term Sheet includes significant concessions by the Luxco Group, including, but not limited to, the relinquishment of their claims for accrued postpetition interest on their Luxco Note Claims and of the right to receive a greater proportion of their recoveries from the cash proceeds of the Mexico Sale Transaction and any additional recovery on account of their Claims in the event ~~of an Overbid.~~that the Debtors accepted a higher and better offer for the Mexico Sale Transaction pursuant to the auction.[30] In addition, the Plan Term Sheet contemplates the complete and final settlement of the Potential Litigation Claims, eliminating the cost of such litigation, as discussed in more detail below. As a result, unlike certain alternative structures that had been discussed during the course of the negotiations, the Plan Term Sheet eliminates the prospect of protracted litigation and significant uncertainty and delay resulting from such litigation.

Among other things, the Plan Term Sheet includes a comprehensive and integrated settlement of certain of the Potential Litigation Claims (the "Settlement"), as follows:

- ***Avoidance Claims***. As a compromise of any and all Avoidance Claims, the Settlement will result in the recoveries to creditors of the various Plan Debtors being calculated as if 25% of the transfers underlying the Identified Avoidance Claims were avoided.

- ***Recharacterization Claims***. The Settlement will result in the recoveries to creditors of the various Plan Debtors being calculated as if 25% of the Recharacterization Claims are recharacterized as equity, with the remaining 75% of such obligations treated as unsecured debts against the obligors. However, the Settlement provides that the Capco Intercompany Note will be treated entirely as debt, but that the claim to avoid the subordination of the Capco Intercompany Note will be resolved in accordance with the terms of the Settlement pertaining to Avoidance Claims. In addition, if a Claim is subject to both Avoidance Claims and Recharacterization Claims, there is a compounding effect on such a Claim resulting from the Settlement.

- ***Transferred Guarantor Claims***. The Settlement will result in the recoveries to Holders of Transferred Guarantor Claims being calculated as if 21% of the guarantees of the Transferred Guarantors above remained in full force and effect.

[30] As described in greater detail above, the Debtors did not receive any competing bids for the Mexico Sale Transaction and cancelled the auction.

The Settlement will be proposed and effectuated through the Plan, pursuant to Bankruptcy Code section 1123(b)(3) and Bankruptcy Rule 9019. Bankruptcy Rule 9019(a) provides that, "[o]n motion by the trustee, after notice and a hearing, the court may approve a compromise or settlement." Fed. R. Bankr. P. 9019. Bankruptcy courts exercise their oversight role by only approving compromises and settlements that are fair and equitable, in the best interest of the debtor's estate, and fall above the "lowest point in the range of reasonableness." As discussed in detail below, the Settlement — as an integrated compromise of the Potential Litigation Claims as well as other Plan-related issues — is well within the range of reasonableness and is fully supported by the Plan Proponents and the Consenting Noteholders. In addition, as discussed in further detail in Section IV.G below, the Settlement has been evaluated and approved by the Independent Manager (as defined below).

D. Rationale for the Settlement; Governing Standards for Potential Litigation Claims Absent Settlement

As described above, the Plan Proponents have spent months investigating and reviewing the Potential Litigation Claims. The Plan Proponents have reviewed and analyzed tens of thousands of documents and e-mails relevant to the Potential Litigation Claims through a robust and cooperative informal discovery process and have spent countless hours in discussions regarding the Settlement. Through numerous meetings between and among the Plan Proponents as well as the respective advisors for the various noteholder constituencies, each of the Plan Proponents not only have formed their own views of the merits of the various claims, but also heard the various legal views of the advisors to the various other creditor constituencies in these Chapter 11 Cases in an attempt to bring forth a global resolution of the Potential Litigation Claims.

Through this analysis, the Plan Proponents understand that the legal standards and factual issues surrounding each of the Potential Litigation Claims render them inherently complex, and the litigation of any one of these Potential Litigation Claims could result in lengthy and potentially prohibitively expensive litigation. As a result, each of the Plan Proponents believes that the Settlement of the Potential Litigation Claims pursuant to the Plan constitutes a reasonable compromise of complex disputes, will avoid the significant expense and delay that would have been incurred had the Potential Litigation Claims been litigated and will allow the Plan Debtors to exit bankruptcy efficiently and without the uncertainty attendant to litigation of these disputes as described in further detail below.

1. Avoidance Claims

Fraudulent transfer actions may be brought under section 548 of the Bankruptcy Code, and state law causes of action under fraudulent transfer theories may be brought pursuant to section 544(b) of the Bankruptcy Code. While the precise analysis of state law causes of action for both actual and constructive fraudulent transfer claims varies by state, certain general principles are set forth below.

An actual fraudulent transfer will be found where a transfer of property is made or an obligation is incurred with actual intent to hinder, delay or defraud present or future creditors. Actual intent often is proven by pointing to certain "badges of fraud" which include, but are not limited to: (a) a close relationship between the parties to the transaction; (b) lack or inadequacy of consideration; (c) knowledge of the transferor's inability to satisfy liabilities; and (d) retention of control over property after the transfer.

A constructive fraudulent transfer will be found where: (a) a transfer of property was made or an obligation was incurred for less than reasonably equivalent value; and (b) the transferor either (i) was insolvent at the time or was rendered insolvent as a result of such transfer, (ii) was left with unreasonably small capital as a result of the transfer or (iii) intended to or believed it would incur debts beyond its ability to pay as they matured.

The adjudication of the Avoidance Claims would have been a very fact-intensive undertaking. An analysis and litigation of the Avoidance Claims would have necessarily involved an analysis of the solvency and/or capitalization of the transferors (namely, NII Holdings and Capco, as applicable), as well as the value, if any, transferred or received in the applicable transactions. The solvency prong of this analysis would have required significant discovery into the Debtors' businesses at the time of each of the transactions, and would

have necessarily involved the use of experts — by both those prosecuting and defending the Avoidance Claims — to testify regarding the solvency or insolvency of the applicable Debtor entities. Because it would have likely been so fact-dependent, solvency litigation in connection with the Avoidance Claims would likely have been hotly contested, as the litigants could have opted to employ different tests to establish their position regarding the solvency of the relevant Debtors, including (a) the balance sheet test, analyzing whether an entities' liabilities exceed the market value of its assets, (b) the cash flow test, analyzing whether an entity is paying its debts as they become due, and (c) the capital adequacy test, analyzing whether the entity has adequate capital to operate its business. In addition, even within the balance sheet test, the litigants' experts could have employed different methodologies for establishing solvency, including, among others, the "income approach," or a discounted cash flow analysis, a "market approach" using data available from the market, or an "asset-based" approach. Competing approaches would have had to be reconciled by the court to determine whether an entity was solvent or insolvent at the time of the applicable transfer. Accordingly, the solvency analysis would have been complex and likely would have resulted in prolonged and expensive litigation.

If the adjudicating court ultimately found that the applicable transferor was insolvent or undercapitalized at the time of the relevant transaction, the party pursuing the Avoidance Claims would have also been required to establish that no reasonably equivalent value was given in exchange for the transfer. Because the Avoidance Claims are inter-debtor in nature and involve "downstream" transfers or guarantees (i.e., a transfer or guarantee from a parent entity to its subsidiary), the Avoidance Claims would have become increasingly complex in part because the court may have applied a rebuttable "presumption" that a transfer to a solvent subsidiary is made for reasonably equivalent value. In that event, the solvency of Luxco and/or any other transferees would necessarily have become an issue in any litigation of the Avoidance Claims. Adding yet another layer of complexity would have been the existence of any "intermediate" subsidiaries between the transferor and the transferee. Parties pursuing the Avoidance Claims could have claimed that, if such intermediate subsidiaries were insolvent, this would have rebutted or rendered inapplicable any presumption of reasonably equivalent value. In such a scenario, the defendants in the Avoidance Claims litigation may have attempted to establish that reasonably equivalent value was nevertheless received as a result of the applicable transfer, and the plaintiffs likely would have argued that it was not, all of which would likely have required expert testimony. For these reasons, the analysis as to whether reasonably equivalent value was received in each transaction would have been highly fact-based and complicated.

In light of these considerations, each of the Plan Proponents believe that, while several factors could have supported a conclusion that these transfers and obligations (or a subset of them) should not be avoided as fraudulent transfers, certain other factors could have supported a contrary argument. Litigation of the Avoidance Claims would have required extensive discovery and fact finding, as well as expert testimony, which would have been a significant drain on estate resources, and could have taken an extended period to resolve. The Settlement incorporates a compromise of these complex issues and avoids the delay, expense and uncertainty that would have been attendant to their litigation. Thus, the Settlement falls well within the range of reasonableness, is in the best interests of the Plan Debtors and the Plan Debtors' economic stakeholders, and is fully supported by the Plan Proponents and the Consenting Noteholders.

2. Recharacterization Claims

Pursuant to the Bankruptcy Code, claims among co-debtors generally receive the same treatment as other claims of the same relative priority; however, courts often examine such claims to determine whether they are properly characterized as valid debt obligations or whether they should be recharacterized in the bankruptcy cases as equity (capital contributions) or vice versa. The factors considered by the courts when making such a determination include the following:

- **The names given to the instruments, if any, evidencing the indebtedness.** An absence of notes or other instruments reflecting debt suggests that an advance may be a capital contribution rather than a loan.

- **The presence or absence of a fixed maturity date and schedule of payments.** The absence of a fixed maturity date and payment schedule suggests that an advance may be a capital contribution rather than a loan.

- **The presence or absence of a fixed rate of interest and interest payments.** The absence of a fixed interest rate and regularly scheduled interest payments suggests that an advance may be a capital contribution rather than a loan.

- **The source of repayments.** Repayment that is dependent on the success of the borrower's business suggests that an advance may be a capital contribution rather than a loan.

- **The identity of interest between the creditor and the stockholder.** Evidence that a shareholder made an advance in proportion to such shareholder's equity interest suggests that such advance may be a capital contribution rather than a loan.

- **The adequacy or inadequacy of capitalization.** Thin or inadequate capitalization at the time of the initial capitalization and/or at the time of an advance suggests that the advance may be a capital contribution rather than a loan.

- **The security, if any, for the advances.** The absence of collateral securing an advance suggests that the advance may be a capital contribution rather than a loan.

- **The corporation's ability to obtain financing from outside lending institutions.** The fact that the debtor had other financing options available on similar terms at the time an advance is made is generally thought to suggest that a transaction is a loan rather than a capital contribution.

- **The extent to which the advances were contractually subordinated to the claims of outside creditors.** Subordination of a creditor's advances to the claims of other creditors suggests that the advance may be a capital contribution rather than a loan.

- **The extent to which advances were used to acquire capital assets.** The use of advances to meet the debtor's daily needs, rather than for the purchase of capital assets, suggests that advances may be loans rather than infusions of equity.

- **The presence or absence of a sinking fund to provide repayments.** The failure to establish a sinking fund for repayment suggests that an advance may be a capital contribution rather than a loan.

No single factor is determinative, and courts may analyze some, all, or additional factors to those described above when assessing whether to recharacterize intercompany balances as equity.

The adjudication of the Recharacterization Claims would have been a very fact-intensive undertaking. Although the Plan Proponents believe that several of the relevant factors could have supported a conclusion that the Intercompany Claims (or a subset of them) are or should be debt obligations, certain other factors could have supported an argument that the Intercompany Claims (or a subset of them) are or should be treated as capital contributions. The Settlement incorporates a compromise of these complex issues and avoids the delay, expense and uncertainty that would have been attendant to their litigation. Accordingly, the Settlement is in the best interests of the Plan Debtors' economic stakeholders, and is fully supported by the Plan Proponents and the Consenting Noteholders.

3. Transferred Guarantor Claims

The determination of whether the Transferred Guarantor Claims properly allege violations of the terms of the 2009 Capital Notes Indentures, and, if the 2009 NII Capital Notes Indentures were violated, the consequences of and appropriate remedy for the violation, depends on the language of the 2009 Capital Notes

Indentures, contractual interpretation of such language and, possibly, extrinsic evidence regarding the intentions, conduct and reasonable expectations of an array of parties during the relevant time period.

Alleged Violation. Section 10.04 of the 2009 NII Capital Notes Indentures provides that a 2009 NII Capital Notes Guarantor may not dispose of substantially all of its assets to another person, other than NII Holdings, Capco or another 2009 NII Capital Notes Guarantor, except in certain circumstances. Among the excepted circumstances is a disposition that "complies with" Section 4.10 of the 2009 NII Capital Notes Indentures, which embodies a restriction on dispositions of assets. There is a vigorous dispute as to the meaning of the term "complies with," and whether, based on the appropriate interpretation, the transfer from NII Global to International Holdings can be said to have complied with Section 4.10. It could also be argued that the initial transfer from NII Holdings violated Section 5.01, which sets forth conditions regarding the disposal of substantially all assets by NII Holdings that, if applicable, were not met. However, there is a dispute over whether Section 5.01 applies to a transfer among NII Holdings, Capco and their Restricted Subsidiaries, and how to interpret language in Section 5.01 that gives rise to inferences that the Section does apply to such transfers.

Release of the Guarantees. Even if the 2009 Transfer breached Sections 10.04 and/or 5.01 of the 2009 NII Capital Notes Indentures, litigation of the Transferred Guarantor Claims would also require a determination of the consequence of the breaches. Section 10.05(a)(v) of the 2009 NII Capital Notes Indentures provides that a 2009 NII Capital Notes Guarantor is released from its guarantee of the 2009 NII Capital Note if it becomes a "Foreign Restricted Subsidiary." It is not disputed that the Transferred Guarantors became Foreign Restricted Subsidiaries as a result of the 2009 Transfer. Section 10.05(a)(v) contains two express exceptions to the release, but there is a question whether the release of guarantees under Section 10.05(a)(v) can occur if a 2009 NII Capital Notes Guarantor becomes a Foreign Restricted Subsidiary as a result of a transfer that violates the 2009 NII Capital Notes Indentures or, in particular, Sections 10.04 or 5.01. If it cannot, as certain holders of the 2009 NII Capital Notes have vigorously contended, the guarantees of the Transferred Guarantors were never released, which would increase the value of the Claims held by holders of the 2009 NII Capital Notes significantly. There is the further question whether, assuming the guarantees were released, it would be an appropriate remedy for breach to reinstate the guarantees or otherwise provide Claims against the Transferred Guarantors.

Laches. Assuming that the 2009 NII Capital Notes Indentures were breached such that the holders of the 2009 NII Capital Notes are entitled to a remedy, there exists the question of whether a remedy may be foreclosed based on the principle of laches. The purported breaches were not asserted for over four years following the 2009 Transfer in December 2009. During this time, the 7.625% Capco Notes and the Luxco Notes were issued to investors that may have had reason to believe that the Transferred Guarantors were not guarantors of the 2009 NII Capital Notes and may have relied on such belief in making the investment. The resolution of this question may depend on the weight given to the failure of NII Holdings and Capco to publicly file the supplemental indentures evidencing the 2009 Transfer, or make any other express disclosure of the 2009 Transfer, until March 2014, and whether the holders of the 2009 NII Capital Notes may have been on notice of the 2009 Transfer based on other disclosures made by NII Holdings and Capco during the intervening period.

An analysis of all of the issues relevant to the Transferred Guarantor Claims likely would have been a complex legal undertaking for the Bankruptcy Court and may have required extensive discovery; further, a ruling by the Bankruptcy Court would have been subject to appeal. The judicial process could have potentially delayed distributions under a chapter 11 plan or required a substantial proportion of the shares of the reorganized parent entity to be "reserved" until the litigation had been finally adjudicated. In addition, NII Brazil's principal lenders required, in connection with the amendments to the Operating Company Credit Agreements, that the Debtors complete their restructuring efforts by mid- to late September 2015 (the "Restructuring Deadline"). Lengthy litigation could potentially cause the Plan Debtors to fail to confirm a chapter 11 plan before the Restructuring Deadline and thereby cause NII Brazil to be in default of or lose certain concessions with respect to the Operating Company Credit Agreements. The Settlement incorporates a compromise of these complex and vigorously contested issues and avoids the delay, expense and uncertainty attendant to litigation of these disputes pursuant to a settlement that is in the best interests of the Plan Debtors' economic stakeholders. For this reason, the Settlement is fully supported by the Plan Proponents and the Consenting Noteholders.

E. Postpetition Interest

Pursuant to the Bankruptcy Code, when a debtor proves to be solvent, postpetition interest which accrues on unsecured claims may be allowed. See In re Manville Forest Prods. Corp., 43 B.R. 293, 300 (Bankr. S.D.N.Y. 1984), aff'd in part, 60 B.R. 403 (S.D.N.Y. 1986) (stating that when a debtor is solvent, postpetition interest that accrues on allowed unsecured claims may be paid in full before any money is allowed to revert back to the debtor or its shareholders); In re Allegheny Int'l, Inc., 118 B.R. 282, 314-15 (Bankr. W.D. Pa. 1990) (same).

Based on Plan Distributable Value ~~and without adjustment for an Overbid~~, in the absence of the Settlement, Luxco may have been determined to have been solvent upon the closing of the sale of NII Mexico. In such event, Holders of Allowed Claims against Luxco could have been entitled to postpetition interest on their Claims. However, as an important concession and as an integrated element to the Settlement, the Consenting Noteholders comprising Holders of Luxco Notes have agreed to waive their entitlement to the full amount of postpetition interest on their Allowed Luxco Note Claims.

F. Potential Recoveries Absent Settlement

The following table illustrates the range of recoveries (expressed in percentages and value of Plan Distributable Value) to be received by Holders of the Prepetition Note Claims pursuant to the Settlement as well as illustrative recoveries in a status quo scenario in the absence of the Settlement and in a worst-case scenario for each of the identified categories of Prepetition Note Claims. The worst-case scenarios for each of the identified categories of Prepetition Note Claims are derived from differing combinations of litigation outcomes for each of the Transferred Guarantor Claims, Avoidance Claims and Recharacterization Claims.

	Illustrative Pre-Settlement and Compromise[1]		Settlement and Compromise[1]		Recovery Under 12/22/14 Plan[2]		Worst Case Recovery[1,3]	
	PDV[4] (%)	PDV[4] ($)	PDV[4] (%)	PDV[4] ($)	PDV[4] (%)	PDV[4] ($)	PDV[4] (%)	PDV[4] ($)
Luxco 11.375% Note Claims	34.20%	$962.1	34.20%	$962.1	36.05%	$872.8	16.52%	$464.6
Luxco 7.875% Note Claims	26.05%	732.8	26.05%	732.8	27.46%	664.9	12.58%	353.8
Total Luxco Note Claims	*60.25%*	*$1,694.9*	*60.25%*	*$1,694.9*	*63.51%*	*$1,537.7*	*29.09%*	*$818.4*
Capco 10% Note Claims	11.79%	$331.5	15.10%	$424.8	15.86%	$384.0	11.79%	$331.5
Capco 8.875% Note Claims	7.11%	199.9	9.11%	256.1	9.57%	231.8	7.11%	199.9
Capco 7.625% Note Claims	20.86%	586.8	15.54%	437.2	11.06%	267.8	2.64%	74.2
Total Capco Notes Claims	*39.75%*	*$1,118.2*	*39.75%*	*$1,118.2*	*36.49%*	*$883.6*	*21.53%*	*$605.7*

Notes:
1) Based on total enterprise value of $4.463 billion (assumes $1.875 billion sale of NII Mexico consummated on or before April 30, 2015).
2) Based on distributable equity value of $2.421 billion and before taking into account rights offering contemplated thereunder.
3) Minimum recovery based on binary litigation scenarios of 0% and 100% with respect to Transferred Guarantor Claims and Avoidance Claims. Intercompany obligations recharacterized as equity in 25% increments between, and including, 0% and 100%.
4) "PDV" means Plan Distributable Value or its equivalent under the applicable scenario.

G. Settlement Procedures; the Independent Manager

In accordance with the settlement procedures set forth in the Initial Plan Support Agreement and the Initial Plan Term Sheet, on December 11, 2014 the Debtors, with the support of the Creditors' Committee, Aurelius, Capital Group and the Luxco Group, stipulated their agreement to appoint Scott W. Winn as an independent manager and part of the Board of Managers of International Holdings (in its capacity as the sole manager of Luxco) (the "Independent Manager") to evaluate and advise the managers of International Holdings regarding the reasonableness of the Settlement to Luxco and to determine following an initial 45-day evaluation period (the "Evaluation Period") whether to recommend that Luxco join in the Settlement. While the Debtors believed that their existing directors and other governing bodies and officers, including the Board of Managers, were fully capable and legally authorized to discharge their fiduciary duties to each of the Debtors in connection with resolving these potential intercompany disputes, the Debtors determined, in order to avoid undue expense

and delay with their reorganization and emergence efforts, to appoint the Independent Manager to evaluate the Settlement and recommend to the Board of Managers whether to cause Luxco to join the Settlement.

The Independent Manager, who is with the firm Zolfo Cooper Management, LLC, retained Quinn Emanuel Urquhart & Sullivan, LLP ("Quinn Emanuel") as his counsel to assist him in his evaluation of the Settlement. The Bankruptcy Court approved the retention of Quinn Emanuel on December 29, 2014. On December 31, 2014, the Bankruptcy Court entered an order approving the Plan Debtors' engagement agreement with the Independent Manager and Zolfo Cooper Management, LLC. Between January 26, 2015 and February 20, 2015, the Bankruptcy Court entered a series of stipulations resulting in the ultimate extension of the Independent Manager's determination to February 27, 2015.

Upon his appointment, the Independent Manager, with the assistance of Quinn Emanuel and Zolfo Cooper, immediately commenced the process of reviewing the Settlement and documentation related to the Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims. This included meeting with his advisors and the professionals for the Debtors, the Creditors' Committee, Aurelius, Capital Group and the Luxco Group in order to facilitate fact discovery and other necessary coordination matters with the Independent Manager and his counsel related to the Settlement and his evaluation thereof.

On February 25, 2015, the Board of Managers convened a meeting of its managers in Luxembourg. At the meeting, the Independent Manager recommended to the Board of Managers to cause Luxco to enter into the Settlement. The Board of Managers subsequently authorized Luxco's agreement to the Plan Term Sheet and entry into the Plan Support Agreement.

The appointment of the Independent Manager thus further ensured the integrity of the Plan Debtors' claims resolution process relevant to the Settlement and facilitated an expeditious resolution to the Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims in furtherance of the Plan Debtors' emergence efforts. The Independent Manager will be available to provide deposition testimony in connection with Confirmation and to testify at the Confirmation Hearing.

H. Post-Emergence Governance and Management

On the Effective Date, the term of any current members of the board of directors of NII Holdings not identified as members of the new board of directors for Reorganized NII (the "New Board") will expire and such directors will tender their resignation effective on the Effective Date.

The New Board will consist of seven (7) directors, including (i) the chief executive officer, (ii) three (3) directors designated by Capital Group, (iii) one (1) director designated by Aurelius and (iv) two (2) directors designated by the Luxco Group. Each of the individuals designated as nominees to be directors (other than the chief executive officer of Reorganized NII) will (i) be independent under the rules of the New York Stock Exchange or the NASDAQ Stock Market, as applicable, and the independence requirements for members of audit committees under the rules of the SEC and (ii) not be employees of Capital Group, Aurelius or any member of the Luxco Group. These board designation rights will not continue after the selection of the New Board.

The boards of directors for the direct and indirect subsidiaries of Reorganized NII will be identified and selected by the New Board. Reorganized NII will continue to be a reporting company with the SEC following the Effective Date.

I. Amendments to the Operating Company Agreements

1. The CDB Agreements

As discussed in Section II.B.1 above, in July 2011 and April 2012, NII Mexico and NII Brazil, respectively, entered into the applicable CDB Agreements with CDB. NII Mexico and NII Brazil used the proceeds borrowed under these credit agreements to finance infrastructure equipment and certain other costs related to the deployment of their 3G Networks.

NII Mexico's obligations under the NII Mexico CDB Facility are secured by certain telecommunications equipment and other assets that were financed with the proceeds of such facility and are critical to NII Mexico's 3G Network and the overall operations of NII Mexico. This collateral is governed by a security sharing and collateral agency agreement between CDB, in its capacities as the administrative agent, arranger and lender, and HSBC México, S.A. ("HSBC"), in its capacity as security agent and pledgee, and a non-possessory pledge agreement between NII Digital, S. de R.L. de C.V. ("NII Digital") and HSBC, which effected a first priority lien (*prenda sin transmisión de posesión*) over such collateral. In addition, NII Mexico and HSBC entered into two non-possessory pledge agreements (together with the foregoing non-possessory pledge agreement, the "Asset Pledges") governing the grant of liens on debt service reserve accounts related to the NII Mexico CDB Facility.

NII Brazil's obligations under the NII Brazil CDB Facility are secured by certain assets that are critical to NII Brazil's 3G Network and the overall operations of NII Brazil, and such security is governed by a collateral agency agreement among NII Brazil, CDB, in its capacities as assignee and lender, and Planner Trustee DTVM ("Planner"), in its capacity as security agent, and a fiduciary assignment agreement among such parties, which effected a first priority lien *(propiedade resolúvel)* over these assets.

In July 2011, NII Holdings and CDB, in its capacity as administrative agent under the NII Mexico CDB Agreements, entered into a shareholder undertaking agreement (the "Mexico Shareholder Undertaking Agreement") which requires NII Holdings, so long as the NII Mexico CDB Agreements remain outstanding, among others, to (a) refrain from, directly or indirectly, creating or permitting any lien on or against the Equity Interests (as defined therein) unless such a lien is created (i) in favor of CDB on a *pari passu* basis, or (ii) with the prior written consent of CDB, (b) hold, directly or indirectly, at least fifty one percent of the aggregate Equity Interests and (c) refrain from disposing (or permitting the disposal of) any Equity Interest that would result in a Change of Control (as defined therein).

In April 2012, NII Holdings and CDB, in its capacity as administrative agent under the NII Brazil CDB Agreements, entered into a shareholder undertaking agreement (the "Brazil Shareholder Undertaking Agreement") which requires NII Holdings, so long as the NII Brazil CDB Agreements remain outstanding, among others, to (a) refrain from, directly or indirectly, creating or permitting any lien on or against the Equity Interests (as defined therein) unless such a lien is created (i) in favor of CDB on a *pari passu* basis, or (ii) with the prior written consent of CDB, (b) hold, directly or indirectly, at least fifty percent plus one of the aggregate Equity Interests and (c) not dispose (or permit the disposal of) any Equity Interest which would result in a Change of Control (as defined therein).

On December 13, 2012, NII Holdings, NII Brazil, the obligors party thereto and CDB, executed a loan subordination agreement (the "CDB Brazil Loan Subordination Agreement"), which sets forth the respective priorities, rights and remedies with respect to the payments of the NII Brazil CDB Agreements and certain Subordinated Restricted Intercompany Indebtedness (as defined therein), with such Subordinated Restricted Intercompany Indebtedness being subordinated and junior in right of payment and upon liquidation as provided therein. Historically, all intercompany loans to NII Brazil have been made subject to the CDB Brazil Loan Subordination Agreement and deemed "Subordinated Restricted Intercompany Indebtedness" thereunder, which means these intercompany loans are subordinated in right of payment to NII Brazil's payment in full of the NII Brazil CDB Agreements.

On September 13, 2013, NII Holdings, NII Mexico, the obligors party thereto and CDB executed a loan subordination agreement (the "CDB Mexico Loan Subordination Agreement" and, together with the CDB Brazil Loan Subordination Agreement, the "CDB Loan Subordination Agreements"), which sets forth the respective priorities, rights and remedies with respect to the payments of the NII Mexico CDB Agreements and certain Subordinated Restricted Intercompany Indebtedness (as defined therein), with such Subordinated Restricted Intercompany Indebtedness being subordinated and junior in right of payment and upon liquidation as provided therein.

The CDB Agreements were amended in 2013 in connection with the Tower Transactions (the "First CDB Amendments"). In connection with the First CDB Amendments, NII Holdings provided guarantees of NII Mexico's and NII Brazil's respective obligations under the CDB Agreements in favor of CDB (collectively, the "CDB Guarantees").

Before the Petition Date, based on the financial results for NII Mexico and NII Brazil for the period ended June 30, 2014, NII Mexico and NII Brazil anticipated that they would be unable to satisfy certain of the financial covenants under the applicable CDB Agreements. Accordingly, NII Mexico and NII Brazil commenced discussions with CDB with respect to potential defaults arising from non-compliance with such financial covenants as well as the possibility of a more holistic amendment of the CDB Agreements. As stated above, on June 27, 2014, CDB granted waivers to NII Brazil and NII Mexico in connection with their non-compliance with such financial covenants as of the calculation date of June 30, 2014.

On December 5, 2014, each of NII Mexico and NII Brazil, the applicable subsidiary guarantors of the CDB Agreements and CDB executed amendments to the CDB Agreements (the "Second CDB Amendments" and each, as applicable, a "Second CDB Amendment"), which will provide for, among other things, covenant relief, a revised amortization schedule upon prepayment of an agreed upon amount, and the grant of additional collateral to secure the obligations of the borrowers under the CDB Agreements. The Second CDB Amendments related to the NII Brazil CDB Agreements will be Filed as part of the Plan Supplement.

Concurrently, NII Mexico, NII Digital and HSBC executed a second ratification agreement to ratify the existence, validity and effectiveness of the Asset Pledges. Under the terms of the Second CDB Amendment, the parties thereto, Nextel International and Servicios NII, S. de R.L. de C.V. ("Servicios NII" and, together with Nextel International, the "Pledgors") entered into a share pledge agreement (the "Share Pledge Agreement"), the consummation of which was subject to the approval of the Bankruptcy Court in connection with the Share Pledge Motion. The Share Pledge Motion was filed on February 4, 2015 and approved by the Bankruptcy Court on February 25, 2015.

Pursuant to the Share Pledge Agreement, as security for the complete and timely payment and ratification of the obligation under the NII Mexico CDB Agreements, the Pledgors proposed to grant in favor of HSBC a first-priority security interest *(prenda)* in all of the Pledgors' fully paid and subscribed shares of NII Mexico. Nextel International agreed to pledge 7,575,738,489 NII Mexico shares, representing 99.9% of the capital stock of NII Mexico. Servicios NII agreed to pledge 3,595 NII Mexico shares, representing less than .01% of the capital stock of NII Mexico.

Upon the closing of the Mexico Sale Transaction, the outstanding amounts borrowed under the NII Mexico CDB Agreements will be repaid in full from the proceeds of the Mexico Sale Transaction and CDB will release the liens granted under the Share Pledge Agreement.

In addition, in the weeks before and following the commencement of the Chapter 11 Cases, there were intercompany loans to NII Brazil totaling $147 million that had not been formally made the subject of a notice of subordination, but which in all other respects have been treated as Subordinated Restricted Intercompany Indebtedness pursuant to the CDB Brazil Loan Subordination Agreement. In connection with the Share Pledge Motion, Luxco obtained Bankruptcy Court approval to comply with the NII CDB Brazil Agreements and to deliver a notice of subordination to CDB with respect to the additional intercompany loans.

In connection with the Second CDB Amendments, NII Holdings will amend the terms and conditions of the CDB Guarantee (the "CDB Amended Guarantee"), and the effectiveness of the CDB Amended Guarantee will be subject to the approval and authorization of the Bankruptcy Court pursuant to the Confirmation Order. On the Effective Date, pursuant to the Plan, NII Holdings, or its legal successor under the Plan, will consummate the CDB Amended Guarantee, and the CDB Loan Subordination Agreement and CDB Shareholder Undertaking Agreement will remain in place unaffected by the Plan. The CDB Amended Guarantee will be Filed as part of the Plan Supplement.

Lastly, as noted above, in connection with the Second CDB Amendments, the Debtors have committed to a Restructuring Deadline of September 30, 2015, by which date their restructuring efforts must be completed.

2. Sale-Leaseback Guarantees

The Plan provides for the same treatment to both the Holders of Claims arising under or evidenced by either the Luxco Sale-Leaseback Guarantee or any of the Holdings Sale-Leaseback Guarantees (collectively, the "Sale-Leaseback Guarantees"). On the Effective Date, pursuant to the Plan, each of the Sale-Leaseback

Guarantees previously issued by NII Holdings and Luxco as credit support for the Tower Transactions and other sale-leaseback transactions with various affiliates of ATC will be extinguished and replaced with the New NII-ATC Guaranty to be entered into by Reorganized Luxco or its legal successor (the "Reorganized Guarantor").

The material terms of the New NII-ATC Guaranty include, without limitation:

- A term of 5 years;
- A maximum guaranteed amount payable in Brazilian *reais* and an amortization schedule consistent with the Luxco Sale-Leaseback Guarantee; and
- The right to obtain, upon the occurrence of a change of control with respect to NII Brazil, a replacement guarantor (a "Replacement Guarantor") that will assume all of the Reorganized Guarantor's obligations to ATC under the New NII-ATC Guaranty with respect to NII Brazil.

The New NII-ATC Guaranty will be Filed as part of the Plan Supplement.

V. THE PLAN

THE FOLLOWING SUMMARY HIGHLIGHTS CERTAIN OF THE SUBSTANTIVE PROVISIONS OF THE PLAN, AND IS NOT, NOR IS IT INTENDED TO BE, A COMPLETE DESCRIPTION OR A SUBSTITUTE FOR A FULL AND COMPLETE REVIEW OF THE PLAN. THE PLAN DEBTORS URGE ALL HOLDERS OF CLAIMS AND INTERESTS TO READ AND STUDY CAREFULLY THE PLAN, A COPY OF WHICH IS ATTACHED HERETO AS EXHIBIT 1.

Section 1123 of the Bankruptcy Code provides that, except for Administrative Claims and Priority Tax Claims, a plan of reorganization must categorize claims against and equity interests in a debtor into individual classes. Although the Bankruptcy Code gives a debtor significant flexibility in classifying claims and interests, section 1122 of the Bankruptcy Code dictates that a plan of reorganization may only classify a claim or an equity interest with claims or equity interests, respectively, that are substantially similar.

The Plan creates eleven Classes of Claims and two Classes of Interests. These Classes take into account the differing nature and priority of Claims against and Interests in the Plan Debtors. Administrative Claims and Priority Tax Claims are not classified for purposes of voting or receiving distributions under the Plan (as is permitted by section 1123(a)(1) of the Bankruptcy Code) but are treated separately as unclassified Claims.

The Plan provides specific treatment for each Class of Claims and Interests. Only Holders of Claims that are impaired under the Plan and who will receive distributions under the Plan are entitled to vote on the Plan.

The following discussion sets forth the classification and treatment of all Claims against, or Interests in, the Plan Debtors. It is qualified in its entirety by the terms of the Plan, which is attached hereto as Exhibit 1, and which you should read carefully before deciding whether to vote to accept or reject the Plan.

VI. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

All Claims and Interests, except Administrative Claims and Priority Tax Claims, are placed in the Classes set forth below. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims, as described in Section II.A of the Plan, are not classified in the Plan. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any remainder of the Claim or Interest qualifies within the description of such other Classes.

If the Plan is confirmed by the Bankruptcy Court, unless a Holder of an Allowed Claim consents to different treatment, (A) each Allowed Claim in a particular Class will receive the same treatment as the other Allowed Claims in such Class, whether or not the Holder of such Claim voted to accept the Plan and (B) each Allowed Interest in a particular Class will receive the same treatment as the other Allowed Interests in such Class. Such treatment will be in exchange for and in full satisfaction, release and discharge of, the Holder's

respective Claims against or Interests in a Debtor, except as otherwise provided in the Plan. Moreover, upon Confirmation, the Plan will be binding on (A) all Holders of Claims regardless of whether such Holders voted to accept the Plan and (B) all Holders of Interests.

A. Unclassified Claims

1. Administrative Claims

a. *Administrative Claims in General*

Except as specified in Section II.A.1 of the Plan, and subject to Section II.A.1.d of the Plan and subject to the bar date provisions therein, unless otherwise agreed by the Holder of an Administrative Claim and the applicable Reorganized Debtor, each Holder of an Allowed Administrative Claim will receive, in full satisfaction of its Administrative Claim, Cash equal to the Allowed amount of such Administrative Claim on either (i) the latest to occur of (A) the Effective Date (or as soon thereafter as practicable), (B) the date such Claim becomes an Allowed Administrative Claim and (C) such other date as may be agreed upon by the Reorganized Debtors and the Holder of such Claim or (ii) on such other date as the Bankruptcy Court may order.

b. *Statutory Fees*

All fees payable pursuant to 28 U.S.C. § 1930 after the Effective Date will be paid by the applicable Reorganized Debtor in accordance therewith until the earlier of the conversion or dismissal of the applicable Chapter 11 Case under section 1112 of the Bankruptcy Code or the closing of the applicable Chapter 11 Case pursuant to section 350(a) of the Bankruptcy Code.

c. *Ordinary Course Postpetition Administrative Liabilities*

Administrative Claims based on liabilities incurred by a Plan Debtor in the ordinary course of its business, including Administrative Claims arising from or with respect to the sale of goods or provision of services on or after the Petition Date, Administrative Claims of governmental units for Taxes (including Tax audit Claims related to Tax years or portions thereof ending after the Petition Date), Administrative Claims arising under Executory Contracts and Unexpired Leases and all Intercompany Administrative Claims, will be paid by the applicable Reorganized Debtor, pursuant to the terms and conditions of the particular transaction giving rise to those Administrative Claims, without further action by the Holders of such Administrative Claims or further approval by the Bankruptcy Court. Holders of the foregoing Claims will not be required to File or serve any request for payment of such Administrative Claims.

d. *Requisite Consenting Noteholders Professionals Fees/Expenses*

Pursuant ~~to the Plan Term Sheet, the Debtors will have sought authorization to pay in full in Cash the reasonable and documented fees and expenses of Akin Gump Strauss Hauer & Feld LLP, Paul, Weiss, Rifkind, Wharton & Garrison LLP and Kirkland & Ellis LLP (a) incurred through the date of the DIP Order (as defined in the Plan), such payment to be made to Akin Gump Strauss Hauer & Feld LLP and Kirkland & Ellis LLP expeditiously after entry of the DIP Order and receipt of the relevant invoices for such fees and expenses and to Paul, Weiss, Rifkind, Wharton & Garrison LLP on the Effective Date following the receipt of invoices for such fees and expenses and (b) incurred from the date of the DIP Order through the Effective Date, such payment to be made to Akin Gump Strauss Hauer & Feld LLP, Paul, Weiss, Rifkind, Wharton & Garrison LLP and Kirkland & Ellis LLP on the Effective Date, in each case, subject to the limitations set forth in Section I.A.163 of the Plan. Additionally, pursuant~~ to the Plan Support Agreement, the Debtors ~~will~~ have sought to obtain authorization pursuant to the Plan Support Agreement Order (as defined in the Plan) to pay in full in Cash the Requisite Consenting Noteholders Professionals Fees/Expenses (as defined in the Plan), ~~including the reasonable and documented fees and expenses of Houlihan Lokey Capital, Inc., Millstein & Co. LP and Blackstone Advisory Partners, L.P., including any restructuring fees, with such payment to be made on the Effective Date~~subject to the limitations set forth in Section I.A.158 of the Plan. To the extent the Requisite Consenting Noteholders Professionals Fees/Expenses are not paid in full in Cash pursuant to ~~the DIP Order and/or~~ the Plan Support Agreement Order, in light of the substantial contribution that each of the Requisite Consenting

Noteholders and their respective Requisite Consenting Noteholders Professionals have made to the Chapter 11 Cases resulting in an actual and demonstrable benefit to the Estates and all creditors, the Requisite Consenting Noteholders Professionals Fees/Expenses ~~will~~shall constitute Allowed Administrative Claims and ~~will~~shall be paid in full in Cash, subject to the limitations set forth in Section I.A.~~163~~158 of the Plan.

e. *Professional Compensation*

Professionals or other Entities asserting a Fee Claim for services rendered before the Effective Date must File and serve on the Reorganized Debtors and such other Entities who are designated by the Bankruptcy Rules, the Fee Order, the Confirmation Order or other order of the Bankruptcy Court an application for final allowance of such Fee Claim no later than sixty (60) days after the Effective Date; *provided*, *however*, that any party who may receive compensation or reimbursement of expenses pursuant to the Ordinary Course Professionals Order may continue to receive such compensation and reimbursement of expenses for services rendered before the Effective Date pursuant to the Ordinary Course Professionals Order without further Bankruptcy Court review or approval (except as provided in the Ordinary Course Professionals Order); *provivided, further, however,* that the Requisite Consenting Noteholders Professionals will not be required to seek allowance of their fees or expenses. Objections to any Fee Claim must be Filed and served on the Reorganized Debtors and the requesting party no later than ninety (90) days after the Effective Date. To the extent necessary, the Confirmation Order will amend and supersede any previously entered order of the Bankruptcy Court regarding the payment of Fee Claims.

f. *Post-Effective Date Professionals' Fees and Expenses*

Except as otherwise specifically provided in the Plan, on and after the Effective Date, the Reorganized Debtors will, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented fees and expenses of the Professionals or other fees and expenses incurred by the Reorganized Debtors on or after the Effective Date, in each case, related to implementation and consummation of the Plan. Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code or any order of the Bankruptcy Court entered before the Effective Date governing the retention of, or compensation for services rendered by, Professionals after the Effective Date will terminate, and the Reorganized Debtors may employ or pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

g. *Claims Under the DIP Credit Agreement*

Upon consummation of the Mexico Sale Transaction, Allowed DIP Claims will be paid in Cash in an amount equal to the full amount of those Claims in accordance with the DIP Credit Agreement (as defined in the Plan) and to the extent such Allowed DIP Claims have not been otherwise paid pursuant to a separate order(s) of the Bankruptcy Court.

h. *Bar Dates for Administrative Claims*

Except as otherwise provided in the Plan, requests for payment of Administrative Claims (other than DIP Claims, Fee Claims, Requisite Consenting Noteholder Professionals Fees/Expenses, Claims described in paragraph 47 of the Mexico Sale Order and Administrative Claims based on Liabilities incurred by a Plan Debtor in the ordinary course of its business as described in Section II.A.1.c of the Plan) must be Filed and served on the Reorganized Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by such date will be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Plan Debtors or their property and such Administrative Claims will be deemed discharged as of the Effective Date. Objections to such requests, if any, must be Filed and served on the Reorganized Debtors and the requesting party no later than the Administrative Claims Objection Deadline.

2. Payment of Priority Tax Claims

***a.* Priority Tax Claims**

Pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, unless otherwise agreed by the Holder of a Priority Tax Claim and the Plan Proponents (with the consent of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed), each Holder of an Allowed Priority Tax Claim will receive, in full satisfaction of its Allowed Priority Tax Claim that is due and payable on or before the Effective Date, on account of and in full and complete settlement, release and discharge of such Claim, Cash equal to the amount of such Allowed Priority Tax Claim on the later of: (i) the Effective Date (or as soon as reasonably practicable thereafter); and (ii) the date such Priority Tax Claim becomes an Allowed Priority Tax Claim, or as soon as practicable thereafter; *provided*, *however*, that all Allowed Priority Tax Claims that are not due and payable on or before the Effective Date will be paid in the ordinary course of business by the Reorganized Debtors as they become due.

***b.* Other Provisions Concerning Treatment of Priority Tax Claims**

Notwithstanding Section II.A.2.a of the Plan, any Claim on account of any penalty arising with respect to or in connection with an Allowed Priority Tax Claim that does not compensate the Holder for actual pecuniary loss will be treated as a General Unsecured Claim, and the Holder (other than as the Holder of a General Unsecured Claim) may not assess or attempt to collect such penalty from the Reorganized Debtors or their respective property.

B. Classified Claims and Interests

1. General

Pursuant to sections 1122 and 1123 of the Bankruptcy Code, Claims and Interests are classified for voting and distribution pursuant to the Plan, as set forth in the Plan. A Claim or Interest will be deemed classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and will be deemed classified in a different Class to the extent that any remainder of such Claim or Interest qualifies within the description of such other Class. Holders of Allowed Claims may assert such Claims against each Plan Debtor obligated with respect to such Claim, and such Claims will be entitled to share in the recovery provided for the applicable Class of Claims against each obligated Plan Debtor based upon the full Allowed amount of the Claim. Notwithstanding the foregoing, and except as otherwise specifically provided for in the Plan, the Confirmation Order or other order of the Bankruptcy Court, or required by applicable bankruptcy law, in no event will the aggregate value of all property received or retained under the Plan on account of an Allowed Claim exceed 100% of the underlying Allowed Claim.

Section 1129(a)(10) of the Bankruptcy Code will be satisfied for the purposes of Confirmation by acceptance of the Plan by an Impaired Class of Claims; *provided*, *however*, that in the event no Holder of a Claim with respect to a specific Class for a particular Plan Debtor timely submits a Ballot in compliance with the Disclosure Statement Order indicating acceptance or rejection of the Plan, such Class will be deemed to have accepted the Plan. The Plan Proponents may seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests.

For administrative convenience, the Plan organizes the Plan Debtors into five (5) groups and assigns a letter to each such group (each, a "Debtor Group") and a number to each of the Classes of Claims against or Interests in the Plan Debtors in such Debtor Group. Notwithstanding this organizing principle, Claims against or Interests in a Debtor belonging to a Debtor Group consisting of more than one Debtor will be deemed to be classified in a single Class of Claims against or Interests in such Debtor for all purposes under the Bankruptcy Code, including voting. To the extent a Holder has a Claim that may be asserted against more than one Plan Debtor in a Debtor Group, the vote of such Holder in connection with such Claims will be counted as a vote of such Claim against each Plan Debtor in such Debtor Group against which such Holder has a Claim. For

consistency, similarly designated Classes of Claims and Interests are assigned the same number across each of the Debtor Groups. Any non-sequential enumeration of the Classes is intentional to maintain consistency.

Claims against and Interests in each Debtor Group are classified in up to 13 separate Classes as follows:

Letter	Debtor Group
A	**Holdings Debtor Group** NII Holdings, Inc.
B	**Capco Debtor Group** NII Capital Corp.
C	**Capco Guarantors Debtor Group** Nextel International (Services), Ltd. NII Aviation, Inc. NII Funding Corp. NII Global Holdings, Inc.
D	**Luxembourg Debtor Group** Nextel International Holdings S.à r.l. Nextel International Services S.à r.l. NII International Telecom S.C.A.
E	**Transferred Guarantors Debtor Group** NII Mercosur, LLC Airfone Holdings, LLC NIU Holdings LLC[31] McCaw International (Brazil), LLC

Number	Designation
1	Priority Claims
2	Secured Claims
3	Sale-Leaseback Guaranty Claims
4	Luxco Note Claims
5	Capco Note Claims
6	Transferred Guarantor Claims
7	CDB Documents Claims
8	General Unsecured Claims
9	Convenience Claims
10	Section 510 Claims
11	Non-Debtor Affiliate Claims
12	NII Interests
13	Subsidiary Debtor Equity Interests

2. Identification of Classes of Claims Against and Interests in the Plan Debtors

The following table designates the Classes of Claims against and Interests in the Plan Debtors and specifies which Classes are (a) Impaired or Unimpaired by the Plan, (b) entitled to vote to accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code or (c) deemed to accept or reject the Plan.

Class(es)	Designation	Impairment	Entitled to Vote
1A – 1E	Priority Claims	Unimpaired	Deemed to Accept
2A – 2E	Secured Claims	Unimpaired	Deemed to Accept
3A, 3D	Sale-Leaseback Guaranty Claims	Impaired	Entitled to Vote
4A, 4D	Luxco Note Claims	Impaired	Entitled to Vote
5A – 5C	Capco Note Claims	Impaired	Entitled to Vote
6E	Transferred Guarantor Claims	Impaired	Entitled to Vote
7A	CDB Documents Claims	Impaired	Entitled to Vote
8A – 8E	General Unsecured Claims	Impaired	Entitled to Vote ~~Entitled to Vote (8A-8D and 8E against NIU Holdings LLC) / Deemed to Reject (8E against McCaw International (Brazil),~~

[31] As assignee of Claims asserted against NIU and assigned to NIU Holdings LLC pursuant to the Mexico Sale Order.

			~~LLC, Airfone Holding, LLC and NII Mercosur, LLC)~~
9A – 9C	Convenience Claims	Unimpaired	Deemed to Accept
10A – 10E	Section 510 Claims	Impaired	Deemed to Reject
11A – 11E	Non-Debtor Affiliate Claims	Unimpaired	Deemed to Accept
12A	NII Interests	Impaired	Deemed to Reject
13B – 13E	Subsidiary Debtor Equity Interests	Unimpaired	Deemed to Accept

3. Treatment of Claims

a. *Priority Claims (Classes 1A through 1E)*

Priority Claims are Claims that are entitled to priority in payment pursuant to section 507(a) of the Bankruptcy Code and that are not Administrative Claims, DIP Claims or Priority Tax Claims. On the later of (i) the Effective Date and (ii) the date on which such Priority Claim becomes an Allowed Priority Claim, unless otherwise agreed to by the Plan Proponents (with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) and the Holder of an Allowed Priority Claim (in which event such other agreement will govern), each Holder of an Allowed Priority Claim against a Plan Debtor will receive on account and in full and complete settlement, release and discharge of such Claim, at the Plan Debtors' election (following consultation with the Creditors' Committee and with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed), (i) Cash in the amount of such Allowed Priority Claim in accordance with section 1129(a)(9) of the Bankruptcy Code and/or (ii) such other treatment required to render such Claim unimpaired pursuant to section 1124 of the Bankruptcy Code. All Allowed Priority Claims against the Plan Debtors that are not due and payable on or before the Effective Date will be paid by the Reorganized Debtors when such Claims become due and payable in the ordinary course of business in accordance with the terms thereof.

Claims in Classes 1A, 1B, 1C, 1D and 1E are Unimpaired. Each Holder of an Allowed Claim in Class 1A, 1B, 1C, 1D or 1E is deemed to have accepted the Plan and is, therefore, not entitled to vote.

b. *Secured Claims (Classes 2A through 2E)*

Secured Claims are Claims, including Secured Tax Claims, that are secured by a lien on property in which an Estate has an interest or that are subject to a valid right of setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Claim Holder's interest in such Estate's interest in such property or to the extent of the amount subject to such valid right of setoff, as applicable, as determined pursuant to section 506 of the Bankruptcy Code. Unless otherwise agreed by the Holder of a Secured Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, each Holder of a Secured Claim will receive the following treatment at the option of the Plan Proponents (with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed): (i) such Allowed Secured Claim will be Reinstated; (ii) payment in full (in Cash) of any such Allowed Secured Claim; (iii) satisfaction of any such Allowed Secured Claim by delivering the collateral securing any such Allowed Secured Claim and paying any interest required to be paid under section 506(b) of the Bankruptcy Code; or (iv) providing such Holders with such treatment in accordance with section 1129(b) of the Bankruptcy Code as may be determined by the Bankruptcy Court.

Claims in Classes 2A, 2B, 2C, 2D and 2E are Unimpaired. Each Holder of an Allowed Claim in Class 2A, 2B, 2C, 2D or 2E is deemed to have accepted the Plan and is, therefore, not entitled to vote.

c. *Sale-Leaseback Guaranty Claims (Classes 3A and 3D)*

Sale-Leaseback Guaranty Claims are all Claims arising under or evidenced by either the Luxco Sale-Leaseback Guarantee or any of the Holdings Sale-Leaseback Guarantees. Unless otherwise agreed by the Holder of a Sale-Leaseback Guaranty Claim and the applicable Debtor and the Creditors' Committee, on the Effective

Date, the Luxco Sale-Leaseback Guarantee and each of the Holdings Sale-Leaseback Guarantees will be extinguished and each Holder of an Allowed Sale-Leaseback Guaranty Claim will receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim the New NII-ATC Guaranty.

Claims in Classes 3A and 3D are Impaired. Each Holder of an Allowed Claim in Class 3A or 3D is entitled to vote.

d. *Luxco Note Claims (Class 4A and 4D)*

Luxco Note Claims are all Claims against Luxco or NII Holdings under or evidenced by the Luxco 7.875% Note Indentures, the Luxco 7.875% Notes, the Luxco 11.375% Note Indenture or the Luxco 11.375% Notes, including any obligations of NII Holdings with respect to any of the foregoing. On the Effective Date, the Luxco Note Claims for principal and interest obligations under the Luxco Notes and Luxco Indentures will be deemed Allowed Claims under the Plan in their entirety in the amount of the Allowed Luxco Note Claims Amount against each of NII Holdings and Luxco, and not subject to challenge, reduction, recharacterization, defense, offset or counterclaims.

Unless otherwise agreed by the Holder of a Luxco Note Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there will be distributed:

- to each Holder of an Allowed Luxco Note Claim in Classes 4A and 4D, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata ~~Share~~share of the Luxco Notes Distributable Value Allocation (*i.e.*, the amount equal to 60.25% multiplied by the Plan Distributable Value~~) (subject to downward adjustment based on the receipt of Net Overbid Proceeds (if any)~~), and with respect to specific distributions on account of Claims in each of Class 4A and Class 4D will be comprised of: (i) with respect to each Holder of an Allowed Luxco Note Claim in Class 4D, its Pro Rata ~~Share~~share of the Luxco Notes Distributable Value Allocation; and (ii) having satisfied such Claims in full as a result of distributions to Holders of Class 4D Claims, no further distribution with respect to each Holder of an Allowed Luxco Note Claim in Class 4A; and

- an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustee under the Luxco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise its contractual lien rights prior to distribution).

Claims in Classes 4A and 4D are Impaired. Each Holder of an Allowed Claim in Class 4A or 4D is entitled to vote.

e. *Capco Note Claims (Classes 5A, 5B and 5C)*

Capco Note Claims are all Claims against Capco or any of the Capco Guarantors under or evidenced by the Capco 7.625% Note Indenture, the Capco 7.625% Notes, the Capco 8.875% Note Indenture, the Capco 8.875% Notes, the Capco 10% Note Indenture or the Capco 10% Notes, including Claims related to any obligations of any Capco Guarantors with respect to any of the foregoing. On the Effective Date, the Capco Note Claims for principal and interest obligations under the Capco Notes and the Capco Indentures, as applicable, will be deemed Allowed Claims under the Plan in their entirety in the amount of the Allowed Capco Note Claims Amount against each of NII Holdings, NIS, Capco, NII Aviation, Inc., NII Funding Corp., and NII Global Holdings, Inc., and not subject to challenge, reduction, recharacterization, defense, offset or counterclaims.

Unless otherwise agreed by the Holder of a Capco Note Claim and the applicable Plan Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the

settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there will be distributed:

- to each Holder of an Allowed Capco Note Claim in Classes 5A, 5B and 5C, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata ~~Share~~share of the Capco Distributable Value Allocation (*i.e.*, the amount equal to 29.61% multiplied by the Plan Distributable Value~~) (subject to upward adjustment based on the receipt of Net Overbid Proceeds (if any))~~), and with respect to specific distributions on account of Claims in each of Class 5A, 5B and 5C will be comprised of: (i) with respect to each Holder of an Allowed Capco Note Claim in Class 5A, its Pro Rata ~~Share~~share of 19.34% of the Capco Distributable Value Allocation; and (ii) with respect to each Holder of an Allowed Capco Note Claim in Class 5B, its Pro Rata ~~Share~~share of 69.22% of the Capco Distributable Value Allocation; and (ii) with respect to each Holder of an Allowed Capco Note Claim in Class 5C, its Pro Rata ~~Share~~share of 11.44% of the Capco Distributable Value Allocation; and

- an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustees under the Capco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise their contractual lien rights prior to distribution).

Claims in Classes 5A, 5B and 5C are Impaired. Each Holder of an Allowed Claim in Class 5A, 5B or 5C is entitled to vote.

f. *Transferred Guarantor Claims (Class 6E)*

Transferred Guarantor Claims are all Claims, obligations, suits, judgments, damages, debts, rights, remedies, causes of action, avoidance powers or rights, liabilities of any nature whatsoever, and legal or equitable remedies against any Entity arising from or related to any alleged default under the Capco 8.875% Note Indenture or the Capco 10% Note Indenture, or any event giving rise to the right to declare such a default, including, but not limited to, (a) the alleged defaults described in the purported notice of default under the Capco 8.875% Note Indenture dated March 19, 2014 delivered by Cede & Co. to NII Holdings and Capco, (b) the transfer of certain direct or indirect equity interests in the Transferred Guarantors from NII Global Holdings, Inc. to Nextel International Holdings S.à r.l. on or about December 30, 2009 and the transfer of certain direct or indirect equity interests in NII Mercosur, LLC from NII Global Holdings, Inc. to Nextel International Holdings S.à r.l. on or about May 28, 2010, and (c) the purported release of guarantees of the Transferred Guarantors and NII Mercosur, LLC under the Capco 8.875% Note Indenture and the Capco 10% Note Indenture that occurred on or around December 30, 2009 and on or about May 28, 2010. On the Effective Date, the Transferred Guarantor Claims will be deemed Allowed Claims under the Plan in their entirety in the amount of the Allowed TG Claims Amount against each of NII Mercosur, LLC, Airfone Holdings, LLC, NIU Holdings, LLC and McCaw International (Brazil), LLC and not subject to challenge, reduction, recharacterization, defense, offset or counterclaims.

Unless otherwise agreed by the Holder of a Transferred Guarantor Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there will be distributed to each Holder of an Allowed Transferred Guarantor Claim in Class 6E, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata ~~Share~~share of the TG Claims Distributable Value Allocation (*i.e.*, the amount equal to 10.14% multiplied by the Plan Distributable Value)~~ (subject to downward adjustment based on the receipt of Net Overbid Proceeds (if any))~~.

Claims in Class 6E are Impaired. Each Holder of an Allowed Claim in Class 6E is entitled to vote.

g. *CDB Documents Claims (Class 7A)*

CDB Documents Claims are all Claims against NII Holdings under or evidenced by any of the CDB Documents, including any obligations of NII Holdings with respect thereto. The CDB Documents include, collectively, the (a) CDB Guarantee, (b) CDB Loan Subordination Agreement and (c) CDB Shareholder Undertaking Agreement. Unless otherwise agreed by the Holder of a CDB Documents Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, each Holder of an Allowed CDB Documents Claim, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, will receive the CDB Amended Guarantee. Claims in Class 7A are Impaired. Each Holder of an Allowed Claim in Class 7A is entitled to vote.

h. *General Unsecured Claims (Classes 8A through 8E)*

General Unsecured Claims are all Claims that are not an Administrative Claim, Priority Claim, Priority Tax Claim, Secured Claim, Sale-Leaseback Guaranty Claim, CDB Documents Claim, Capco Note Claim, Luxco Note Claim, Transferred Guarantor Claim, Section 510 Claim, Prepetition Intercompany Claim or a Non-Debtor Affiliate Claim.

Unless otherwise agreed by the Holder of a General Unsecured Claim and the applicable Debtor and the Creditors' Committee and each of the Requisite Consenting Noteholders, on the Effective Date, each Holder of an Allowed General Unsecured Claim in Classes 8A, 8B, 8C, 8D and 8E ~~against NIU Holdings LLC~~ will receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, a distribution equal to the following:

- with respect to each Holder of an Allowed General Unsecured Claim in Class 8A, Cash in an amount equal to 5.64% of its Allowed General Unsecured Claim against Holdings;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8B, Cash in an amount equal to 20.18% of its Allowed General Unsecured Claim against Capco~~, provided that, in the event of an Overbid, such percentage will equal the result, expressed as a percentage, of dividing (i) the Capco Distributable Value Allocation on account of the Capco Note Claims against Capco after accounting for such Net Overbid Proceeds by (ii) the amount of the Allowed Class 5B Claims;~~;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NIS, Cash in an amount equal to 4.51% of its Allowed General Unsecured Claim;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Aviation, Inc., Cash in an amount equal to 0.15% of its Allowed General Unsecured Claim;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Funding Corp., Cash in an amount equal to 0.24% of its Allowed General Unsecured Claim;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Global Holdings, Inc., Cash in an amount equal to 0.18% of its Allowed General Unsecured Claim;
- with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Holdings S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Holdings S.à r.l.;

- with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Services S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Services S.à r.l.;

- with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against Luxco, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against Luxco;

- with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against NIU Holdings LLC, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NIU Holdings LLC;

- with respect to each Holder of an Allowed General Unsecured Claim ~~against McCaw International (Brazil), LLC~~ in Class 8E~~, such Holder will receive no distribution on account of its Allowed General Unsecured Claim~~ against McCaw International (Brazil), LLC, ~~and such Claims will be extinguished on the Effective Date;~~its share of the property available for distribution of McCaw International (Brazil), LLC ratably with all other Allowed unsecured Claims against McCaw International (Brazil), LLC;

- with respect to each Holder of an Allowed General Unsecured Claim ~~against Airfone Holdings, LLC~~ in Class 8E~~, such Holder will receive no distribution on account of its Allowed General Unsecured Claim~~ against Airfone Holdings, LLC, ~~and such Claims will be extinguished on the Effective Date~~its share of the property available for distribution of Airfone Holdings, LLC ratably with all other Allowed unsecured Claims against Airfone Holdings, LLC; and

- with respect to each Holder of an Allowed General Unsecured Claim ~~against NII Mercosur, LLC~~ in Class 8E~~, such Holder will receive no distribution on account of its Allowed General Unsecured Claim~~ against NII Mercosur, LLC, ~~and such Claims will be extinguished on the Effective Date~~its share of the property available for distribution of NII Mercosur, LLC ratably with all other Allowed unsecured Claims against NII Mercosur, LLC.

Claims in Classes 8A, 8B, 8C, 8D and 8E are Impaired. Each Holder of an Allowed Claim in Class 8A, 8B, 8C ~~or~~, 8D or 8E ~~against NIU Holdings LLC~~ is entitled to vote. ~~Each Holder of an Allowed Claim in Class 8E against Airfone Holdings, LLC, McCaw International (Brazil), LLC or NII Mercosur, LLC will be deemed to have rejected the Plan and, therefore, is not entitled to vote.~~

i. *Convenience Claims (Classes 9A through 9C)*

Convenience Claims are all General Unsecured Claims against any of the Plan Debtors that otherwise would be classified in Classes 8A, 8B or 8C, but, with respect to each such Claim, either (i) the aggregate amount of such Claim is equal to or less than $~~[_____]~~20,000 or (ii) the aggregate amount of such Claim is reduced to $~~[_____]~~20,000 pursuant to an election by the Holder of a Claim made on the Ballot provided for voting on the Plan by the Voting Deadline; *provided*, *however*, that where any portion(s) of a single Claim has been transferred to a transferee, (i) the amount of all such portions will be aggregated to determine whether a Claim qualifies as a Convenience Claim and for purposes of the Convenience Claim election and (ii) unless all transferees make the Convenience Claim election on the applicable Ballots, the Convenience Claim election will not be recognized for such Claim.

Unless otherwise agreed by the Holder of a Convenience Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, each Holder of an Allowed Convenience Claim will receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, Cash equal to the amount of such Allowed Claim (as reduced, if applicable, pursuant to an election by the Holder thereof in accordance with Section I.A.~~56~~54 of the Plan)~~; *provided, however*, that if the amount of the Convenience Claims exceeds the Maximum Convenience Class Payment, each Holder of an Allowed Convenience Claim will receive its Pro Rata share of the Maximum Convenience Class Payment; *provided, further, however*, that notwithstanding anything herein to the contrary, each Holder of an Allowed Convenience~~

~~Claim will receive a percentage recovery on account of its Allowed Claim against a Plan Debtor that is not less than the percentage recovery received by Holders of Allowed General Unsecured Claims against the applicable Plan Debtor but in no event will any such percentage recovery exceed 100.0%~~. Claims in Classes 9A, 9B and 9C are Unimpaired. Each Holder of an Allowed Claim in Class 9A, 9B or 9C is deemed to have accepted the Plan and, therefore, is not entitled to vote.

j. *Section 510 Claims (Classes 10A through 10E)*

Section 510 Claims are all Claims against a Debtor arising from rescission of a purchase or sale of a security of the Debtors or an Affiliate, for damages arising from the purchase or sale of such a security, or for reimbursement or contribution allowed under section 502 of the Bankruptcy Code on account of such a Claim and any other claim subject to subordination under section 510 of the Bankruptcy Code. No property will be distributed to or retained by the Holders of Section 510 Claims, and such Claims will be extinguished on the Effective Date. Holders of Section 510 Claims will not receive any distribution pursuant to the Plan.

Claims in Classes 10A, 10B, 10C, 10D and 10E are Impaired. Each Holder of an Allowed Claim in Class 10A, 10B, 10C, 10D or 10E will be deemed to have rejected the Plan and, therefore, is not entitled to vote.

k. *Non-Debtor Affiliate Claims (Classes 11A through 11E)*

Non-Debtor Affiliate Claims are all Claims held by a Non-Debtor Affiliate against (i) a Plan Debtor or (ii) NIU, as assigned to NIU Holdings LLC pursuant to the Mexico Sale Order, in each case, that arose prior to the Petition Date. On the Effective Date, all Non-Debtor Affiliate Claims will be Reinstated. Claims in Classes 11A, 11B, 11C, 11D and 11E are Unimpaired. Each Holder of an Allowed Claim in Class 11A, 11B, 11C, 11D or 11E will be deemed to have accepted the Plan and, therefore, is not entitled to vote.

l. *NII Interests (Class 12A)*

NII Interests are all Interests in NII Holdings, which include the rights of the Holders of the common stock, membership interests or partnership interests issued by a Plan Debtor and outstanding immediately prior to the Petition Date, and any options, warrants or other rights with respect thereto, or any other instruments evidencing an ownership interest in a Plan Debtor and the rights of any Entity to purchase or demand the issuance of any of the foregoing, including: (i) redemption, conversion, exchange, voting, participation and dividend rights (including any rights in respect of accrued and unpaid dividends); (ii) liquidation preferences; and (iii) stock options and warrants. On the Effective Date, all NII Interests will be cancelled and extinguished. Holders of NII Interests will not receive any distribution pursuant to the Plan.

Interests in Class 12A are Impaired. Each Holder of an Allowed Interest in Class 12A will be deemed to have rejected the Plan and, therefore, is not entitled to vote.

m. *Subsidiary Debtor Equity Interests (Classes 13B through 13E)*

Subsidiary Debtor Equity Interests are, as to a particular Subsidiary Debtor, any Interests in such Debtor. Interest means the rights of the Holders of the common stock, membership interests or partnership interests issued by a Plan Debtor and outstanding immediately prior to the Petition Date, and any options, warrants or other rights with respect thereto, or any other instruments evidencing an ownership interest in a Plan Debtor and the rights of any Entity to purchase or demand the issuance of any of the foregoing, including: (a) redemption, conversion, exchange, voting, participation and dividend rights (including any rights in respect of accrued and unpaid dividends); (b) liquidation preferences; and (c) stock options and warrants. Classes 13B, 13C, 13D and 13E consist of all Subsidiary Debtor Equity Interests. On the Effective Date, all Subsidiary Debtor Equity Interests will not receive any distribution pursuant to the Plan and will be Reinstated, subject to Section III.C.1 of the Plan.

Interests in Classes 13B, 13C, 13D and 13E are Unimpaired. Each Holder of an Allowed Interest in Class 13B, 13C, 13D or 13E will be deemed to have accepted the Plan and, therefore, is not entitled to vote.

C. Special Provision Regarding Prepetition Intercompany Claims, Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims

Any and all Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims (including any such Claims against or in favor of NIU to which NIU Holdings LLC will succeed pursuant to the Mexico Sale Order) will be settled and compromised pursuant to Section III.H.2 of the Plan. Distributions on account of the Allowed Claims resulting from such settlement and compromise will be effected through the distributions to Holders of Allowed Claims pursuant to the Plan. Notwithstanding the foregoing, Prepetition Intercompany Claims may be deemed settled, cancelled, extinguished or otherwise Reinstated, in whole or in part, as of the Effective Date, in each case, at the discretion of the Plan Debtors or Reorganized Debtors, with the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed; *provided*, *however*, that such treatment will not affect or be deemed to affect or modify (1) the settlement and compromise of the Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims pursuant to the terms of the Plan or (2) the releases contained in the Plan.

D. Special Provision Governing Unimpaired Claims

Except as otherwise provided in the Plan, nothing under the Plan will affect the Plan Debtors' or the Reorganized Debtors' rights regarding any Unimpaired Claim, including all rights regarding legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claim.

E. Postpetition Interest on Claims

Except as required by applicable bankruptcy law, postpetition interest will not accrue or be payable on account of any Claim; *provided, however*, in connection with the settlement and compromise of the Avoidance Claims, Recharacterization Claims and Transferred Guarantor Claims set forth in the Plan, certain Holders of the Luxco Note Claims relinquished their right to assert additional claims for postpetition interest on their Luxco Note Claims.

F. Insurance

Notwithstanding anything to the contrary in the Plan, if any Allowed Claim is covered by an insurance policy, such Claim will first be paid from proceeds of such insurance policy, with the balance, if any, treated in accordance with the provisions of the Plan governing the Class applicable to such Claim.

G. Treatment of Executory Contracts and Unexpired Leases

1. Assumption and Rejection of Executory Contracts and Unexpired Leases

On the Effective Date, except as otherwise provided in the Plan, each of the Plan Debtors' Executory Contracts and Unexpired Leases not previously assumed or rejected pursuant to an order of the Bankruptcy Court will be deemed rejected as of the Effective Date in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code except any Executory Contract or Unexpired Lease (a) identified on Exhibit G to the Plan (which will be Filed as part of the Plan Supplement) as an Executory Contract or Unexpired Lease designated for assumption, (b) which is the subject of a separate motion or notice to assume or reject Filed by the Plan Debtors and pending as of the Confirmation Hearing, (c) that previously expired or terminated pursuant to its own terms, or (d) that was previously assumed by any of the Plan Debtors.

Entry of the Confirmation Order by the Bankruptcy Court will constitute an order approving the assumptions or rejections of such Executory Contracts and Unexpired Leases as set forth in the Plan, all pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Each Executory Contract and Unexpired Lease assumed pursuant to the Plan or by Bankruptcy Court order, and not assigned to a third party on or prior to the Effective Date, will revest in and be fully enforceable by the applicable contracting Reorganized Debtor in accordance with its terms, except as such terms may have been modified by order of the Bankruptcy Court. To the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or

deemed breached by, the assumption of such Executory Contract or Unexpired Lease (including, without limitation, any "change of control" provision), then such provision will be deemed modified such that the transactions contemplated by the Plan will not entitle the counterparty thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Notwithstanding anything to the contrary in the Plan, the Plan Debtors or Reorganized Debtors, as applicable, reserve the right to alter, amend, modify, or supplement Exhibit ~~I~~G to the Plan in their discretion (subject to the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) prior to the Effective Date on no less than three (3) days' notice to the counterparty thereto.

2. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan will be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on the Effective Date, subject to the limitation described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (a) the amount of any payments to cure such a default, (b) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed or (c) any other matter pertaining to assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code will be made following the entry of a Final Order or orders resolving the dispute and approving the assumption. No later than the date on which the Plan Supplement is Filed, to the extent not previously Filed with the Bankruptcy Court and served on affected counterparties, the Plan Debtors will provide for notices of proposed assumption and proposed cure amounts to be sent to applicable Executory Contract and Unexpired Lease counterparties, together with procedures for objecting thereto and resolution of disputes by the Bankruptcy Court. Any objection by a contract or lease counterparty to a proposed assumption or related cure amount must be Filed, served, and actually received by the Plan Debtors by the date on which objections to Confirmation are due (or such other date as may be provided in the applicable assumption notice). Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or cure amount will be deemed to have assented to such assumption or cure amount.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise will result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption. Any Proofs of Claim filed with respect to an Executory Contract or Unexpired Lease that has been assumed will be deemed disallowed and expunged without further notice to or action, order or approval of the Bankruptcy Court.

3. Claims Based on Rejection of Executory Contracts and Unexpired Leases

Unless otherwise provided by a Bankruptcy Court order, any Proofs of Claim asserting Claims arising from the rejection of the Plan Debtors' Executory Contracts and Unexpired Leases pursuant to the Plan or otherwise must be filed with the Notice and Claims Agent within 30 days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection. Any Proofs of Claim arising from the rejection of the Plan Debtors' Executory Contracts and Unexpired Leases that are not timely filed will be disallowed automatically, forever barred from assertion, and will not be enforceable against any Reorganized Debtor without the need for any objection by the Reorganized Debtors or further notice to or action, order, or approval of the Bankruptcy Court. All Allowed Claims arising from the rejection of the Plan Debtors' Executory Contracts and Unexpired Leases will constitute General Unsecured Claims and will be treated in accordance with Section II.C.8 of the Plan.

The Plan Proponents reserve the right to object to, settle, compromise or otherwise resolve any Claim Filed on account of a rejected Executory Contract or Unexpired Lease.

4. Contracts and Leases Entered Into After the Petition Date

Contracts and leases entered into after the Petition Date by any Plan Debtor, including any Executory Contracts and Unexpired Leases assumed by such Plan Debtor, will be performed by the Plan Debtor or Reorganized Debtor liable thereunder in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

5. Reservation of Rights

Neither the exclusion nor inclusion of any contract or lease in the Plan Supplement, nor anything contained in the Plan, nor the Plan Debtors' delivery of a notice of proposed assumption and proposed cure amount to applicable contract and lease counterparties will constitute an admission by the Plan Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any Reorganized Debtor has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Plan Debtors or Reorganized Debtors, as applicable, will have 30 days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

6. Pre-Existing Obligations to the Plan Debtors Under Executory Contracts and Unexpired Leases

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise will not constitute a termination of pre-existing obligations owed to the Plan Debtors or Reorganized Debtors under such Executory Contracts or Unexpired Leases. Notwithstanding any applicable non-bankruptcy law to the contrary, the Plan Debtors and Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties, indemnifications or continued maintenance obligations on goods previously purchased by the contracting Plan Debtors or Reorganized Debtors from counterparties to rejected Executory Contracts or Unexpired Leases.

7. Certain Compensation and Benefit Programs

Notwithstanding anything to the contrary in the Plan, all contracts, agreements, policies, programs and plans in existence on the Petition Date that provided for the issuance of NII Interests or other Interests in any of the Plan Debtors to current or former employees or directors of the Plan Debtors are, to the extent not previously terminated or rejected by the Plan Debtors, rejected or otherwise terminated as of the Effective Date without any further action of the Plan Debtors or Reorganized Debtors or any order of the Court, with rejection damages of $0.00, and any unvested NII Interests or other Interests granted under any such agreements, policies, programs and plans in addition to any NII Interests or other Interests granted under such agreements previously terminated or rejected by the Plan Debtors to the extent not previously cancelled will be cancelled pursuant to Section III.J of the Plan. Objections to the treatment of these plans or the Claims for rejection or termination damages arising from the rejection or termination of any such plans, if any, must be submitted and resolved in accordance with the procedures and subject to the conditions for objections to Confirmation. If any such objection is not timely Filed and served before the deadline set for objections to the Plan, each participant in or counterparty to any agreement described in Section IV.G of the Plan will be forever barred from (a) objecting to the rejection or termination provided hereunder, and will be precluded from being heard at the Confirmation Hearing with respect to such objection; (b) asserting against any Reorganized Debtor, or its property, any default existing as of the Effective Date or any counterclaim, defense, setoff or any other interest asserted or assertable against the Plan Debtors; and (c) imposing or charging against any Reorganized Debtor any accelerations, assignment fees, increases or any other fees as a result of any rejection pursuant to Section IV.G of the Plan.

8. Obligations to Insure and Indemnify Directors, Officers and Employees

Any and all directors and officers liability and fiduciary insurance or tail policies in existence as of the Effective Date will be reinstated and continued in accordance with their terms and, to the extent applicable, will be deemed assumed or assumed and assigned by the applicable Debtor or Reorganized Debtor, pursuant to

section 365 of the Bankruptcy Code and Section IV.A of the Plan. Each insurance carrier under such policies will continue to honor and administer the policies with respect to the Reorganized Debtors in the same manner and according to the same terms and practices applicable to the Plan Debtors prior to the Effective Date.

The applicable Reorganized Debtor will only be obligated to indemnify any person who is serving or has served as one of the Plan Debtors' directors, officers or employees at any time from and after the Petition Date for any losses, claims, costs, damages or Liabilities resulting from such person's service in such a capacity at any time from and after the Petition Date or as a director, officer or employee of a Non-Debtor Affiliate at any time from and after the Petition Date, to the extent provided in the applicable certificates of incorporation, by-laws or similar constituent documents, by statutory law or by written agreement, policies or procedures of or with such Debtor, will be deemed and treated as Executory Contracts that are assumed by the applicable Debtor or Reorganized Debtor pursuant to the Plan and section 365 of the Bankruptcy Code as of the Effective Date. Accordingly, such indemnification obligations will survive and be unaffected by entry of the Confirmation Order.

H. Conditions Precedent to Confirmation of the Plan

The Bankruptcy Court will not be requested to enter the Confirmation Order unless and until the following conditions have been satisfied or duly waived pursuant to Section VII.C of the Plan:

- The Bankruptcy Court will have entered the Disclosure Statement Order in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

- All Plan Documents will (A) be in form and substance reasonably acceptable to the Plan Proponents, Aurelius and Capital Group, and (B) solely with respect to the Plan, the Disclosure Statement, the materials for solicitation of the Plan and Disclosure Statement, the motion to approve the Disclosure Statement, the Disclosure Statement Order, the Confirmation Order, any term sheet and/or commitment letter relating to the DIP Credit Agreement be in form and substance reasonably acceptable to the Luxco Group, and with respect to all other documents, be subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; *provided*, *however*, the Debtors will consult with the Luxco Group regarding a proposed New NII Exit Financing Facility and the negotiation of the terms thereof and the final terms and conditions of such New NII Exit Financing Facility will be subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; provided, further, that if Aurelius or Capital Group participates in the New NII Exit Financing Facility, such financing will be on terms and conditions reasonably acceptable to each of the Plan Proponents and each of the Requisite Consenting Noteholders.

- The Bankruptcy Court will have entered the Plan Support Agreement Order in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

- The Plan and Confirmation Order will be in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

I. Conditions Precedent to the Occurrence of the Effective Date

The Effective Date will not occur, and the Plan will not be consummated unless and until the following conditions have been satisfied or duly waived pursuant to Section VII.C of the Plan.

- All documents and agreements necessary to consummate the Plan will have been effected or executed.

- The Bankruptcy Court will have entered the Mexico Sale Order, subject to any modifications to the form of the Mexico Sale Order appended to the motion seeking approval of the Mexico

Sale Transaction [Docket No. 406] being in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

- The Mexico Sale Transaction will have been consummated in accordance with its terms and the Mexico Sale Order.

- The Bankruptcy Court will have entered the Confirmation Order, and the Confirmation Order will be (A) a Final Order and (B) in form and substance reasonably acceptable to the Plan Proponents and each of the Requisite Consenting Noteholders.

- The Operating Company Credit Agreements will have been amended in form and substance reasonably acceptable to the applicable operating subsidiaries of the Debtors and each of the Requisite Consenting Noteholders (subject to a consultation right in favor of the Creditors' Committee), and any defaults under the Operating Company Credit Agreements will have been cured or waived; *provided that* the foregoing consent rights of each of the Requisite Consenting Noteholders with respect to (A) any amendments, restatements, modifications or refinancings of the NII Brazil CDB Agreement will only apply to such amendments, restatements, modifications or refinancings entered into after December 18, 2014, including any further amendments, restatements, modifications or refinancings of any such amendments, restatements, modifications or refinancings of the NII Brazil CDB Agreement entered into prior to December 18, 2014, and (B) any amendments, restatements, modifications or refinancings of any of the Other Brazilian Credit Agreements will only apply to amendments or modifications to the drafts of such amendments, restatements, modifications or refinancings of such Other Brazilian Credit Agreements delivered to the Requisite Consenting Noteholders on or before February 26, 2015, including any amendments, restatements, modifications or refinancings of any of such drafts.

- Receipt of required governmental approvals (if any) and any and all other steps necessary to consummate the Plan Debtors' proposed restructuring in any applicable jurisdictions have been received and/or effectuated.

- All reasonable and documented Requisite Consenting Noteholders Professionals Fees/Expenses as well as the reasonable out-of-pocket expenses of the Requisite Consenting Noteholders incurred in connection with the Debtors' restructuring that were incurred prior to the Effective Date have been paid in full in Cash pursuant to the terms of the Plan, subject to the limitations set forth in Section I.A.~~163~~158 of the Plan, and to the extent required by the Plan Support Agreement.

- All other documents and agreements necessary to implement the Plan on the Effective Date that are required to be in form and substance reasonably acceptable to the Plan Proponents and the Requisite Consenting Noteholders will have been executed and delivered and all other actions required to be taken in connection with the Effective Date will have occurred.

- All statutory fees and obligations then due and payable to the Office of the United States Trustee will have been paid and satisfied in full.

J. Waiver of Conditions to Confirmation or the Effective Date

The conditions to Confirmation and the conditions to the Effective Date may be waived in whole or part at any time by the Plan Proponents, with the consent of each of the Requisite Consenting Noteholders, without an order of the Bankruptcy Court.

K. Effect of Nonoccurrence of Conditions to the Effective Date

Subject to the terms of the Plan Support Agreement, the Plan Proponents reserve the right to seek to vacate the Plan at any time prior to the Effective Date. If the Confirmation Order is vacated pursuant to

Section VII.D of the Plan: (1) the Plan will be null and void in all respects, including with respect to (a) the discharge of Claims pursuant to section 1141 of the Bankruptcy Code, (b) the assumption, assumption and assignment or rejection of Executory Contracts and Unexpired Leases, as applicable, and (c) the releases described in Section IX.E of the Plan; and (2) nothing contained in the Plan will (a) constitute a waiver or release of any claims by or against, or any Interest in, any Plan Debtor or (b) prejudice in any manner the rights of the Plan Debtors or any other party in interest.

L. Retention of Jurisdiction by the Bankruptcy Court

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court will retain such jurisdiction over the Chapter 11 Cases after the Effective Date as is legally permissible, including jurisdiction to:

- Allow, disallow, estimate, determine, liquidate, reduce, classify, re-classify, estimate or establish the priority or secured or unsecured status of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any objections to the amount, allowance, priority or classification of Claims or Interests;

- Grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan for periods ending on or before the Effective Date;

- Resolve any matters related to the assumption, assumption and assignment or rejection of any Executory Contract or Unexpired Lease to which any Debtor is a party or with respect to which any Debtor or Reorganized Debtor may be liable and to hear, determine and, if necessary, liquidate any Claims arising therefrom;

- Ensure that distributions to Holders of Claims are accomplished pursuant to the provisions of the Plan;

- Decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications Filed in the Bankruptcy Court involving any Debtor or any Reorganized Debtor that may be pending on the Effective Date or brought thereafter;

- Enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases and other agreements or documents entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

- Resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation or enforcement of the Plan or any contract, instrument, release or other agreement or document that is entered into or delivered pursuant to the Plan or any Entity's rights arising from or obligations incurred in connection with the Plan or such documents;

- Modify the Plan before or after the Effective Date pursuant to section 1127 of the Bankruptcy Code; modify the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order; or remedy any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into, delivered or created in connection with the Plan, the Disclosure Statement or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan;

- Hear and determine any matter, case, controversy, suit, dispute, or Causes of Action regarding the existence, nature and scope of the releases, injunctions, and exculpation provided under the Plan, and issue injunctions, enforce the injunctions contained in the Plan and the Confirmation Order, enter and implement other orders or take such other actions as may be necessary or appropriate to implement, enforce or restrain interference by any Entity with respect to the consummation, implementation or enforcement of the Plan or the Confirmation Order, including the releases, injunctions, and exculpation provided under the Plan;

- Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason or in any respect modified, stayed, reversed, revoked or vacated or distributions pursuant to the Plan are enjoined or stayed;

- Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;

- Enforce, clarify or modify any orders previously entered by the Bankruptcy Court in the Chapter 11 Cases;

- Enter a final decree closing the Chapter 11 Cases;

- Determine matters concerning state, local and federal Taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code, including any Disputed Claims for Taxes;

- Recover all assets of the Plan Debtors and their Estates, wherever located; and

- Hear any other matter over which with the Bankruptcy Court has jurisdiction.

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter, including the matters set forth in Section X of the Plan, the provisions of Section X of the Plan will have no effect upon and will not control, prohibit or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

VII. VOTING REQUIREMENTS

The Disclosure Statement Order entered by the Bankruptcy Court approved certain procedures for the Plan Proponents' solicitation of votes to approve the Plan, including setting the deadline for voting, which Holders of Claims or Equity Interests are eligible to receive Ballots to vote on the Plan, and certain other voting procedures.

THE DISCLOSURE STATEMENT APPROVAL ORDER IS HEREBY INCORPORATED BY REFERENCE AS THOUGH FULLY SET FORTH HEREIN. YOU SHOULD READ THE DISCLOSURE STATEMENT APPROVAL ORDER, THE CONFIRMATION HEARING NOTICE, AND THE INSTRUCTIONS ATTACHED TO YOUR BALLOT IN CONNECTION WITH THIS SECTION, AS THEY SET FORTH IN DETAIL, AMONG OTHER THINGS, PROCEDURES GOVERNING VOTING DEADLINES AND OBJECTION DEADLINES.

If you have any questions about the procedure for voting your Claim or the Solicitation Package you received, or if you wish to obtain a paper copy of the Plan, this Disclosure Statement or any Exhibits to such documents, please contact Prime Clerk, the Voting Agent, (A) by telephone (1) for U.S. and Canadian callers toll-free at (844) 224-1140 and (2) for international callers at (917) 962-8496, or (B) in writing at NII Ballot Processing, c/o Prime Clerk LLC, 830 Third Avenue, 9th Floor, New York, NY 10022 or by email at niiballots@primeclerk.com.

A. Voting Deadline

This Disclosure Statement and the appropriate Ballot(s) are being distributed to all Holders of Claims that are entitled to vote on the Plan. In order to facilitate vote tabulation, there is a separate Ballot designated for each impaired voting Class; however, all Ballots are substantially similar in form and substance, and the term "Ballot" is used without intended reference to the Ballot of any specific Class of Claims.

IN ACCORDANCE WITH THE DISCLOSURE STATEMENT ORDER, IN ORDER TO BE CONSIDERED FOR PURPOSES OF ACCEPTING OR REJECTING THE PLAN, ALL BALLOTS MUST BE RECEIVED BY THE VOTING AGENT NO LATER THAN **5:00 P.M. (PREVAILING EASTERN TIME) ON [_____], 2015**, WHICH IS THE VOTING DEADLINE. BALLOTS SUBMITTED BY BENEFICIAL OWNERS OF PREPETITION NOTES TO A MASTER BALLOT AGENT MUST BE RECEIVED BY SUCH MASTER BALLOT AGENT WITH SUFFICIENT TIME TO ENABLE THE MASTER BALLOT AGENT TO DELIVER A MASTER BALLOT TO THE VOTING AGENT BY THE VOTING DEADLINE. ONLY THOSE BALLOTS ACTUALLY RECEIVED BY THE VOTING AGENT BEFORE THE VOTING DEADLINE WILL BE COUNTED AS EITHER ACCEPTING OR REJECTING THE PLAN. EXCEPT WITH RESPECT TO MASTER BALLOTS, WHICH BALLOTS MAY BE SUBMITTED BY ELECTRONIC MAIL, NO BALLOTS MAY BE SUBMITTED BY ELECTRONIC MAIL OR OTHER MEANS OF ELECTRONIC SUBMISSION, AND ANY BALLOTS OTHER THAN MASTER BALLOTS SUBMITTED BY ELECTRONIC MAIL OR OTHER MEANS OF ELECTRONIC SUBMISSION WILL NOT BE ACCEPTED BY THE VOTING AGENT.

FOR DETAILED VOTING INSTRUCTIONS, SEE THE DISCLOSURE STATEMENT ORDER.

B. Holders of Claims or Interests Entitled to Vote

Under section 1124 of the Bankruptcy Code, a class of claims or equity interests is deemed to be "impaired" under a plan unless (1) the plan leaves unaltered the legal, equitable and contractual rights to which such claim or equity interest entitles the holder thereof; or (2) notwithstanding any legal right to an accelerated payment of such claim or equity interest, the plan (a) cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy), (b) reinstates the maturity of such claim or equity interest as it existed before the default, (c) compensates the holder of such claim or equity interest for any damages resulting from such holder's reasonable reliance on such legal right to an accelerated payment and (d) does not otherwise alter the legal, equitable or contractual rights to which such claim or equity interest entitles the holder of such claim or equity interest.

In general, a holder of a claim or equity interest may vote to accept or reject a plan if (1) the claim or equity interest is "allowed," which means generally that it is not disputed, contingent or unliquidated, and (2) the claim or equity interest is impaired by a plan. However, if the holder of an impaired claim or equity interest will not receive any distribution under the plan on account of such claim or equity interest, the Bankruptcy Code deems such holder to have rejected the plan and provides that the holder of such claim or equity interest is not entitled to vote on the plan. If the claim or equity interest is not impaired, the Bankruptcy Code conclusively presumes that the holder of such claim or equity interest has accepted the plan and provides that the holder is not entitled to vote on the plan.

Except as otherwise provided in the Disclosure Statement Order, the Holder of a Claim against one or more Plan Debtors that is "impaired" under the Plan is entitled to vote to accept or reject the Plan if (1) the Plan provides a distribution in respect of such Claim; and (2) the Claim has been scheduled by the appropriate Debtor (and is not scheduled as disputed, contingent, or unliquidated), the Holder of such Claim has timely Filed a Proof of Claim or a Proof of Claim was deemed timely Filed by an order of the Bankruptcy Court prior to the Voting Deadline.

[AS SET FORTH IN THE CONFIRMATION HEARING NOTICE AND IN THE DISCLOSURE STATEMENT ORDER, HOLDERS OF DISPUTED, CONTINGENT OR UNLIQUIDATED CLAIMS MUST FILE MOTIONS TO HAVE THEIR CLAIMS TEMPORARILY ALLOWED FOR VOTING PURPOSES ON OR BEFORE [_____], 2015.]

A vote on the Plan may be disregarded if the Bankruptcy Court determines, pursuant to section 1126(e) of the Bankruptcy Code, that it was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code. The Disclosure Statement Order also sets forth assumptions and procedures for determining the amount of Claims that each creditor is entitled to vote in these Chapter 11 Cases and how votes will be counted under various scenarios.

C. Vote Required for Acceptance by a Class

A Class of Claims will have accepted the Plan if it is accepted by at least two-thirds (⅔) in amount and more than one-half (½) in number of the Allowed Claims in such Class that have voted on the Plan in accordance with the Disclosure Statement Order.

VIII. CONFIRMATION OF THE PLAN

The Bankruptcy Code requires the Bankruptcy Court, after notice, to conduct a hearing at which it will hear objections (if any) and determine whether to confirm the Plan. At the Confirmation Hearing, the Bankruptcy Court will confirm the Plan only if all of the requirements of section 1129 of the Bankruptcy Code described below are met.

The Confirmation Hearing has been scheduled to begin on **[_____]**, 2015, at **[___]** prevailing Eastern time before the Honorable Shelley C. Chapman, United States Bankruptcy Judge for the Southern District of New York, in a courtroom to be determined at the United States Bankruptcy Court for the Southern District of New York, located at One Bowling Green, New York, New York 10004. The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice, except for an announcement of the adjourned date made at the Confirmation Hearing.

A. Deadline to Object to Confirmation

Objections, if any, to the Confirmation of the Plan must: (1) be in writing; (2) state the name and address of the objecting party and the nature of the Claim or Interest of such party; (3) state with particularity the basis and nature of any objection; and (4) be Filed with the Bankruptcy Court, and served on the following parties so that they are received no later than **[__]**:00 **[p]**.m., prevailing Eastern time, on **[_____]**, 2015:

- the Plan Debtors, c/o NII Holdings, Inc., 1875 Explorer Street, Suite 800, Reston, Virginia 20190 (Attn: General Counsel);
- counsel to the Plan Debtors, Jones Day, 222 East 41st Street, New York, New York 10017 (Attn: Scott J. Greenberg, Esq. and Lisa Laukitis, Esq.); Jones Day, North Point, 901 Lakeside Avenue, Cleveland, Ohio 44114 (Attn: David G. Heiman and Carl E. Black, Esq.);
- the Office of the United States Trustee, Southern District of New York, 201 Varick Street, Suite 1006, New York, NY 10014 (Attn: Susan D. Golden, Esq. and Brian Masumoto, Esq.);
- counsel to Wilmington Savings Fund Society, FSB, solely in its capacities as the trustee under the indentures governing the 10% Capco Notes and the 7.625% Capco Notes, respectively;
- counsel to U.S. Bank National Association, solely in its capacity as the trustee under the indenture governing the 8.875% Capco Notes;
- counsel to Wilmington Trust, National Association, solely in its capacities as the trustee under each indenture governing the Luxco 7.875% Notes and the Luxco 11.375% Notes;
- Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022 (Attn: Paul M. Basta, Esq. and Christopher Marcus, Esq.) on behalf of the Luxco Group;

- Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036 (Attn: Daniel H. Golden, Esq. and David H. Botter, Esq.) on behalf of Aurelius;

- Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019 (Attn: Andrew Rosenberg, Esq. and Elizabeth McColm, Esq.) on behalf of Capital Group;

- Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022 (Attn: Paul M. Basta, Esq. and Christopher Marcus, Esq.) on behalf of the Luxco Group;

- counsel to the Creditors' Committee, Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036 (Attn: Kenneth H. Eckstein, Esq. and Stephen D. Zide, Esq.);

- King & Spalding LLP, 1185 Avenue of the Americas, New York, New York 10036 (Attn: Michael C. Rupe, Esq.), on behalf of Credit Suisse AG, Cayman Islands Branch;

- the SEC; and

- all other parties in interest that have filed requests for notice pursuant to Bankruptcy Rule 2002 in these Chapter 11 Cases.

B. Requirements for Confirmation of the Plan

Among the requirements for Confirmation of the Plan are that the Plan (1) is accepted by all impaired Classes of Claims and Interests or, if rejected by an impaired Class, that the Plan "does not discriminate unfairly" and is "fair and equitable" as to such Class; (2) is feasible; and (3) is in the "best interests" of creditors and stockholders that are impaired under the Plan.

1. Requirements of Section 1129(a) of the Bankruptcy Code

A moneyed, business or commercial corporation or trust must satisfy the following requirements pursuant to section 1129(a) of the Bankruptcy Code before the Bankruptcy Court may confirm its reorganization plan:

- The plan complies with the applicable provisions of the Bankruptcy Code.

- The proponent(s) of the plan complies with the applicable provisions of the Bankruptcy Code.

- The plan has been proposed in good faith and not by any means forbidden by law.

- Any payment made or to be made by the proponent, by the debtor, or by a person issuing securities or acquiring property under a plan, for services or for costs and expenses in or in connection with the case, or in connection with the plan and incident to the case, has been approved by, or is subject to the approval of, the Bankruptcy Court as reasonable.

- The proponent(s) of a plan has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the plan, as a director, officer, or voting trustee of the debtor, an affiliate of the debtor participating in a joint plan with the debtor or a successor to the debtor under the plan, and the appointment to, or continuance in, such office of such individual must be consistent with the interests of creditors and equity security holders and with public policy.

- The proponent(s) of the plan has disclosed the identity of any insider (as defined in section 101 of the Bankruptcy Code) that will be employed or retained by the reorganized debtor, and the nature of any compensation for such insider.

- Any governmental regulatory commission with jurisdiction, after confirmation of the plan, over the rates of the debtor has approved any rate change provided for in the plan, or such rate change is expressly conditioned on such approval.

- With respect to each impaired class of claims or interests—

  - each holder of a claim or interest of such class (a) has accepted the plan; or (b) will receive or retain under the plan on account of such claim or interest property of a value, as of the effective date of the plan, that is not less than the amount that such holder would so receive or retain if the debtor were liquidated under chapter 7 of the Bankruptcy Code on such date; or

  - if section 1111(b)(2) of the Bankruptcy Code applies to the claims of such class, each holder of a claim of such class will receive or retain under the plan on account of such claim, property of a value, as of the effective date of the plan, that is not less than the value of such holder's interest in the estate's interest in the property that secures such claims.

- With respect to each class of claims or interests, such class has (a) accepted the plan; or (b) such class is not impaired under the plan (subject to the "cramdown" provisions discussed below; see "Confirmation of the Plan — Requirements of Section 1129(b) of the Bankruptcy Code").

- Except to the extent that the holder of a particular claim has agreed to a different treatment of such claim, the plan provides that:

  - with respect to a claim of a kind specified in sections 507(a)(2) or 507(a)(3) of the Bankruptcy Code, on the effective date of the plan, the holder of the claim will receive on account of such claim cash equal to the allowed amount of such claim, unless such holder consents to a different treatment;

  - with respect to a class of claim of the kind specified in sections 507(a)(1), 507(a)(4), 507(a)(5), 507(a)(6), or 507(a)(7) of the Bankruptcy Code, each holder of a claim of such class will receive (a) if such class has accepted the plan, deferred cash payments of a value, on the effective date of the plan, equal to the allowed amount of such claim; or (b) if such class has not accepted the plan, cash on the effective date of the plan equal to the allowed amount of such claim, unless such holder consents to a different treatment;

  - with respect to a claim of a kind specified in section 507(a)(8) of the Bankruptcy Code, unless the holder of such a claim consents to a different treatment, the holder of such claim will receive on account of such claim, regular installment payments in cash, of a total value, as of the effective date of the plan, equal to the allowed amount of such claim over a period ending not later than 5 years after the date of the order for relief under section 301, 302, or 303 of the Bankruptcy Code and in a manner not less favorable than the most favored nonpriority unsecured claim provided for by the plan (other than cash payments made to a class of creditors under section 1122(b) of the Bankruptcy Code); and

  - with respect to a secured claim which would otherwise meet the description of an unsecured claim of a governmental unit under section 507(a)(8) of the Bankruptcy Code, but for the secured status of that claim, the holder of that claim will receive on account of that claim, cash payments, in the same manner and over the same period, as prescribed in the immediately preceding bullet points above.

- If a class of claims is impaired under the plan, at least one class of claims that is impaired under the plan has accepted the plan, determined without including any acceptance of the plan by any insider (as defined in section 101 of the Bankruptcy Code).

- Confirmation of the plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor or any successor to the debtor under the plan, unless such liquidation or reorganization is proposed in the plan.

- All fees payable under 28 U.S.C. § 1930, as determined by the Bankruptcy Court at the hearing on confirmation of the plan, have been paid or the plan provides for the payment of all such fees on the effective date of the plan.

- The plan provides for the continuation after its effective date of payment of all retiree benefits, as that term is defined in section 1114 of the Bankruptcy Code, at the level established pursuant to subsection (e)(1)(B) or (g) of section 1114 of the Bankruptcy Code, at any time prior to confirmation of the plan, for the duration of the period the debtor has obligated itself to provide such benefits.

The Plan Proponents believe that the Plan meets all the applicable requirements of section 1129(a) of the Bankruptcy Code other than those pertaining to voting, which has not yet taken place.

2. Best Interests of Creditors

Section 1129(a)(7) of the Bankruptcy Code requires that any holder of an impaired claim or interest voting against a proposed plan of reorganization must be provided in the plan with a value, as of the effective date of the plan, at least equal to the value that the holder would receive if the debtor's assets were liquidated under chapter 7 of the Bankruptcy Code. To determine what the Holders of claims and interests in each impaired class would receive if the Plan Debtors' assets were liquidated, the Bankruptcy Court must determine the dollar amount that would be generated from a liquidation of the Plan Debtors' assets in the context of a hypothetical liquidation. Such a determination must take into account the fact that secured claims, and any administrative claims resulting from the original chapter 11 cases and from the chapter 7 cases, would have to be paid in full from the liquidation proceeds before the balance of those proceeds were made available to pay unsecured creditors and make distributions (if any) to holders of interests.

In support of the Plan Proponents' belief that the Holders of Claims and Interests in each impaired Class will receive more under the Plan than if the Plan Debtors' assets were liquidated, annexed to this Disclosure Statement as Exhibit 2 is a liquidation analysis prepared by the Plan Debtors with the assistance of professionals of the Plan Debtors (the "Liquidation Analysis") that assumes that the Chapter 11 Cases were converted to chapter 7 cases and each Debtor's assets are liquidated under the direction of a chapter 7 trustee. THESE LIQUIDATION VALUATIONS HAVE BEEN PREPARED SOLELY FOR USE IN THIS DISCLOSURE STATEMENT AND DO NOT REPRESENT VALUES THAT ARE APPROPRIATE FOR ANY OTHER PURPOSE. NOTHING CONTAINED IN THE LIQUIDATION ANALYSIS IS INTENDED TO BE OR CONSTITUTES A CONCESSION BY OR ADMISSION OF ANY DEBTOR FOR ANY PURPOSE. The assumptions used in developing the Liquidation Analysis are inherently subject to significant uncertainties and contingencies, many of which would be beyond the control of the Plan Debtors or a chapter 7 trustee. Accordingly, there can be no assurances that the values assumed in the Liquidation Analysis would be realized if the Plan Debtors were actually liquidated. In addition, any liquidation would take place in the future at which time circumstances may exist that cannot presently be predicted. A description of the procedures followed and the assumptions and qualifications made by the Plan Debtors in connection with the Liquidation Analysis are set forth in the notes thereto.

3. Feasibility

The Plan Proponents believe that the Reorganized Debtors will be able to perform their obligations under the Plan and continue to operate their businesses without further financial reorganization or liquidation. In connection with Confirmation of the Plan, the Bankruptcy Court must determine that the Plan is feasible in

accordance with section 1129(a)(11) of the Bankruptcy Code (which section requires that the Confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Plan Debtors).

To support the Plan Proponents' belief that the Plan is feasible, the Plan Debtors have prepared the projections for the Reorganized Debtors, as set forth in Exhibit 3 to this Disclosure Statement and discussed in greater detail in Section X below.

4. Requirements of Section 1129(b) of the Bankruptcy Code

The Bankruptcy Code permits confirmation of a plan even if it is not accepted by all impaired classes, as long as (a) the plan otherwise satisfies the requirements for confirmation, (b) at least one impaired class of claims has accepted the plan without taking into consideration the votes of any insiders in such class and (c) the plan is "fair and equitable" and does not "discriminate unfairly" as to any impaired class that has not accepted the plan. These so-called "cramdown" provisions are set forth in section 1129(b) of the Bankruptcy Code.

"Fair and Equitable"

The Bankruptcy Code establishes different "cramdown" tests for determining whether a plan is "fair and equitable" to dissenting impaired classes of secured creditors, unsecured creditors and equity interest holders as follows:

- Secured Creditors. A plan is fair and equitable to a class of secured claims that rejects the plan if the plan provides: (a) that each holder of a secured claim included in the rejecting class (i) retains the liens securing its claim to the extent of the allowed amount of such claim, whether the property subject to those liens is retained by the debtor or transferred to another entity, and (ii) receives on account of its secured claim deferred cash payments having a present value, as of the effective date of the plan, at least equal to such holder's interest in the estate's interest in such property; (b) that each holder of a secured claim included in the rejecting class realizes the "indubitable equivalent" of its allowed secured claim; or (c) for the sale, subject to section 363(k) of the Bankruptcy Code, of any property that is subject to the liens securing the claims included in the rejecting class, free and clear of such liens with such liens to attach to the proceeds of the sale, and the treatment of such liens on proceeds in accordance with clause (i) or (ii) of this paragraph.

- Unsecured Creditors. A plan is fair and equitable as to a class of unsecured claims that rejects the plan if the plan provides that: (a) each holder of a claim included in the rejecting class receives or retains under the plan property of a value, as of the effective date of the plan, equal to the amount of its allowed claim; or (b) the holders of claims and interests that are junior to the claims of the rejecting class will not receive or retain any property under the plan on account of such junior claims or interests.

- Holders of Interests. A plan is fair and equitable as to a class of interests that rejects the plan if the plan provides that: (a) each holder of an equity interest included in the rejecting class receives or retains under the plan property of a value, as of the effective date of the plan, equal to the greatest of the allowed amount of (i) any fixed liquidation preference to which such holder is entitled, (ii) any fixed redemption price to which such holder is entitled or (iii) the value of the interest; or (b) the holder of any interest that is junior to the interests of the rejecting class will not receive or retain any property under the plan on account of such junior interest.

The Plan Proponents believe the Plan is fair and equitable as to unsecured creditors and Holders of Interests because no Holders of Claims or Interests junior to such parties are receiving any distributions under the Plan on account of such claims or interests. The Plan Debtors do not have any secured creditors that are impaired under the Plan and, therefore, confirmation will not contemplate the non-consensual Confirmation of the Plan with respect to any such creditors.

"*Unfair Discrimination*"

A plan of reorganization does not "discriminate unfairly" if a dissenting class is treated substantially equally with respect to other classes similarly situated, and no class receives more than it is legally entitled to receive for its claims or interests. The Plan Proponents carefully designed the Plan, including calculating the distributions to Holders of General Unsecured Claims against each of the Plan Debtors, to ensure recoveries on account of Claims in a particular Class against each of the Plan Debtors did not result in unfair discrimination among similarly situated Classes. Among other things, the recoveries to Holders of General Unsecured Claims of the applicable Plan Debtors were calculated to ensure that such Holders received a recovery no less favorable than the recovery to Holders of Prepetition Notes on account of claims directly against such Debtor entity under the applicable Prepetition Notes. The Plan Proponents do not believe that the Plan discriminates unfairly against any impaired Class of Claims or Interests.

The Plan Proponents believe that the Plan and the treatment of all Classes of Claims and Interests under the Plan satisfy the foregoing requirements for "cramdown," or non-consensual Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code.

C. Standards Applicable to Certain Releases

Section IX.E of the Plan provides for releases for certain claims against non-debtors in consideration of services provided to the Plan Debtors and the contributions made by the Released Parties to the Chapter 11 Cases. The Released Parties are, collectively and individually, the Plan Proponents, the members of the Creditors' Committee, the Indenture Trustees, the Consenting Noteholders, the DIP Agent, the DIP Lenders, and the Representatives of each of the foregoing (solely in their capacities as such).

As set forth in the Plan, the releases are given by (i) the Debtors; (ii) the Reorganized Debtors; and (iii) to the greatest extent permitted under applicable law, all ~~holders~~Holders of Claims or Interests against the Debtors that vote to accept the Plan. The released claims and exculpated claims are limited to those claims or causes of action that may have arisen in connection with, related to or arising out of~~, among other things, the Plan, this Disclosure Statement, the Plan Supplement, any other Plan Document, the Plan Debtors or the Chapter 11 Cases.~~ the matters specified in the release provisions at Section IX.E of the Plan and disclosed herein at Section IX.A.17.

The Debtors believe that the releases set forth in the Plan are appropriate because, among other things, the releases are narrowly tailored ~~to the Plan Debtors' restructuring proceedings~~, and each of the Released Parties has provided value to the Debtors and aided in the reorganization process, including, with respect to certain Released Parties, by entering into the Settlement, by ~~committing to provide~~providing the DIP Loan and by providing their support of the sale of NII Mexico, which greatly increased the value of the Plan Debtors' estates and has facilitated the Plan Debtors' ability to propose and pursue confirmation of the Plan in a highly value-maximizing and efficient manner.

Here, the Plan Debtors believe that each of the non-debtor Released Parties has (a) expended significant time and resources analyzing and negotiating the issues presented by the Plan Debtors' prepetition capital structure, including with respect to the claims subject to the Settlement and (b) contributed significantly to the Debtors' reorganization process, including, among other things, through entry into the Settlement and the DIP Loan. In addition, each of the non-debtor Released Parties actively participated in efforts with the Plan Debtors to arrive at a value-maximizing stalking horse bid in connection with the Mexico Sale Transaction, and were strong supporters of, and participants in, such efforts. Indeed, certain of the non-debtor Released Parties entered into a support stipulation [Docket No. 406] to confirm their support for the proposed Mexico Sale Transaction. Finally, each of the non-debtor Released Parties played a substantial role in formulating and negotiating the Plan. Absent the support and participation of the Released Parties, the Debtors could not have filed for chapter 11 protection with a path to reorganization and emergence. Accordingly, the Plan Debtors contend that the circumstances of the Chapter 11 Cases satisfy the requirements for such releases.

IX. MEANS OF IMPLEMENTATION OF THE PLAN

A. Effects of Confirmation of the Plan

1. Issuance of Reorganized NII Common Stock

On the Effective Date, 150,000,000 shares of Reorganized NII Common Stock will be authorized, and Reorganized NII will issue 100,000,000 shares of Reorganized NII Common Stock pursuant to the Plan. The Reorganized NII Common Stock issued pursuant to the Plan to holders of Claims in Classes 4D, 5A, 5B, 5C, and 6E, and up to an additional ~~5,000,000~~5,263,158 shares of Reorganized NII Common Stock by Reorganized NII, including restricted stock, options, stock appreciation rights or other equity awards, if any, in connection with the Management Incentive Plan, in each case, will be authorized without the need for further corporate action and without any further action by the Holders of Claims or Interests. Any shares not necessary to satisfy obligations under the Plan will have the status of authorized but not issued shares of Reorganized NII.

Each distribution and issuance of the Reorganized NII Common Stock under the Plan will be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions will bind each Entity receiving such distribution or issuance.

On the Effective Date, each of the applicable Reorganized Debtors will be authorized to and will issue or execute and deliver, as applicable, the Reorganized NII Common Stock and the New Securities and Documents, 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 Entity.

As soon as reasonably practicable after the Effective Date, but no later than sixty (60) days after the Effective Date, Reorganized NII will use commercially reasonable efforts cause the Reorganized NII Common Stock to be listed for trading on the New York Stock Exchange or the Global or Global Select markets of the NASDAQ Stock Market.

The issuance or execution and delivery of the New Securities and Documents, as applicable, and the distribution thereof under the Plan will be exempt from registration under applicable securities laws pursuant to section 1145(a) of the Bankruptcy Code and/or any other applicable exemptions. Without limiting the effect of section 1145 of the Bankruptcy Code, all documents, agreements, and instruments entered into and delivered on or as of the Effective Date contemplated by or in furtherance of the Plan will become and will remain effective and binding in accordance with their respective terms and conditions upon the parties thereto, 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 Entity (other than as expressly required by such applicable agreement).

On the Effective Date, Reorganized NII and certain recipients of the Reorganized NII Common Stock will be deemed to have entered into the Registration Rights Agreement, which provides, among other things, that parties who, together with their affiliates, receive 10% or more of the Reorganized NII Common Stock issued under the Plan will have registration rights pursuant to the terms of the Registration Rights Agreement.

2. Continued Corporate Existence and Vesting of Assets in the Reorganized Debtors

Except as otherwise provided in the Plan (including with respect to the Restructuring Transactions described in Section III.C.1 of the Plan): (a) as of the Effective Date, Reorganized NII will exist as a separate corporate entity, with all corporate powers in accordance with the laws of the state of Delaware and the certificates of incorporation and bylaws, appended to the Plan as Exhibit B and Exhibit C, respectively; (b) subject to the Restructuring Transactions, each of the Plan Debtors will, as a Reorganized Debtor, continue to exist after the Effective Date as a separate legal entity, with all of the powers of such a legal entity under applicable law and without prejudice to any right to alter or terminate such existence (whether by merger, conversion, dissolution or otherwise) under applicable law; and (c) on the Effective Date, all property of the Estate of a Plan Debtor, and any property acquired by a Plan Debtor or Reorganized Debtor under the Plan, will

vest, subject to the Restructuring Transactions, in the applicable Reorganized Debtors, free and clear of all Claims, liens, charges, other encumbrances, Interests and other interests. On and after the Effective Date, each Reorganized Debtor may operate its business and may use, acquire and dispose of property and compromise or settle any claims without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan or the Confirmation Order. Without limiting the foregoing, each Reorganized Debtor may pay the charges that it incurs on or after the Effective Date for appropriate Professionals' fees, disbursements, expenses or related support services (including fees relating to the preparation of Professional fee applications) without application to, or the approval of, the Bankruptcy Court.

3. Restructuring Transactions

a. *Restructuring Transactions Generally*

On or after the Confirmation Date, the applicable Plan Debtors or Reorganized Debtors may enter into such Restructuring Transactions and may take such actions as the applicable Plan Debtors or Reorganized Debtors may determine to be necessary or appropriate to effect, in accordance with applicable non-bankruptcy law, a corporate restructuring of their respective businesses or simplify the overall corporate structure of the Reorganized Debtors, all to the extent not inconsistent with any other terms of the Plan, and subject to the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed. Unless otherwise provided by the terms of a Restructuring Transaction, all such Restructuring Transactions will be deemed to occur on the Effective Date and may include one or more mergers, consolidations, restructurings, dispositions, liquidations or dissolutions, as may be determined by the Plan Debtors or the Reorganized Debtors (each with the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) to be necessary or appropriate. The actions to effect these transactions may include: (i) the execution and delivery of appropriate agreements or other documents of merger, consolidation, restructuring, disposition, liquidation or dissolution containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable state law and such other terms to which the applicable Entities may agree; (ii) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, duty or obligation on terms consistent with the terms of the Plan and having such other terms to which the applicable Entities may agree; (iii) the filing of appropriate certificates or articles of merger, consolidation, dissolution or change in corporate form pursuant to applicable state law; and (iv) the taking of all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable state law in connection with such transactions. Any such transactions may be effected on or subsequent to the Effective Date without any further action by the stockholders or directors of any of the Plan Debtors or the Reorganized Debtors.

b. *Obligations of Any Successor Corporation in a Restructuring Transaction*

The Restructuring Transactions may result in substantially all of the respective assets, properties, rights, Liabilities, duties and obligations of certain of the Reorganized Debtors vesting in one or more surviving, resulting or acquiring corporations. In each case in which the surviving, resulting or acquiring corporation in any such transaction is a successor to a Reorganized Debtor, such surviving, resulting or acquiring corporation will succeed to the rights and obligations of such Reorganized Debtor under the Plan and will perform the obligations of the applicable Reorganized Debtor pursuant to the Plan to pay or otherwise satisfy the Allowed Claims against such Reorganized Debtor, except as provided in the Plan or in any contract, instrument or other agreement or document effecting a disposition to such surviving, resulting or acquiring corporation, which may provide that another Reorganized Debtor will perform such obligations. For the avoidance of doubt, with respect to the Mexico Sale Documents (as defined in the Plan), the provisions in such documents identifying (i) successors to the Debtors thereunder and (ii) the obligations of such successors thereunder, in each case, shall apply.

4. Operating Company Credit Agreements and New NII-ATC Guaranty

The Plan Debtors or Reorganized Debtors, as applicable, are authorized to execute and deliver and enter into any agreements or filings related to the CDB Amended Guarantee, the CDB Shareholder Undertaking Agreement, the CDB Loan Subordination Agreement, the Operating Company Credit Agreements and the New NII-ATC Guaranty without the need for any further corporate or other organizational action and without further Court approval. As discussed in Section VII.B of the Plan, the execution and effectiveness of the foregoing agreements and amendments with respect to the Operating Company Credit Agreements is a condition precedent to the Effective Date.

5. Sources of Cash for Plan Distributions

The Plan Debtors or Reorganized Debtors, as applicable, with the consent of the Creditors' Committee and the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed, are authorized to execute and deliver any documents necessary or appropriate to obtain Cash for funding the Plan, including, without limitation, pursuant to the New NII Exit Financing Documents (if obtained). All consideration necessary for the Reorganized Debtors to make payments or distributions pursuant hereto will be obtained through a combination of one or more of the following: (a) Cash on hand of the Plan Debtors, including Cash from business operations, or distributions from Non-Debtor Affiliates; (b) proceeds of the Mexico Sale Transaction and any other sale of assets; (c) the New NII Exit Financing Facility (if obtained); (d) the proceeds of any tax refunds and other causes of action; and (e) any other means of financing or funding that the Plan Debtors or the Reorganized Debtors determine is necessary or appropriate. Further, the Plan Debtors and the Reorganized Debtors will be entitled to transfer funds between and among themselves as they determine to be necessary or appropriate to enable the Reorganized Debtors to satisfy their obligations under the Plan, with the consent of the Creditors' Committee and each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed. Except as set forth in the Plan, any changes in intercompany account balances resulting from such transfers will be accounted for and settled in accordance with the Debtors' historical intercompany account settlement practices and will not violate the terms of the Plan or any orders entered by the Bankruptcy Court with respect to the Debtors' cash management system.

6. Corporate Governance, Directors and Officers, Employment-Related Agreements and Compensation Programs; Other Agreements

a. *Certificates of Incorporation and Bylaws*

As of the Effective Date, the certificate of incorporation and the bylaws (or comparable constituent documents) of Reorganized NII will be substantially in the forms appended to the Plan as Exhibit B and Exhibit C, respectively. The certificate of incorporation and bylaws (or comparable constituent documents) of each Reorganized Debtor, among other things, will prohibit the issuance of nonvoting equity securities to the extent required by section 1123(a)(6) of the Bankruptcy Code. After the Effective Date, each Reorganized Debtor may amend and restate its certificate of incorporation or bylaws (or comparable constituent documents) as permitted by applicable non-bankruptcy law, subject to the terms and conditions of such constituent documents. On the Effective Date, or as soon thereafter as is practicable, each Reorganized Debtor will file such certificate of incorporation (or comparable constituent documents) with the secretary of state or jurisdiction or similar office of the state or jurisdiction in which such Reorganized Debtor is incorporated or organized, to the extent required by and in accordance with the applicable corporate law of such state.

b. *Directors and Officers of the Reorganized Debtors*

In accordance with section 1129(a)(5) of the Bankruptcy Code, from and after the Effective Date, the initial officers and directors of Reorganized NII will be comprised of the individuals identified in a disclosure to be Filed as part of the Plan Supplement.

The New Board will initially consist of seven (7) directors, including (a) the chief executive officer of Reorganized NII, (b) three (3) directors designated by Capital Group, (c) one (1) director designated by Aurelius, and (d) two (2) directors designated by the Luxco Group. Each of the individuals designated as

nominees to be directors (other than the chief executive officer of Reorganized NII) will (a) be independent under the rules of the New York Stock Exchange or the NASDAQ Stock Market, as applicable, and the independence requirements for members of audit committees under the rules of the Securities and Exchange Commission and (b) not be employees of any of the Requisite Consenting Noteholders. The foregoing board designation rights will not continue after the selection of the New Board.

The directors for the boards of directors of the direct and indirect subsidiaries of Reorganized NII will be identified and selected by the New Board.

c. *Employment-Related Agreements and Compensation Programs*

Except as otherwise provided in the Plan, as of the Effective Date, each of the Reorganized Debtors will have authority to: (i) maintain, reinstate, amend or revise existing employment, retirement, welfare, incentive, severance, indemnification and other agreements with its active and retired directors, officers and employees, subject to the terms and conditions of any such agreement and applicable non-bankruptcy law; and (ii) enter into new employment, retirement, welfare, incentive, severance, indemnification and other agreements for active and retired employees.

~~[~~On the Effective Date, the Severance Plan will be reinstated and continued in accordance with their terms and, to the extent applicable, will be deemed assumed by Reorganized NII pursuant to section 365 of the Bankruptcy Code and Section IV.A of the Plan.~~]~~

On or after the Effective Date, the New Board will adopt and implement the Management Incentive Plan.

From and after the Effective Date, the Reorganized Debtors will continue to administer and pay the Claims arising before the Petition Date under the Plan Debtors' workers' compensation programs in accordance with their prepetition practices and procedures.

d. *Other Matters*

Notwithstanding anything to the contrary in the Plan, no provision in any contract, agreement or other document with the Plan Debtors that is rendered unenforceable against the Plan Debtors or the Reorganized Debtors pursuant to sections 541(c), 363(*l*) or 365(e)(1) of the Bankruptcy Code, or any analogous decisional law, will be enforceable against the Plan Debtors or Reorganized Debtors as a result of the Plan.

e. *Transactions Effective as of the Effective Date*

Pursuant to section 1142 of the Bankruptcy Code and section 303 of the Delaware General Corporation Law and any comparable provisions of the business corporation law of any other state or jurisdiction the following will occur and be effective as of the Effective Date, if no such other date is specified in such other documents, and will be authorized and approved in all respects and for all purposes without any requirement of further action by the stockholders or directors of the Plan Debtors or any of the Reorganized Debtors: (i) the Restructuring Transactions, if any; (ii) the adoption of new or amended and restated certificates of incorporation and bylaws (or comparable constituent documents) for each Reorganized Debtor; (iii) the initial selection of directors and officers for each Reorganized Debtor; (iv) the distribution of Cash and other property pursuant to the Plan; (v) the authorization and issuance of Reorganized NII Common Stock pursuant to the Plan; (vi) the entry into and performance of the New NII Exit Financing Documents (if applicable); (vii) the entry into and performance of the CDB Amended Guarantee; (viii) the entry into and performance of the New NII-ATC Guaranty; (ix) any amendments to any of the Operating Company Credit Agreements; (x) the adoption, execution, delivery and implementation of all contracts, leases, instruments, releases and other agreements or documents related to any of the foregoing; (xi) the adoption, execution and implementation of employment, retirement and indemnification agreements, incentive compensation programs, including the Management Incentive Plan, retirement income plans, welfare benefit plans and other employee plans and related agreements;

and (xii) any other matters provided for under the Plan involving the corporate structure of the Plan Debtors or Reorganized Debtors or corporate action to be taken by or required of a Plan Debtor or Reorganized Debtor.

7. New NII Exit Financing Facility

On the Effective Date, one or more of the Reorganized Debtors will be authorized to consummate the New NII Exit Financing Facility (if obtained) and to execute, deliver and enter into the New NII Exit Financing Documents, and any related agreements or filings without the need for any further corporate or other organizational action and without further action by the Holders of Claims or Interests and the New NII Exit Financing Documents and any related agreements or filings will be executed and delivered and the applicable Reorganized Debtors will enter into the New NII Exit Financing Facility and be permitted to incur or issue the indebtedness available thereunder.

Any final material terms of the New NII Exit Financing Facility (if obtained) will be included in the Plan Supplement, and will be reasonably acceptable to the Plan Proponents, Capital Group and Aurelius, and subject to the consent of the Luxco Group, such consent not to be unreasonably withheld, conditioned or delayed; *provided* that if Capital Group or Aurelius participates as a lender in the New NII Exit Financing Facility, the New NII Exit Financing Facility will be reasonably acceptable to each of the Plan Proponents and each of the Requisite Consenting Noteholders.

8. Preservation of Rights of Action; Settlement Agreements and Releases

a. *Preservation of Rights of Action by the Reorganized Debtors; Recovery Actions*

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, in accordance with section 1123(b)(3) of the Bankruptcy Code, the Reorganized Debtors will have vested in them as of the Effective Date, and the Reorganized Debtors will retain and may enforce, any claims, demands, rights, defenses and causes of action that the Plan Debtor or the Estate may hold against any Entity, except the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims. Each Reorganized Debtor or its successor may pursue such retained claims, demands, rights, defenses or causes of action, as appropriate, and may settle such claims after the Effective Date without notice to parties in interest or approval of the Bankruptcy Court. Notwithstanding the foregoing, as of the Effective Date, the Plan Debtors will waive and release all Recovery Actions.

b. *Comprehensive Settlement of Claims and Controversies*

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, the Plan incorporates an integrated compromise and settlement designed to achieve a beneficial and efficient resolution of these Chapter 11 Cases for all parties in interest. Accordingly, in consideration of the distributions and other benefits provided under the Plan, the provisions of the Plan, including the releases set forth in Section IX.E of the Plan, will constitute a good-faith compromise and settlement of all Claims, disputes, or controversies relating to the rights that a Holder of a Claim may have with respect to any Claim (other than Claims Reinstated hereunder) or any distribution to be made pursuant to the Plan on account of any such Claim (other than Claims Reinstated hereunder), including, but not limited to, the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims as described below. Without limiting the effect of the preceding sentence, the Plan provides that:

- The Avoidance Claims will be settled and compromised pursuant to the Plan by providing for Allowed Claims against the applicable Plan Debtors in amounts reflecting the avoidance of 25% of each of the Identified Avoidance Claims.

- The Recharacterization Claims will be settled and compromised pursuant to the Plan by providing for Allowed Claims against the applicable Plan Debtors in an amount equal to 75% of the amount of the Recharacterization Claims, excluding the Capco Intercompany Note, which will be Allowed in an amount equal to 100% of its asserted amount, subject to the

subordination of the Capco Intercompany Note being resolved pursuant to the settlement and compromise of the Avoidance Claims. In addition, if a Claim is subject to both Avoidance Claims and Recharacterization Claims, there is a compounding effect on such a Claim resulting from the settlement.

- The Transferred Guarantor Claims will be settled and compromised pursuant to the Plan by providing for Allowed Claims against each of the Plan Debtors in the Transferred Guarantor Debtor Group in amounts reflecting the allowance of 21.0% of the outstanding prepetition Claim amount of each of the Capco 8.875% Notes and Capco 10% Notes.

The allowance of Claims provided for in the Plan and the distributions and other benefits provided under the Plan will be in full satisfaction of any and all potential Claims that could have been asserted as part of the Avoidance Claims, the Recharacterization Claims and Transferred Guarantor Claims, regardless of whether any of the foregoing Claims are identified in the Plan or could have been asserted. Distributions on account of the Allowed Claims resulting from the settlement and compromise of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims will be effected through the distributions to Holders of Allowed Claims pursuant to the Plan. The allowance of such Claims provided for hereunder is solely for the purpose of determining the allocation and distribution of the Reorganized NII Common Stock to Holders of Allowed Claims pursuant to the Plan but will not alter the treatment of the underlying transactions that gave rise to such Claims for any other purpose.

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, disputes, or controversies provided for in the Plan, and the Bankruptcy Court's determination that such compromises and settlements are in the best interests of the Plan Debtors, their estates, the Reorganized Debtors, creditors and all other parties in interest, and are fair, equitable and within the range of reasonableness. The compromises and settlements described in the Plan will be deemed non-severable from each other and from all other terms of the Plan.

9. Reinstatement and Continuation of Insurance Policies

From and after the Effective Date, each of the Plan Debtors' insurance policies in existence as of the Effective Date will be reinstated and continued in accordance with their terms and, to the extent applicable, will be deemed assumed by the applicable Reorganized Debtor pursuant to section 365 of the Bankruptcy Code and Section IV.A of the Plan. Nothing in the Plan will affect, impair or prejudice the rights of the insurance carriers or the Reorganized Debtors under the insurance policies in any manner, and such insurance carriers and Reorganized Debtors will retain all rights and defenses under such insurance policies, and such insurance policies will apply to, and be enforceable by and against, the Reorganized Debtors in the same manner and according to the same terms and practices applicable to the Plan Debtors, as existed prior to the Effective Date.

10. Cancellation and Surrender of Instruments, Securities and Other Documentation

Except as provided in any contract, instrument or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to Section II of the Plan, all notes, instruments, certificates, and other documents evidencing Claims or Interests (including, without limitation, the NII Interests, the Prepetition Indentures and the Prepetition Notes) will be deemed cancelled and of no further force and effect against the Plan Debtors, without any further action on the part of any Plan Debtor; *provided*, *however*, that the Prepetition Indentures and the Prepetition Notes will remain in effect after the Effective Date only as follows: (a) for so long as is necessary to permit distributions to be made pursuant to the Plan and the applicable Indenture Trustee to perform necessary functions with respect thereto; and (b) to allow each Indenture Trustee and any predecessor trustee under any of the Prepetition Indentures to exercise its charging lien for the payment of its fees and expenses and for indemnification as provided in the applicable Prepetition Indentures. From and after the making of the applicable distributions pursuant to Section II of the Plan, the Holders of the Prepetition Note Claims will have no rights against the Plan Debtors or Reorganized Debtors arising from or relating to such instruments and other documentation or the cancellation thereof, except the rights provided pursuant to the Plan. No distribution under the Plan will be

made to or on behalf of any Holder of a Prepetition Note Claim until such Prepetition Notes are received by the applicable Indenture Trustee to the extent required pursuant to Section V.B of the Plan.

11. Release of Liens

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and consistent with the treatment provided for Claims and Interests in Section II of the Plan, all mortgages, deeds of trust, liens or other security interests, including any liens granted as adequate protection against the property of any Estate, will be fully released and discharged, and all of the right, title and interest of any Holder of such mortgages, deeds of trust, liens or other security interests, including any rights to any collateral thereunder, will revert to the applicable Reorganized Debtor and its successors and assigns. For the avoidance of doubt, the charging liens of the Indenture Trustees under the applicable Prepetition Indentures may be asserted on the distributions (if any) to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C and 6E, as applicable, and, to the extent asserted, will remain in place until the reasonable and documented fees and expenses of the Indenture Trustees are satisfied as provided in the Plan. As of the Effective Date, the Reorganized Debtors will be authorized to execute and file on behalf of creditors Form UCC-3 termination statements, mortgage releases or such other forms as may be necessary or appropriate to implement the provisions of Section III.K of the Plan.

12. Effectuating Documents; Further Transactions

On and after the Effective Date, the Reorganized Debtors, and the officers and members of the boards of directors thereof, are authorized to and may issue, execute, deliver, file, or record such contracts, securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement and further evidence the terms and conditions of the Plan, the Reorganized NII Common Stock issued pursuant to the Plan, the CDB Amended Guarantee, the New NII-ATC Guaranty, the New NII Exit Financing Facility (if obtained) authorized pursuant to the Plan (including, but not limited to, the New NII Exit Facility Documents) and any amendments to any of the Operating Company Credit Agreements, in each case, in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorization or consents except those expressly required pursuant to the Plan.

13. Dissolution of Official Committees

Except to the extent provided in the Plan, upon the Effective Date, the current and former members of the Creditors' Committee and any other creditor, equity or other committee appointed pursuant to section 1102 of the Bankruptcy Code in the Chapter 11 Cases, and their respective officers, employees, counsel, advisors and agents, will be released and discharged of and from all further authority, duties, responsibilities and obligations related to and arising from and in connection with the Chapter 11 Cases; *provided*, *however*, that following the Effective Date the Creditors' Committee will continue in existence and have standing and a right to be heard for the following limited purposes: (a) Claims and/or applications for compensation by Professionals and requests for allowance of Administrative Claims for substantial contribution pursuant to section 503(b)(3)(D) of the Bankruptcy Code; (b) any appeals to which the Creditors' Committee is a party; (c) any adversary proceedings or contested matters as of the Effective Date to which the Creditors' Committee is a party; and (d) responding to creditor inquiries for sixty (60) days following the Effective Date. Following the completion of the Creditors' Committee's remaining duties set forth above, the Creditors' Committee will be dissolved, and the retention or employment of the Creditors' Committee's respective attorneys, accountants and other agents will terminate.

14. Discharge of Claims and Interests

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims and Interests arising or existing on or before the Effective Date, including any interest accrued on Claims from and after the Petition Date. From and after the Effective Date, the Plan Debtors will be discharged from any and all Claims and Interests that arose or existed prior to the Effective Date, subject to the obligations of the Plan Debtors under the Plan.

15. Injunctions

As of the Effective Date, except with respect to the obligations of the Reorganized Debtors under the Plan or the Confirmation Order, all Entities that have held, currently hold or may hold any Claims or Interests, obligations, suits, judgments, damages, demands, debts, rights, causes of action or Liabilities that are waived, discharged or released under the Plan will be permanently enjoined from taking any of the following enforcement actions against the Plan Debtors, the Reorganized Debtors, the Released Parties or any of their respective assets or property on account of any such waived, discharged or released Claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or Liabilities: (a) commencing or continuing in any manner any action or other proceeding; (b) enforcing, levying, attaching, collecting or recovering in any manner any judgment, award, decree or order; (c) creating, perfecting or enforcing any lien or encumbrance; (d) asserting any right of setoff, subrogation or recoupment of any kind against any debt, liability or obligation due to any Plan Debtor, Reorganized Debtor or Released Party; and (e) commencing or continuing any action, in any manner, in any place to assert any Claim waived, discharged or released under the Plan or that does not otherwise comply with or is inconsistent with the provisions of the Plan.

16. Exculpation

From and after the Effective Date, the Released Parties, the Plan Debtors and the Reorganized Debtors will neither have nor incur any liability to any Entity, and no Holder of a Claim or Interest, no other party in interest and none of their respective Representatives will have any right of action against any Plan Debtor, Reorganized Debtor, Released Party or any of their respective Representatives for any act taken or omitted to be taken before the Effective Date in connection with, related to or arising out of the Chapter 11 Cases, the Debtors or the negotiation, consideration, formulation, preparation, dissemination, implementation, Confirmation or consummation of the Plan Term Sheet, the Plan Support Agreement, Plan, the Exhibits, the Disclosure Statement, any amendments to any of the Operating Company Credit Agreements, the New NII-ATC Guaranty, the CDB Amended Guarantee, the Mexico Sale Transaction, the DIP Credit Agreement, the DIP Order, any of the New Securities and Documents, the Restructuring Transactions or any other transactions proposed in connection with the Chapter 11 Cases or any contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any other obligations arising under the Plan or the obligations assumed thereunder; *provided*, *however*, that the provisions of Section IX.D of the Plan will have no effect on: (a) the liability of any Entity that would otherwise result from the failure to perform or pay any obligation or liability under the Plan or any contract, instrument, release or other agreement or document to be entered into or delivered in connection with the Plan or (b) the liability of any Released Party that would otherwise result from any act or omission of such Released Party to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct (including fraud).

17. Releases

a. Releases by Plan Debtors and Reorganized Debtors

Without limiting any other applicable provisions of, or releases contained in, the Plan, as of the Effective Date, to the fullest extent permitted by law, the Plan Debtors and the Reorganized Debtors, on behalf of themselves and their affiliates, the Estates and their respective successors, assigns and any and all Entities who may purport to claim by, through, for or because of them, will forever release, waive and discharge all Liabilities that they have, had or may have against ~~a Debtor, the Estates,~~ any Released Party with respect to a Debtor, the Estates, the Chapter 11 Cases, or the negotiation, consideration, formulation, preparation, dissemination, implementation, Confirmation or consummation of the Plan Term Sheet, the Plan Support Agreement, the Plan, the Exhibits, the Disclosure Statement, any amendments to any of the Operating Company Credit Agreements, the New NII-ATC Guaranty, the CDB Amended Guarantee, the Mexico Sale Transaction, the DIP Credit Agreement, the DIP Order, any of the New Securities and Documents, the Restructuring Transactions or any other transactions proposed in connection with the Chapter 11 Cases or any contract, instrument, release or other agreement or document created or entered

into or any other act taken or omitted to be taken in connection therewith or in connection with any ~~other~~ obligations arising under the Plan or the obligations assumed thereunder; *provided, however,* that the provisions that appear in Section IX.E.1 of the Plan will not affect (i) the liability of any Released Party that otherwise would result from any act or omission to the extent that act or omission subsequently is determined in a Final Order to have constituted gross negligence or willful misconduct (including fraud), (ii) any rights to enforce the Plan or the other contracts, instruments, releases, agreements or documents to be, or previously, entered into or delivered in connection with the Plan, (iii) except as otherwise expressly set forth in the Plan, any objections by the Plan Debtors or the Reorganized Debtors to Claims or Interests filed by any Entity against any Debtor and/or the Estates, including rights of setoff, refund or other adjustments, (iv) the rights of the Plan Debtors to assert any applicable defenses in litigation or other proceedings with their employees (including the rights to seek sanctions, fees and other costs) and (v) any claim of the Plan Debtors or Reorganized Debtors, including (but not limited to) cross-claims or counterclaims or other causes of action against employees or other parties, arising out of or relating to actions for personal injury, wrongful death, property damage, products liability or similar legal theories of recovery to which the Plan Debtors or Reorganized Debtors are a party.

b. Releases by Holders of Claims or Interests

Without limiting any other applicable provisions of, or releases contained in, the Plan, as of the Effective Date, in consideration for the obligations of the Plan Debtors and the Reorganized Debtors under the Plan and the consideration and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, each Holder of a Claim that votes in favor of the Plan will be deemed to forever release, waive and discharge all Liabilities in any way that such Entity has, had or may have against any Released Party (which release will be in addition to the discharge of Claims and termination of Interests provided in the Plan and under the Confirmation Order and the Bankruptcy Code), in each case, relating to a Debtor, the Estates, the Chapter 11 Cases, or the negotiation, consideration, formulation, preparation, dissemination, implementation, Confirmation or consummation of the Plan Term Sheet, the Plan Support Agreement, the Plan, the Exhibits, the Disclosure Statement, any amendments to any of the Operating Company Credit Agreements, the New NII-ATC Guaranty, the CDB Amended Guarantee, the Mexico Sale Transaction, the DIP Credit Agreement, the DIP Order, any of the New Securities and Documents, the Restructuring Transactions or any other transactions proposed in connection with the Chapter 11 Cases or any contract, instrument, release or other agreement or document created or entered into or any other act taken or omitted to be taken in connection therewith or in connection with any ~~other~~ obligations arising under the Plan or the obligations assumed thereunder; *provided*, *however*, that the provisions that appear in Section IX.E.2 of the Plan will have no effect on: (i) the liability of any Entity that would otherwise result from the failure to perform or pay any obligation or liability under the Plan or any contract, instrument, release or other agreement or document to be entered into or delivered in connection with the Plan or (ii) the liability of any Released Party that would otherwise result from any act or omission of such Released Party to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct (including fraud).

18. Votes Solicited in Good Faith

The Plan Proponents have, and upon Confirmation of the Plan will be deemed to have, solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code. The Plan Proponents (and each of their respective affiliates, agents, directors, officers, members, employees, advisors, and attorneys) have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer and issuance of the securities offered and sold under the Plan and therefore have not, and on account of such offer and issuance 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 the Plan or the offer or issuance of the securities offered and distributed under the Plan.

19. Termination of Certain Subordination Rights

The classification and manner of satisfying Claims under the Plan take into consideration all subordination rights, whether arising under general principles of equitable subordination, contract, sections 510(a) and 510(c) of the Bankruptcy Code or otherwise, that a Holder of a Claim or Interest may have against other Claim or Interest Holders with respect to any distribution made pursuant to the Plan, including, without limitation, any such rights that are resolved in connection with the settlement of the Avoidance Claims. All subordination rights that a Holder of a Claim, other than a Holder of a Claim Reinstated hereunder, may have with respect to any distribution to be made pursuant to the Plan will be discharged and terminated, and all actions related to the enforcement of such subordination rights will be permanently enjoined. Accordingly, distributions pursuant to the Plan will not be subject to payment to a beneficiary of such terminated subordination rights or to levy, garnishment, attachment or other legal process by a beneficiary of such terminated subordination rights.

B. Provisions Governing Distributions and Procedures for Resolving Disputed Claims

1. Distributions for Allowed Claims as of the Effective Date

Except as otherwise provided in Section V of the Plan, distributions to be made on the Effective Date to Holders of Allowed Claims as provided by Sections II or V of the Plan will be deemed made on the Effective Date if made on the Effective Date or as promptly thereafter as practicable by the Plan Debtors or the Reorganized Debtors, as applicable.

2. Delivery of Distributions and Undeliverable or Unclaimed Distributions to Holders of Claims in Classes 4A, 4D, 5A, 5B, 5C and 6E

a. *Distribution Procedures*

Reorganized NII ~~will~~shall deliver to the applicable Indenture Trustees on or as soon as practicable after the Effective Date the property to be distributed~~(~~, if any~~)~~, to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C, and 6E under Section II of the Plan; provided that, notwithstanding the foregoing, Reorganized NII and the applicable Indenture Trustees, subject to their respective rights under sections 6.09 and 7.07(d) under the applicable Prepetition Indentures, will take the necessary steps to effect the distribution of the Reorganized NII Common Stock through DTC. As soon as practicable thereafter and to the extent applicable, the applicable Indenture Trustees will make the distributions set forth in Section II of the Plan, which will be effected through DTC, and in accordance therewith to the Holders of Allowed Luxco Note Claims, Allowed Capco Note Claims and Allowed Transferred Guarantor Claims, as applicable~~, as of the Distribution Record Date~~, in accordance with the practices and procedures of DTC; provided that, to the extent that the distributions are not eligible to be effected through DTC, (i) the Indenture Trustees will have no responsibility or obligation to take delivery of, or distribute such distributions and (ii) neither Reorganized NII nor an agent thereof will make such distributions directly or indirectly to Holders of Allowed Claims until after the Indenture Trustees receive an amount of Cash equal to the reasonable and documented fees and expenses of such Indenture Trustee outstanding in accordance with Section II of the Plan. Upon delivery of the property to be distributed~~(~~, if any~~)~~, to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C, and 6E under Section II of the Plan ~~to the applicable Indenture Trustees~~ as provided ~~hereunder~~thereunder, the Plan Debtors will have no further obligations with respect to distributions to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C, and 6E under the Plan~~.~~

No fractional shares of Reorganized NII Common Stock will be distributed under the Plan. To the extent any Holder of a Claim would be entitled to receive a fractional share of Reorganized NII Common Stock, the Plan Debtors will round downward the number of shares due to that Holder to the nearest whole share.

The Plan Debtors, the Reorganized Debtors and the Indenture Trustees (if applicable) will only be required to act and make distributions in accordance with the terms of the Plan. Such parties will have no (i) liability to any party for actions taken in accordance with the Plan or in reliance upon information provided to it in accordance with the Plan or (ii) obligation or liability for distributions under the Plan to any party who does

not hold a Claim against the Plan Debtors as of the Distribution Record Date or any other date on which a distribution is made or who does not otherwise comply with the terms of the Plan.

b. *Undeliverable Distributions*

The Reorganized Debtors will make one attempt to make the distributions contemplated in the Plan in accordance with the procedures set forth in the Plan. Any distributions returned to the Reorganized Debtors, or distributions that are otherwise undeliverable, will remain in the possession of the applicable Reorganized Debtor until such time as a distribution becomes deliverable.

Any Holder of an Allowed Claim entitled to a distribution of property under the Plan that does not assert a claim pursuant to the Plan for an undeliverable distribution within 180 days after the Effective Date will have its claim for such undeliverable distribution discharged and will be forever barred from asserting any such claim against the Reorganized Debtors or their respective property.

3. Compliance with Tax Requirements

In connection with the Plan and all instruments issued in connection with the Plan and distributed under the Plan, to the extent applicable, the Plan Debtors, the Reorganized Debtors, the Indenture Trustees or any other party issuing any instruments or making any distributions under the Plan will comply with all Tax withholding and reporting requirements imposed on them by any governmental unit, and all distributions pursuant to the Plan will be subject to such withholding and reporting requirements. Each of the Plan Debtors, Reorganized Debtors and the Indenture Trustees, as applicable, will be authorized to take any actions that may be necessary or appropriate to comply with such withholding and reporting requirements.

Notwithstanding any other provision of the Plan, each Entity receiving a distribution pursuant to the Plan will have the sole and exclusive responsibility for the satisfying and paying of any Tax obligations imposed on it by any governmental unit on account of such distribution, including income, withholding and other Tax obligations.

4. Effect of Distribution and Distribution Record Date

~~As of~~Upon the ~~applicable Distribution Record Date~~date on which distributions to Holders of Allowed Claims in Classes 4A, 4D, 5A, 5B, 5C and 6E are completed, the transfer registers for the Prepetition Notes will be closed. The Plan Debtors or the Indenture Trustees will have no obligation to recognize the transfer or sale of any Prepetition Note Claim that occurs after such ~~Distribution Record Date~~date and will be entitled for all purposes pursuant to the Plan to recognize and make distributions only to those Holders who are Holders of such Prepetition Note Claims on such ~~Distribution Record Date~~date.

Except as otherwise provided in a Final Order of the Bankruptcy Court, the transferees of Claims that are transferred pursuant to Bankruptcy Rule 3001 on or prior to the applicable Distribution Record Date will be treated as the Holders of such Claims for all purposes, notwithstanding that any period provided by Bankruptcy Rule 3001 for objecting to such transfer has not expired by such Distribution Record Date.

5. Setoffs

Except with respect to claims of a Plan Debtor or Reorganized Debtor released pursuant to the Plan or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Reorganized Debtors may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Claim and the payments or distributions to be made on account of the Claim the claims, rights and causes of action of any nature that the applicable Debtor or Reorganized Debtor may hold against the Holder of the Claim; *provided*, *however*, that the failure to effect a setoff will not constitute a waiver or release by the applicable Debtor or Reorganized Debtor of any claims, rights and causes of action that the Plan Debtor or Reorganized Debtor may possess against the Holder of a Claim; *provided*, *further*, *however*, that the Plan Debtor or Reorganized Debtor will not set off or assert a right of set off against any Prepetition Note Claims.

6. Allocation Between Principal and Accrued Interest

Except as otherwise provided in the Plan, the aggregate consideration paid to Holders with respect to their Allowed Claims will be treated pursuant to the Plan as allocated first to the principal amount of such Allowed Claims (to the extent thereof) and, thereafter, to the interest, if any, accrued through the Effective Date.

7. Distributions to Holders of Disputed Claims

Notwithstanding any other provision of the Plan, (a) no payments or distributions will be made on account of a Disputed Claim until such Claim becomes an Allowed Claim, if ever, and (b) except as otherwise agreed to by the relevant parties, no partial payments and no partial distributions will be made with respect to a Disputed Claim until all such disputes in connection with such Disputed Claim have been resolved by settlement or Final Order.

To the extent that a Disputed Claim ultimately becomes an Allowed Claim, distributions (if any) will be made to the Holder of such Allowed Claim in accordance with the provisions of the Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Holder of such Claim will receive the distribution (if any) to which such Holder is entitled under the Plan as of the Effective Date, without any interest to be paid on account of such Claim unless required under applicable bankruptcy law. Distributions made after the Effective Date to Holders of Disputed Claims that are not Allowed Claims as of the Effective Date but which later become Allowed Claims will be deemed to have been made on the Effective Date.

8. Allowance of Claims

After the Effective Date, the Reorganized Debtors will have and retain any and all rights and defenses the Plan Debtors had with respect to any Claim immediately prior to the Effective Date, except with respect to any Claim deemed Allowed under the Plan. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date (including the Confirmation Order), no Claim will become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code or the Bankruptcy Court has entered a Final Order (including the Confirmation Order) in the Chapter 11 Cases allowing such Claim. All settled Claims approved prior to the Effective Date pursuant to a Final Order of the Bankruptcy Court pursuant to Bankruptcy Rule 9019 or otherwise will be binding on all parties.

Any Claim that has been listed in the Schedules as disputed, contingent or unliquidated, and for which no Proof of Claim has been timely filed, is not considered Allowed and will be expunged without further action and without any further notice to or action, order or approval of the Bankruptcy Court.

9. Prosecution of Objections to Claims

Except as otherwise specifically provided in the Plan, the Plan Proponents, prior to the Effective Date, and the Reorganized Debtors, after the Effective Date, will have the sole authority: (a) to File, withdraw or litigate to judgment, objections to Claims; (b) to settle or compromise any Disputed Claim without any further

notice to or action, order or approval by the Bankruptcy Court; and (c) to administer and adjust the claims register to reflect any such settlements or compromises without any further notice to or action, order or approval by the Bankruptcy Court.

10. Estimation of Claims

The Plan Proponents, prior to the Effective Date, and the Reorganized Debtors after the Effective Date, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Claim that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or whether the Bankruptcy Court has ruled on any such objection. The Bankruptcy Court will retain jurisdiction to estimate any such Claim, including during the litigation of any objection to any Claim or during the appeal relating to such objection. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, that estimated amount will constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions), and the relevant Reorganized Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim or Interest.

11. Adjustment to Claims Without Objection

Any Claim that has been paid or satisfied, or any Claim that has been amended or superseded, may be adjusted or expunged on the claims register by the Reorganized Debtors without a claim objection having to be filed and without any further notice to or action, order or approval of the Bankruptcy Court.

12. Disallowance of Certain Claims

EXCEPT AS PROVIDED IN THE PLAN, IN AN ORDER OF THE BANKRUPTCY COURT OR OTHERWISE AGREED, ANY AND ALL PROOFS OF CLAIM FILED AFTER THE CLAIMS BAR DATE WILL BE DEEMED DISALLOWED AND EXPUNGED AS OF THE EFFECTIVE DATE WITHOUT ANY FURTHER NOTICE TO OR ACTION, ORDER OR APPROVAL OF THE BANKRUPTCY COURT, AND HOLDERS OF SUCH CLAIMS MAY NOT RECEIVE ANY DISTRIBUTIONS ON ACCOUNT OF SUCH CLAIMS.

13. Offer of Judgment

The Reorganized Debtors are authorized to serve upon a Holder of a Disputed Claim an offer to allow judgment to be taken on account of such Disputed Claim, and, pursuant to Bankruptcy Rules 7068 and 9014, Federal Rule of Civil Procedure 68 will apply to such offer of judgment. To the extent the Holder of a Disputed Claim must pay the costs incurred by the Reorganized Debtors after the making of such offer, the Reorganized Debtors are entitled to set off such amounts against the amount of any distribution to be paid to such Holder without any further notice to or action, order, or approval of the Bankruptcy Court.

14. Amendments to Claims

On or after the Effective Date, except as provided in the Plan, a Claim may not be filed or amended without the prior authorization of the Bankruptcy Court or the Reorganized Debtors, and, to the extent such prior authorization is not received, any such new or amended Claim filed will be deemed disallowed in full and expunged without any further action.

X. VALUATION AND FINANCIAL PROJECTIONS

As further discussed below, the Plan Proponents believe the Plan meets the feasibility requirement set forth in section 1129(a)(11) of the Bankruptcy Code, as Confirmation is not likely to be followed by liquidation or the need for further financial reorganization of the Reorganized Debtors.

In connection with developing the Plan, and for purposes of determining whether the Plan satisfies feasibility standards, the Plan Debtors' management has, through the development of financial projections for the

years 2014 through 2018 as attached hereto as Exhibit 3 (the "Financial Projections"), analyzed the Reorganized Debtors' ability to meet their obligations under the Plan and to maintain sufficient liquidity and capital resources to conduct their business. The Plan Proponents believe that the Reorganized Debtors will have sufficient liquidity to fund obligations as they arise, thereby maintaining value. Accordingly, the Plan Proponents believe the Plan satisfies the feasibility requirement of section 1129(a)(11) of the Bankruptcy Code. The Plan Debtors prepared the Financial Projections in good faith, based upon estimates and assumptions made by the Plan Debtors' management.

The Financial Projections assume that the Plan will be consummated in accordance with its terms and that all transactions contemplated by the Plan will be consummated by the assumed Effective Date. Any significant delay in the assumed Effective Date of the Plan may have a significant negative impact on the operations and financial performance of the Plan Debtors, including, but not limited to, an increased risk of inability to meet sales forecasts and higher reorganization expenses. Additionally, the estimates and assumptions in the Financial Projections, while considered reasonable by management, may not be realized, and are inherently subject to uncertainties and contingencies. They also are based on factors such as industry performance, general business, economic, competitive, regulatory, market, and financial conditions, including assumptions regarding foreign currency exchange rates, all of which are difficult to predict and generally beyond the Plan Debtors' control. Because future events and circumstances may well differ from those assumed and unanticipated events or circumstances may occur, the Plan Debtors expect that the actual and projected results will differ and the actual results may be materially different from those reflected in the Financial Projections. In particular, since the development of the Financial Projections in late 2014 there has been a significant deterioration in the valuation of the Brazilian *real* relative to the U.S. dollar from the levels assumed in developing the Financial Projections, which are likely to result in differences between the actual and projected results for at least the near term. No representations can be made as to the accuracy of the Financial Projections or the Reorganized Debtors' ability to achieve the projected results. Therefore, the Financial Projections may not be relied upon as a guaranty or other assurance of the actual results that will occur. The inclusion of the Financial Projections should not be regarded as an indication that the Plan Debtors considered or consider the Financial Projections to reliably predict future performance. The Financial Projections are subjective in many respects, and thus are susceptible to interpretations and periodic revisions based on actual experience and recent developments. The Plan Debtors do not intend to update or otherwise revise the Financial Projections to reflect the occurrence of future events, even in the event that assumptions underlying the Financial Projections are not borne out. The Financial Projections should be read in conjunction with the assumptions and qualifications set forth herein.

In addition, in connection with developing the Plan, Rothschild performed an analysis of the estimated value of Reorganized Debtors on a going-concern basis, attached here to as Exhibit 4 (the "Valuation Analysis"). The Valuation Analysis is based on various valuation methodologies, including, but not limited to, the trading values approach and the discounted cash flow approach.

Specifically, in preparing the Valuation Analysis, Rothschild, among other things: (i) reviewed certain recent publicly available financial results of the Plan Debtors; (ii) reviewed the Financial Projections; (iii) discussed with certain senior executives the current operations and prospects of the Plan Debtors and Non-Debtor Affiliates, as well as key assumptions related to the Financial Projections; (iv) prepared discounted cash flow analyses based on the Financial Projections, utilizing various discount rates and terminal value multiples; (v) considered the multiples of certain publicly traded companies in businesses reasonably comparable to the operating businesses of the Plan Debtors and Non-Debtor Affiliates; (vi) utilized specific tax assumptions and analysis prepared by management; and (vii) conducted such other analyses as Rothschild deemed necessary under the circumstances.

THE VALUATION ANALYSIS SET FORTH IN EXHIBIT 4 IS BASED UPON A NUMBER OF ESTIMATES AND ASSUMPTIONS THAT ARE INHERENTLY SUBJECT TO SIGNIFICANT UNCERTAINTIES AND CONTINGENCIES BEYOND THE CONTROL OF THE PLAN DEBTORS OR THE REORGANIZED DEBTORS. ACCORDINGLY, THERE CAN BE NO ASSURANCE THAT THE RANGES REFLECTED IN THE VALUATION ANALYSIS WOULD BE REALIZED IF THE PLAN WERE TO BECOME EFFECTIVE, AND ACTUAL RESULTS COULD VARY.

THE VALUATION ANALYSIS REPRESENTS A HYPOTHETICAL VALUATION OF THE REORGANIZED DEBTORS, WHICH ASSUMES THAT SUCH REORGANIZED DEBTORS AND THE NON-DEBTOR AFFILIATES CONTINUE AS AN OPERATING BUSINESS. THE ESTIMATED VALUE SET FORTH IN THE VALUATION ANALYSIS DOES NOT PURPORT TO CONSTITUTE AN APPRAISAL OR NECESSARILY REFLECT THE ACTUAL MARKET VALUE THAT MIGHT BE REALIZED THROUGH A SALE OR LIQUIDATION OF THE REORGANIZED DEBTORS, THEIR SECURITIES OR THEIR ASSETS, WHICH MAY BE MATERIALLY DIFFERENT THAN THE ESTIMATE SET FORTH IN THE VALUATION ANALYSIS. ACCORDINGLY, SUCH ESTIMATED VALUE IS NOT NECESSARILY INDICATIVE OF THE PRICES AT WHICH ANY SECURITIES OF THE REORGANIZED DEBTORS MAY TRADE AFTER GIVING EFFECT TO THE TRANSACTIONS SET FORTH IN THE PLAN. ANY SUCH PRICES MAY BE MATERIALLY DIFFERENT THAN INDICATED BY THE VALUATION ANALYSIS.

XI. PLAN-RELATED RISK FACTORS

The implementation of the Plan is subject to a number of material risks, including those described below. Prior to voting on the Plan, each party entitled to vote should carefully consider these risks, as well as all of the information contained in this Disclosure Statement, including the exhibits hereto. If any of these risks occur, New NII may not be able to conduct its business as currently planned, and its financial condition and operating results could be materially harmed. In addition to the risks set forth below, risks and uncertainties not presently known to the Plan Debtors, or risks that the Plan Debtors currently consider immaterial, may also impair the business, financial condition, cash flows and results of operations of New NII. For purposes of the discussion of the Plan-Related Risk Factors, references to "New NII" mean, collectively, Reorganized NII and the Reorganized Debtors, together with the Operating Companies.

A. Certain Bankruptcy Considerations

1. If the Plan is not confirmed or consummated, or the reorganization is delayed, distributions to Holders of Allowed Claims would be materially reduced

If the Plan is not confirmed or consummated, there can be no assurance that the Chapter 11 Cases will continue rather than be converted to chapter 7 liquidation cases, or that any alternative plan of reorganization would be on terms as favorable to Holders of Claims as the terms of the Plan. The Plan Proponents anticipate that certain parties in interest may file objections to the Plan in an effort to persuade the Bankruptcy Court that the Plan Proponents have not satisfied the confirmation requirements under sections 1129(a) and (b) of the Bankruptcy Code. Even if (a) no objections are filed, (b) all impaired Classes of Claims accept or are deemed to have accepted the Plan or (c) with respect to any Class that rejects or is deemed to reject the Plan, the requirements for "cramdown" are met, the Bankruptcy Court, which can exercise substantial discretion, may determine that the Plan does not meet the requirements for confirmation under sections 1129(a) and (b) of the Bankruptcy Code. Section 1129(a) of the Bankruptcy Code requires, among other things, (a) a demonstration that the Confirmation of the Plan will not be followed by liquidation or need for further financial reorganization of the Plan Debtors, except as contemplated by the Plan, and (b) that the value of distributions to parties entitled to vote on the Plan who vote to reject the Plan not be less than the value of distributions such creditors would receive if the Plan Debtors were liquidated under chapter 7 of the Bankruptcy Code. Although the Plan Proponents believe that the Plan will meet the requirements for confirmation, there can be no assurance that the Bankruptcy Court will reach the same conclusion. If the Bankruptcy Court determines that the Plan violates section 1129 of the Bankruptcy Code in any manner, including, among other things, the cramdown requirements under section 1129(b) of the Bankruptcy Code, the Plan Proponents, with the consent of the Requisite Consenting Noteholders (not to be unreasonably withheld, conditioned or delayed), have reserved the right to amend the Plan in such a manner so as to satisfy the requirements of section 1129 of the Bankruptcy Code. If a liquidation or protracted reorganization were to occur, the distributions to Holders of Allowed Claims would be drastically reduced. In particular, the Plan Proponents believe that, as set forth in the Liquidation Analysis, in a liquidation under chapter 7, Holders of Allowed Claims would receive substantially less because of the inability in a liquidation to realize the greater going-concern value of the Plan Debtors' assets. Furthermore, administrative expenses of a chapter 7 trustee and the trustee's attorneys, accountants and other professionals would cause a substantial erosion of the value of the Plan Debtors' estates. Substantial additional Claims may also arise by reason of a protracted reorganization or liquidation, including from the breach of standstill

agreements which depend on the absence of substantial delays, and from the rejection of previously assumed unexpired leases and other executory contracts further reducing distributions to Holders of Allowed Claims.

2. The Plan may not be consummated if the conditions to Effectiveness of the Plan, including the sale of NII Mexico, are not satisfied

Sections VII.A and B of the Plan provide for certain conditions that must be satisfied (or waived) prior to the Confirmation Date and for certain other conditions that must be satisfied (or waived) prior to the Effective Date, including the condition that the sale of NII Mexico is consummated and that each of the Operating Company Credit Agreements will have been amended in form and substance acceptable to the applicable Operating Company and each of the Requisite Consenting Noteholders (subject to a right of consultation in favor of the Creditors' Committee). Many of the conditions are outside of the control of the Plan Proponents.

The completion of the sale of NII Mexico is subject to several conditions, including: (i) ~~the Bankruptcy Court having entered all appropriate orders; (ii)~~ obtaining all required governmental approvals; (~~iii~~ii) the absence of a material adverse effect on NII Mexico; and (~~iv~~iii) certain other customary conditions. If these closing conditions are not satisfied or waived in accordance with the Purchase Agreement, or if the Purchase Agreement is terminated for any other reason other than as a result of NII deciding to pursue a competing transaction, NII may not be able to achieve certain milestone events included in the Plan, including the Bankruptcy Court's approval and completion of the sale of NII Mexico, confirmation of the Plan and the occurrence of the Effective Date. If NII fails to achieve any of these milestone events by the applicable date specified in the Plan, the Plan may be terminated and there can be no assurances that NII will be able to reach a new plan support agreement or obtain creditor approval for a revised plan of reorganization to emerge from bankruptcy. A failure to complete the sale of NII Mexico would also have an adverse impact on NII's liquidity requiring it to secure other sources of financing to support its business plan, which could also have an adverse impact on NII's ability to successfully develop and implement a plan of reorganization to emerge from bankruptcy. In such circumstances, there can be no assurance that the Chapter 11 Cases would not be converted to chapter 7 liquidation cases or that any new chapter 11 plan would be as favorable to Holders of Claims as the current Plan. Either outcome may materially reduce distributions to Holders of Claims. See Sections VI.H and I to this Disclosure Statement for a description of the conditions to the Confirmation and effectiveness of the Plan, respectively.

3. If the Plan Support Agreement is terminated, the ability of the Plan Proponents to confirm and consummate the Plan could be materially and adversely affected

The Plan Support Agreement contains a number of termination events, upon the occurrence of which certain parties to the Plan Support Agreement may terminate such agreement. If the Plan Support Agreement is terminated, each of the parties thereto will be released from their obligations in accordance with the terms of the Plan Support Agreement. Such termination may result in the loss of support for the Plan by the Consenting Noteholders, which could adversely affect the Plan Proponents' ability to confirm and consummate the Plan. If the Plan is not consummated, there can be no assurance that the Chapter 11 Cases would not be converted to chapter 7 liquidation cases or that any new Plan would be as favorable to Holders of Claims as the current Plan. Either outcome may materially reduce distributions to Holders of Claims.

4. If the Effective Date is delayed or projected proceeds are not timely received, the Plan Debtors may need to seek postpetition financing

The Plan Debtors may not have sufficient cash available in order to operate their business if the Effective Date is delayed or projected proceeds from the ~~DIP Facility or~~ the Mexico Sale Transaction are not timely received by the Plan Debtors. In that case, the Plan Debtors may need new or additional postpetition financing, which may increase the costs of consummating the Plan. There is no assurance of the terms on which such financing may be available or if such financing will be available. Any increased costs as a result of the incurrence of additional indebtedness may reduce amounts available to distribute to Holders of Allowed Claims.

5. If current estimates of Allowed Claims prove inaccurate, New NII's financial condition could be materially and adversely affected

The estimates of Allowed Claims in this Disclosure Statement are based on the Plan Debtors' review of the Proofs of Claim Filed in these Chapter 11 Cases and the Plan Debtors' books and records, as well as the results of objections to Claims prosecuted to completion to date. Upon the passage of all applicable Bar Dates, the completion of further analyses of the Proofs of Claim, the completion of Claims litigation and related matters, the total amount of Claims that ultimately become Allowed Claims in the Chapter 11 Cases may differ from the Plan Debtors' estimates, and such difference could be material. For example, the amount of any Disputed Claim that ultimately is allowed may be significantly more or less than the estimated amount of such Claim. Particular risks exist with respect to those Claims such as Priority Claims, Priority Tax Claims and Secured Claims, which must be paid in Cash by New NII under the Plan. If estimates of such Claims are inaccurate, it may materially and adversely affect New NII's financial condition.

6. New NII's ability to use its pre-emergence tax attributes may be severely limited under the United States Federal Income Tax Rules

As of December 31, 2014, the Plan Debtors estimate that they had approximately $1.3 billion of United States federal net operating loss carryforwards and also had significant built-in losses in their assets. (These estimates may be subject to adjustments.) New NII's ability to use its net operating loss carryforwards and any recognized built-in losses to offset future taxable income may be significantly limited because the Plan Debtors will experience an "ownership change" as defined in section 382 of the Internal Revenue Code as a result of the Plan and may not qualify or elect to use a special bankruptcy rule that would prevent a limitation on use of the tax attributes from applying. An entity that experiences an ownership change generally is subject to an annual limitation on its use of its pre-ownership change tax attributes after the ownership change equal to the equity value of the corporation immediately before the ownership change, multiplied by the long-term tax-exempt rate posted by the Internal Revenue Service (the "IRS") (subject to certain adjustments). Because Reorganized NII's ownership change will occur pursuant to the Plan, however, it will be allowed to calculate its limitation, in general, by reference to its equity value immediately after the ownership change (rather than the equity value immediately before the ownership change, as is the case under the general rule for non-bankruptcy ownership changes), thus reflecting the increase in the value of the stock due to the cancellation of debt resulting from the Plan. The annual limitation could also be increased each year to the extent that there is an unused limitation in a prior year. The Plan Debtors anticipate that they will experience an ownership change as a result of the Plan, in which case the availability of New NII's substantial pre-ownership change tax attributes to offset future income and taxes may be significantly limited or possibly eliminated.

B. New NII's Financial Condition and Indebtedness

1. New NII's operations might not be profitable after the Effective Date, which could have an adverse impact on the value of Reorganized NII Common Stock

New NII's operating performance will be tied to, among other things, its ability to successfully and efficiently build out and maintain its telecommunications networks, acquire additional subscribers on its WCDMA network in Brazil and retain existing subscribers, improve profitability, and otherwise meet or exceed its Financial Projections. Any one of the above-referenced factors, and the risks and other factors described in Section XI.C below could have a material adverse impact on New NII's business, financial condition, cash flows and results of operations, which could have an adverse impact on the value of the Reorganized NII Common Stock issued pursuant to the Plan. Many of the above-referenced factors and risks may be affected by circumstances outside the Plan Debtors' and New NII's control.

Although the implementation of the restructuring and other changes contemplated by the Plan are anticipated to have a positive effect on New NII's business, New NII may not be able to meet the Financial Projections or other results that New NII has assumed in projecting its future business prospects. If New NII does not achieve the Financial Projections or other assumed results, New NII may lack sufficient liquidity to continue operating as planned after the Effective Date. The Financial Projections and other assumed results represent management's current view of New NII's future operations based on currently known facts and various

hypothetical assumptions. The Financial Projections and other assumed results do not, however, guarantee New NII's future financial performance.

2. Any failure by New NII to maintain effective internal controls over financial reporting may adversely affect the accuracy and timing of its financial reporting

NII disclosed in its annual report on Form 10-K for the year ended December 31, 2014 a material weakness in internal control over financial reporting related to an aggregation of control deficiencies in NII Brazil resulting from NII Brazil's failure to establish an effective control environment and monitoring activities, including an organization structure with sufficiently trained resources where surpervisory roles, responsibilities and monitoring activities are aligned with financial reporting objectives. Further, NII Brazil did not maintain effective operation of process level controls, including reconciliation and management review of control. New NII will work to remediate these deficiencies through reassessing the organizational structure within NII Brazil, providing training on New NII's policies and procedures and its system of internal control over financial reporting, including individuals' responsibilities, improving the documentation and operating effectiveness of internal controls over financial reporting and increasing the level of involvement and oversight from the corporate office until the organizational structure and financial reporting process in NII Brazil have matured.

Any inability to maintain effective internal control over financial reporting, as described above, combined with issues or delays in implementing the improvements described herein, could result in a material misstatement in New NII's financial statements or other disclosures, which could have an adverse effect on New NII's business, financial condition and results of operations.

3. Restrictions imposed by agreements governing indebtedness incurred by New NII or market conditions may limit New NII's ability to obtain additional liquidity

If New NII requires working capital greater than that provided by operating cash flow and cash on hand as of the Effective Date, as a result of these sources of liquidity not meeting current projected needs or if additional cash is needed to fund additional business opportunities, New NII may be required either to obtain other sources of financing or curtail its operations. The availability of such financing may be limited by market conditions prevailing at the time New NII seeks to obtain such financing and by the terms of the agreements governing the indebtedness incurred by the Operating Companies. No assurance can be given, however, that any additional financing will be available on terms that are favorable or acceptable to New NII. Any inability to raise needed capital could have a material impact on New NII's business, financial condition, cash flows and results of operations.

4. Projections of future performance by New NII are based on assumptions which may not prove accurate and many of which are outside the control of New NII

The Financial Projections attached to this Disclosure Statement as Exhibit 3 are inherently uncertain and are dependent upon the reliability of certain assumptions regarding the performance of New NII in the markets in which it operates. The Financial Projections reflect numerous assumptions, including Confirmation and consummation of the Plan in accordance with its terms, the terms of the amendments of the Operating Company Credit Facilities, the anticipated future performance of New NII, industry performance, general business and economic conditions, including foreign currency exchange rates, and other matters, and are subject to many risks, most of which are beyond the control of New NII. Unanticipated events and circumstances occurring after the preparation of the Financial Projections may affect the actual financial results of New NII. Therefore, the actual results achieved throughout the periods covered by the Financial Projections may vary from the projected results. These variations may be material and may adversely affect the ability of New NII to satisfy its obligations following the Effective Date. In addition, this Disclosure Statement does not reflect any events that may occur after the date of this Disclosure Statement. Any failure to successfully implement New NII's business strategy within the time frames currently expected, or at all, may have a material adverse impact on the information contained in this Disclosure Statement, and on New NII's business, financial condition, cash flows and results of operations.

5. Changes to New NII's business plan may cause material adverse changes to New NII's business

New NII may make changes to its business, operations and current business plan, which may have a material adverse impact on New NII's future business, financial condition, cash flows and results of operations.

C. Risks Relating to the Plan Debtors' Business and General Economic Risk Factors

1. Any inability to compete effectively in the highly competitive wireless communications industry will adversely affect New NII's growth and operating results

New NII's success will depend on its ability to compete effectively with other telecommunications services providers, including other wireless telecommunications companies, internet and cable service providers and providers of fixed wireline services, in the markets in which it operates. New NII's ability to compete successfully will depend on its ability to anticipate and respond to various competitive factors affecting the telecommunications industry in its markets, including the availability of new services, features and technologies; changes in consumer preferences, demographic trends and economic conditions; its ability to fund its operations; and its competitors' pricing strategies. Any failure to compete effectively with its competitors will have a material adverse effect on New NII's business, financial condition, cash flows and results of operation.

2. Any inability of New NII to compete effectively to attract and retain customers will adversely affect its business

Competition among telecommunications service providers in the markets in which New NII operates is intense as multiple carriers seek to attract and retain customers. Some of the factors contributing to this competitive environment include a higher relative penetration of wireless services in its markets compared to historic levels, which drives more aggressive competition as competitors seek to attract and retain customers that support the growth of their businesses in a more saturated market, the development and availability of new products and services, including services supported by new technologies, and the entry of new competitors. New NII also expects the current trend of alliances, cost-sharing arrangements and consolidation in the wireless and communications industries to continue as companies respond to the need for cost reduction and additional spectrum. This trend may result in the creation of larger and more efficient competitors with greater financial, technical, promotional and other resources to compete with New NII's businesses. In addition, as New NII pursues its plans to expand its marketing and sales focus to include a larger segment of high-value consumers, it will be increasingly seeking to attract customers in segments that have historically been predominantly served by its competitors, many of which are larger companies with more extensive networks, financial resources and benefits of scale that allow them to spend more money on marketing and advertising than New NII and to exploit scale advantages that allow them to offer products and services at a lower cost.

In order to obtain a competitive advantage, New NII's competitors have, among other things: provided increased handset subsidies; offered higher commissions to distributors; offered a broader range of handsets and, in some cases, offered those handsets through exclusivity periods; provided discounted or free airtime or other services; expanded their networks to provide more extensive network coverage; developed and deployed networks that use new technologies and support new or improved services; offered incentives to larger customers to switch service providers, including reimbursement of cancellation fees; and offered bundled telecommunications services that include local, long distance and data services.

In addition, number portability requirements, which enable customers to switch wireless providers without changing their wireless numbers, have been implemented in all of New NII's markets, making it easier for wireless providers to effectively target and attract its competitors' customers.

The competitive environment in New NII's markets and competitive strategies of its competitors will put pressure on the prices New NII can charge for its services and for handsets and other devices that New NII will sell in connection with its service offerings. These developments and actions by New NII's competitors could negatively impact New NII's operating results and its ability to attract and retain customers. These competitive

conditions may also require that New NII incur increased costs such as higher sales commissions or handset subsidies as it adds new customers, which may reduce New NII's profitability even while customer growth continues. If New NII is unable to respond to competition and compensate for declining prices by adding new customers, increasing usage and offering new services, New NII's revenues and profitability could be less than as set forth in the Projections.

3. Competition and technological changes in the market for wireless services, including competition driven by New NII's competitors' deployment of long-term evolution or other advanced technologies, could negatively affect New NII's average revenue per subscriber, customer turnover, operating costs and its ability to attract new subscribers, resulting in an adverse effect on its revenues, future cash flows, growth and profitability. If New NII does not keep pace with rapid technological changes or if it fails to deploy its WCDMA networks and offer new services on those networks in a manner that delivers a quality customer experience, New NII may not be able to attract and retain customers

The wireless telecommunications industry is experiencing significant technological change. Spending by New NII's competitors on new wireless services and network improvements could enable them to obtain a competitive advantage with new technologies or enhancements that New NII will not offer upon the Effective Date. Rapid change in technology may lead to the development of wireless communications technologies that support products or services that consumers prefer over the products or services that New NII will offer. If New NII is unable to keep pace with future advances in competing technologies on a timely basis, or at an acceptable cost, it may not be able to compete effectively and could lose subscribers to its competitors.

While the Plan Debtors have deployed, and New NII will complete the deployment of, their WCDMA networks in Brazil, these networks have yet to achieve wide acceptance, and competitors in each of New NII's markets have launched new or upgraded networks that use technology similar to the WCDMA networks that it has deployed or are in the process of being deployed and are designed to support services that use high-speed data transmission capabilities, including internet access and video telephony, and some of those competitors have expended significant resources and made substantial investments to deploy upgrades to the technology used in their networks. Some of New NII's competitors have also deployed or announced their plans to deploy new network technologies that could provide further enhancements to data speed and capacity in New NII's markets, including services utilizing LTE (or "long-term evolution") technologies. These and other future technological advancements may enable competitors to offer features or services New NII will not be able to provide or exceed the quality of services it will offer on and after the Effective Date, thereby making its services less competitive.

New NII may not be able to accurately predict technological trends or the success of new services in the market. If New NII's services fail to gain acceptance in the marketplace in the near term, or if costs associated with implementation and completion of the introduction of these services materially increase, New NII's ability to retain and attract customers could be adversely affected. In particular, its push-to-talk services on its new WCDMA networks may not meet the continually changing demands of its customers and may no longer serve to differentiate its services in the future.

In Brazil and Argentina, New NII's 800 MHz spectrum holdings are largely contiguous, making it possible to use that spectrum to support future technologies, if certain technical, operational and regulatory requirements are met, including, for example, the availability of compatible networks and subscriber equipment. In Argentina, New NII will not hold rights to use additional spectrum in bands that would facilitate a transition to a new network technology, which could make it more difficult or impossible for it to deploy new and more competitive services in Argentina.

4. Some competitors are financially stronger than New NII will be on the Effective Date, which may limit New NII's ability to compete based on price

Because of their size, scale and resources, some of New NII's competitors may be able to offer services to subscribers at prices that are below the prices that New NII can offer for comparable services. Many of New

NII's competitors are well-established companies that have: substantially greater financial and marketing resources; larger customer bases; larger spectrum positions; higher profitability and positive free cash flow; more access to funding, lower leverage and lower cost of financing; and larger service coverage areas than those of New NII.

If New NII cannot compete effectively based on the price of its service offerings and related cost structure, New NII's business, financial condition, cash flows and results of operations may be adversely affected.

5. The network and subscriber equipment New NII will use is more expensive than the equipment used by its competitors, which may limit its ability to compete

New NII's iDEN-based networks utilize a proprietary technology developed and designed by Motorola Solutions, and Motorola Mobility is the primary supplier for the network equipment and handsets New NII sells for use on its iDEN networks. In contrast, all of New NII's competitors use infrastructure and customer equipment that are based on standard technologies like the global system for mobile communications standard, or GSM, and WCDMA, which are substantially more widely used technologies than iDEN, are available from a significant number of suppliers, and are produced in much larger quantities for a worldwide base of customers. While New NII expects to capture cost benefits from its transition to WCDMA networks and services, its plans to continue to offer handsets that feature push-to-talk services, as well as its small size relative to its competitors, may result in the cost of New NII's handsets being higher, particularly those that are designed specifically to support push-to-talk services, because they will not be produced in the same quantities as its competitors' more standardized WCDMA headsets. As a result, New NII's competitors benefit from economies of scale and lower costs for handsets and infrastructure equipment than will be available to New NII. The anticipated higher costs of New NII's handsets and other equipment, may make it more difficult for it to attract or retain customers, and may require it to absorb a comparatively larger cost of offering handsets to new and existing customers. The combination of these factors may place New NII at a competitive disadvantage and may reduce its growth and profitability.

6. New NII may face disadvantages when competing against government-owned and formerly government-owned incumbent wireline operators or wireless operators affiliated with them

In some markets, New NII competes against a government-owned telecommunications operator or a formerly government-owned telecommunications operator, some of which enjoy a near monopoly position relating to the provision of wireline telecommunications services and may have a wireless affiliate. For example, in Argentina, New NII expects to compete against ARSAT, which is a government owned telecommunications operator. New NII may be at a competitive disadvantage in these markets because former government-owned incumbents or affiliated competitors may have: close ties with national regulatory authorities; control over connections to local telephone lines; or the ability to subsidize competitive services with revenues generated from services they provide on a monopoly or near-monopoly basis.

For example, the services that New NII will provide on its new WCDMA networks require significantly greater data capacity than would be the case on its iDEN networks, and this higher capacity demand will make it necessary for New NII to obtain wireline or other connecting circuits between elements of its network such as switches and transmitter and receiver sites that are capable of transporting a significantly higher volume of data traffic. In some instances, the availability of those higher capacity circuits is limited and, in many cases, New NII's access to those circuits will be controlled by entities that are affiliated with its competitors. As a result, New NII will be dependent on entities that are affiliated with its competitors to provide New NII with the data transport services that will be needed to support its networks and services. New NII's ability to offer services could be adversely affected if those entities were to choose to allocate limited transport capacity to other customers, including their wireless affiliates, or otherwise make it more difficult for New NII to obtain the necessary transport capacity to support its networks and services.

New NII may also encounter obstacles and setbacks if local governments adopt policies favoring these competitors or otherwise afford them preferential treatment. As a result, New NII may be at a competitive

disadvantage to incumbent providers, particularly as New NII seeks to offer new telecommunications services, which could have a material adverse impact on New NII's business, financial condition, cash flows and results of operations.

7. New NII coverage will not be as extensive as those of other wireless service providers in its markets, which may limit its ability to attract and retain subscribers

In recent years, NII deployed, and will continue to expand and enhance, its WCDMA networks in Brazil, but New NII's WCDMA networks existing on the Effective Date and implemented thereafter will not, offer nationwide coverage in the countries in which it will operate; nor will it provide the coverage available on some of its competitors' networks. Although New NII will have roaming agreements in place relating to its WCDMA services in Brazil that will allow its customers to use roaming services in a broader area, it will not be able to supplement its iDEN network coverage using roaming arrangements because the uniqueness of its iDEN technology limits its potential roaming partners for subscribers solely on iDEN networks. In addition, the implementation of the roaming services that support its WCDMA services are subject to the risks described below, and the costs of such services may be uneconomical, particularly if the competitive environment limits the prices it is able to charge for services provided to its customers. As a result, New NII will not be able to utilize roaming arrangements to extend the coverage of its iDEN networks and may not be able to economically extend the coverage of its WCDMA networks using its existing or future roaming arrangements, making it difficult for it to provide geographic coverage for its services that is sufficient to attract and retain certain subscribers and compete effectively with competitors that operate mobile networks with more extensive service areas.

New NII will have in place roaming arrangements with respect to services supported by its WCDMA networks in Brazil that will enable its customers to roam in areas where it does not offer network coverage. There is no guarantee it will be able to effectively implement or maintain these agreements to provide roaming service in areas where it does not have network coverage or that the terms of those agreements will allow it to utilize roaming services to economically extend its coverage areas. In addition, New NII will have in place agreements with wireless carriers in a number of countries that will allow customers whose service is supported by its WCDMA networks to utilize roaming services in those countries. Both in-market and international roaming requires its customers to rely on networks that are owned and operated by third parties and, in the case of in-market roaming, by its competitors. New NII will be unable to ensure the availability of services or data speeds on these networks, and, in most cases, push-to-talk service, one of New NII's key differentiators, will not be available or will not have the same level of performance when its subscribers are roaming, which could negatively affect the service experience of its customers and ultimately make it more difficult to retain these subscribers.

8. Customer turnover rate could increase substantially negatively affecting New NII's business and results

In recent years, NII experienced a higher consolidated customer turnover rate compared to earlier periods, which resulted primarily from the combined impact of weaker economic conditions, more competitive sales environments in the markets in which NII operated and its offering of prepaid and hybrid services to customers who are more likely to change service providers.

New NII's plans contemplate an expansion of its market to a broader range of customers that have typically demonstrated a willingness to change service providers more frequently, and an increase of its use of pre-paid and hybrid post- and pre-paid payment terms as part of its service plans in order to attract more price-sensitive customers, both of which may have an adverse impact on its consolidated customer turnover rate, particularly in Brazil. Subscriber losses may adversely affect New NII's business and results of operations because these losses result in lost revenues and cash flow, drive higher bad debt expenses and may require it to attract replacement customers and incur the related sales commissions and other costs. Although attracting new subscribers and retaining existing subscribers will both be important to the financial viability of its business, there will be an added focus on retaining existing subscribers because the cost of acquiring a new subscriber is much higher than the cost of retaining an existing subscriber. Accordingly, increased levels of subscriber

deactivations could have a negative impact on New NII's results, even if it is able to attract new subscribers at a rate sufficient to offset those deactivations. If New NII experiences increases in its customer turnover rate, or if the higher customer turnover rates experienced by the Plan Debtors in recent quarters do not decline to levels that are closer to historical levels, New NII's business, financial condition, cash flows and results of operations could be adversely affected.

9. The ability to attract and retain customers may be impaired if New NII networks do not perform in a manner that meets subscriber expectations

Customer acceptance of the services New NII will offer on its networks will be affected by technology-based differences and by the operational performance and reliability of these networks. New NII may have difficulty attracting and retaining customers if it is unable to satisfactorily address and resolve performance or other transmission quality issues as they arise or if these issues limit its ability to deploy or expand its network capacity as currently planned or place it at a competitive disadvantage to other wireless providers in its markets. New NII's business plan assumes that customers will find its services attractive and that it will be able to increase its subscriber base. However, given the factors that have negatively affected NII's business and the difficulties associated with predicting New NII's ability to overcome these factors, New NII cannot assure you that these assumptions will prove to be correct. Increases in customer deactivations and decreases in new subscribers relative to New NII's business plan would adversely affect its revenues and its ability to generate the cash needed to fund its business and meet its obligations.

10. New NII's business could be negatively impacted by its anticipated reliance on indirect distribution channels for a significant portion of its sales

New NII's business will depend heavily upon third-party distribution channels for securing a substantial portion of the new customers to its services, and, with the expansion of its target market, New NII expects to rely more heavily on retailers and other sales channels for a growing portion of its sales. In many instances, New NII may rely on these third-party dealers to serve as the primary contact between it and the customer and to interact with other third parties on its behalf. As a result, there may be risks associated with actions that may be taken by New NII's distributors or the operators of its other retail channels, including potential risks associated with the failure of its distributors or other retail channels to follow regulatory requirements. The volume of New NII's new customer additions, its ability to retain customers and its profitability could also be adversely affected if these third-party dealers terminate their relationship with New NII, if there are adverse changes in its relationships with these dealers, if they alter New NII's compensation arrangements with these dealers or if the financial condition of these dealers deteriorates.

11. If New NII is not able to manage its future growth, its operating results will suffer

New NII's ability to achieve its long-range business goals, and to grow profitably, will be dependent on its ability to manage changes to its business model and cost structure that will be necessary to allow it to pursue its plans to expand both its service offerings and its targeted customer segments, including by implementing new and more efficient supporting business systems and processes. New NII's inability to complete these efforts in a timely fashion, or to manage the related costs, could have an adverse impact on its business, financial condition, cash flows and results of operations.

12. New NII may be limited in its ability to grow unless it successfully expands network capacity and launches competitive services

To successfully retain existing customers, increase its customer base and pursue its business plan, New NII must economically: (a) expand the capacity and coverage of New NII's WCDMA networks; (b) secure sufficient transmitter and receiver sites at appropriate locations to meet planned system coverage and capacity targets; (c) obtain adequate quantities of base radios and other system infrastructure equipment; and (d) obtain an adequate volume and mix of handsets to meet customer demand.

In particular, the deployment and expansion of the coverage and capacity of New NII's WCDMA networks will require it to deploy a significant number of new transmitter and receiver sites in order to meet the expanded coverage and capacity requirements for those networks resulting from differences in its commercial strategies, differences in the propagation characteristics of the spectrum bands being used to support those networks and the coverage requirements associated with the spectrum licenses that will be utilized for those networks. In some of the markets New NII serves, individuals and governments are opposing new tower construction and supporting laws restricting the construction of towers and other transmitter and receiver sites. Compliance with such laws could increase the time and costs associated with New NII's planned network deployments. The effort required to locate and build a significant number of additional transmitter sites across its markets in coming years will be substantial, and its failure to meet this demand could delay or impair the deployment of its WCDMA networks, which could adversely affect New NII's business.

As New NII launches a broader array of services on its WCDMA networks, it will need to develop, test and deploy new supporting technologies, software applications and systems that will be intended to enhance its competitiveness both by supporting existing and new services and features, and by reducing the costs associated with providing those services. Successful deployment and implementation of new services and technology on its WCDMA networks will depend, in part, on the willingness and ability of third parties to develop new handsets and applications that are attractive to New NII's customers and that are available in a timely manner. New NII may not be able to successfully expand its WCDMA networks as needed or complete the development and deployment of competitive services using its new networks. Failure to successfully deploy those networks and services could also be expected to result in subscriber dissatisfaction that could affect New NII's ability to retain subscribers and could have a material adverse effect on New NII's results of operations and growth prospects. If this occurs, New NII may be unable to recover substantial investments that have been made to date, and will continue to be made after the Effective Date, in making its new networks and the related costs incurred to offer these new services.

13. Failure to successfully implement core information technology and operating systems may adversely affect New NII's business operations

New NII's business strategy envisions growing its business by successfully building and deploying New NII's WCDMA networks, expanding its product and service offerings and expanding its target customer base. Even if New NII does expand its business, if it fails to manage its growth effectively, its financial results could be adversely affected. Separately, growth may place a strain on its management systems and resources. New NII will need to refine and expand its business development and sales capabilities, its network operations and information technology infrastructure, and the hardware, software, systems, processes and people to effectively support future sales, customer service and information requirements of its business in an efficient and cost-effective manner. In addition, failure to prioritize technology initiatives and effectively allocate resources in order to achieve its strategic goals could result in a failure to realize those goals, including the expected benefits of its growth, and could negatively affect its financial results.

Changes to New NII's networks and business strategies could require it to implement new operating and supporting systems to improve its ability to address the needs of its customers, as well as to create additional efficiencies and strengthen its internal controls over financial reporting. New NII may not be able to successfully implement these new systems in an effective or timely manner or New NII could fail to complete all necessary data reconciliation or other conversion controls when implementing the new systems. In addition, New NII may incur significant increases in costs and encounter extensive delays in the implementation and rollout of these new systems. Failure to effectively implement its new operating systems may adversely affect its results of operations, customer perceptions and internal controls over financial reporting.

As New NII grows, it will need to hire, train, supervise and manage new employees. New NII cannot assure you that it will be able to allocate its human resources optimally or identify and hire qualified employees or retain valued employees. If it is unable to manage its growth and operations, its business, financial condition, cash flows and results of operations could be adversely affected.

14. New NII's financial condition may limit its ability to raise necessary capital

It may be necessary for New NII to raise additional funds in order to finance the costs associated with the development and deployment of New NII's new networks. To do so, New NII may issue shares of common stock, incur new debt or sell assets. Its ability to raise additional capital at all or on acceptable terms to meet its funding needs will depend on New NII's financial condition, the conditions in the financial markets and the terms of its existing financing agreements.

15. Costs, regulatory requirements and other problems New NII will encounter as it deploys its WCDMA networks could adversely affect its operations

In some instances, the rights to use the spectrum that supports New NII's WCDMA networks comes with significant regulatory requirements governing the coverage of the new networks, the timing of deployment of those networks and the loading of new customers on those networks. If New NII fails to meet these regulatory requirements, the applicable regulators could assess fines and, in some instances, take action to revoke its spectrum rights. In addition, its deployment of these new networks will require significant capital expenditures and will result in incremental operating expenses prior to fully launching services. Costs could increase beyond expected levels as a result of unforeseen delays, cost overruns, unanticipated expenses, regulatory changes, engineering design changes, problems with network or systems compatibility, equipment unavailability and technological or other complications.

In addition, regulators could require New NII to provide competitors with the ability to interconnect to New NII's push-to-talk service and, accordingly, gain access to its push-to-talk customers in the future. This access could dilute the competitive advantage and negatively affect the quality of this key differentiator, which could affect the willingness of current customers to remain on its network and negatively impact the willingness of potential customers to choose its service.

16. Laws restricting the exchange of currencies or expatriating funds limit the ability of the Operating Companies to make funds available to Reorganized NII

Because almost all of New NII's business operations and assets will be conducted and held by its foreign subsidiaries, New NII will depend on those subsidiaries to provide Reorganized NII with cash to satisfy its obligations, whether in the form of advances from the Operating Companies, the repayment by the Operating Companies of intercompany loans or the payment of dividends and other distributions from the net earnings and cash flow generated by the Operating Companies. Laws or regulations restricting the exchange of currencies or expatriation of funds will limit the ability of the Operating Companies to distribute cash or assets. The inability of Reorganized NII to receive sufficient cash from the Operating Companies to satisfy its obligations would require them to obtain additional debt or equity financing or sell assets to meet those obligations. There can be no assurance that Reorganized NII will be able to obtain such financing or sell assets at acceptable terms or at all and, under such circumstances, its failure to do so could prevent it from satisfying its obligations and from maintaining cash for dividends.

17. The Operating Companies will operate exclusively in foreign markets, and New NII's assets, subscribers and cash flows will be concentrated in Brazil, making New NII susceptible to risks relating to exchange rate fluctuations

As a holding company with operations concentrated in Brazil, New NII's growth and operating results will be dependent on the strength and stability of the economic, political and regulatory environment in Brazil. Historically, in the countries in which New NII will do business, the values of the local currencies in relation to the U.S. dollar have been volatile. The unstable global economic environment and recent weakness in the economies of some of the countries where New NII will operate has led to increased volatility in these currencies. Nearly all of New NII's revenues will be earned in non-U.S. currencies, but New NII may report its results in U.S. dollars. As a result, fluctuations in foreign currency exchange rates may have a significant impact on New NII's reported results that may not reflect the operating trends in its business. A decline in the values of the local currencies in the markets in which New NII will operate will make it more costly for New NII to service its U.S. dollar-denominated debt obligations and will affect its operating results because it will

generate nearly all of its revenues in foreign currencies, but will pay for some of its operating expenses and capital expenditures in U.S. dollars. Further, to the extent New NII reports its results of operations in U.S. dollars, declines in the value of local currencies in its markets relative to the U.S. dollar will result in reductions in its reported revenues, as well as a reduction in the carrying value of its assets, including the value of cash investments held in local currencies. Depreciation of the local currencies will also result in increased costs to new NII for imported equipment. New NII will have some limited hedging arrangements to mitigate short-term volatility in foreign exchange rates, but will not have hedged against long-term movements in foreign exchange rates because the alternatives currently available for hedging against those movements are limited and costly. As a result, if the values of local currencies in the countries in which New NII's operating companies will conduct business depreciate relative to the U.S. dollar, New NII expects its reported operating results in future periods, and the value of its assets held in local currencies, to be adversely affected.

18. Economic and political risks in New NII's markets may limit its ability to implement its strategy and could negatively impact its financial flexibility, including its ability to repatriate and redeploy profits, and may disrupt its operations or hurt its performance

New NII's operations will depend on the economies of the markets in which New NII conducts business, all of which are considered to be emerging markets. These markets are in countries with economies in various stages of development, some of which are subject to volatile economic cycles and significant, rapid fluctuations in terms of commodity prices, local consumer prices, employment levels, gross domestic product, interest rates and inflation rates, which have been generally higher, and at times, significantly higher than the inflation rate in the United States. If these economic fluctuations and higher inflation rates make it more difficult for customers to pay for New NII's products and services, it may experience lower demand for its products and services and a decline in the growth of its customer base and in revenues. In addition, in recent years, the economies in some of the markets in which New NII will operate have also been negatively affected by volatile political conditions and, in some instances, by significant intervention by the relevant government authorities relating to economic and currency exchange policies. Limitations on New NII's ability to convert currency and repatriate and redeploy capital may prevent it from managing its business and financial obligations in a cost effective manner, compete effectively, take advantage of new business opportunities and grow its business.

New NII is unable to predict the impact that local or national elections and the associated transfer of power from incumbent officials or political parties to newly elected officials or parties may have on the local economy or the growth and development of the local telecommunications industry. Changes in leadership or in the ruling party in the countries in which New NII will operate may affect the economic programs developed under prior administrations, which in turn, may adversely affect the economies in the countries in which New NII will operate. Other risks associated with political instability could include the risk of expropriation or nationalization of New NII's assets by the governments in the markets where they operate. Although political, economic and social conditions differ in each country in which New NII will operate, political and economic developments in one country or in the United States may affect its business as a whole, including its access to capital markets to obtain funding needed for its business or to refinance its indebtedness.

19. New NII is subject to local laws and government regulations in the countries in which it operates, and New NII will be subject to the U.S. Foreign Corrupt Practices Act, which could limit New NII's growth and strategic plans and negatively impact New NII's financial results

New NII's operations will be subject to local laws and regulations in the countries in which it operates, which may differ substantially from those in the United States, and New NII could become subject to legal penalties in foreign countries if it does not comply with those local laws and regulations. In some foreign countries, particularly in those with developing economies, persons may engage in business practices that are prohibited by United States regulations applicable to New NII such as the Foreign Corrupt Practices Act (the "FCPA"). The FCPA will prohibit New NII from providing anything of value to foreign officials for the purpose of influencing official decisions or obtaining or retaining business. New NII's employees and agents will interact with government officials on its behalf, including interactions necessary to obtain licenses and other

regulatory approvals necessary to operate New NII's business, and through contracts to provide wireless service to government entities, creating a risk that actions may occur that could violate the FCPA. Although New NII will have implemented policies and procedures designed to ensure compliance with local laws and regulations as well as United States laws and regulations, including the FCPA, there can be no assurance that all of its employees, consultants, contractors and agents will abide by its policies. The penalties for violating the FCPA can be severe. Any violations of law, even if prohibited by its policies, could have a material adverse effect on New NII's business.

In addition, in each market in which New NII will operate, one or more regulatory entities regulate the licensing, construction, acquisition, ownership and operation of its wireless communications systems. Adoption of new regulations, changes in the current telecommunications laws or regulations or changes in the manner in which they are interpreted or applied could adversely affect New NII's operations by increasing its costs, reducing its revenues or making it more difficult for it to compete.

The regulatory schemes in the countries in which New NII will operate allow third parties, including its competitors, to challenge its actions or decisions of the regulators in New NII's markets that potentially benefit it, such as decisions regarding the allocation and licensing of spectrum. If its competitors are successful in pursuing claims such as these, or if the regulators in its markets take actions against it in response to actions initiated by its competitors, New NII's ability to pursue its business plans and its results of operations could be adversely affected.

Finally, rules and regulations affecting placement and construction of New NII's transmitter and receiver sites affect its ability to deploy and operate its networks in each of its markets, and therefore impact its business strategies. In some of the markets in which New NII will operate, local governments have adopted very stringent rules and regulations related to the placement and construction of wireless towers, or have placed embargoes on some of the cell sites owned by New NII, which can significantly impede the planned expansion of its service coverage area or require it to remove or modify existing towers, which can result in unplanned costs, negatively impact network performance and impose new and onerous taxes and fees. Compliance with such laws, rules, and regulations could increase the time and costs associated with New NII's planned network deployments. The propagation characteristics of the spectrum bands being used to support its WCDMA networks and the coverage requirements associated with the spectrum licenses that will be utilized for those networks will require substantially more transmitter and receiver sites to meet the minimum coverage requirements of those licenses and to provide coverage to the areas needed to provide competitive services. In addition, New NII's licenses to use spectrum in some of its markets will require it to build its networks within proscribed time periods, and rules and regulations affecting tower placement and construction could make it difficult to meet its build requirements in a timely manner or at all, which could lead it to incur unplanned costs or result in the loss of spectrum licenses.

20. New NII may pay significant import duties on network equipment and handsets, and any increases could impact its financial results

New NII's operations will be highly dependent upon the successful and cost-efficient importation of network equipment and handsets and other devices from locations outside the countries in which it will operate. Network equipment and handsets may be subject to significant import duties and other taxes in the countries in which New NII conducts business. Any significant increase in import duties in the future could significantly increase its costs. To the extent New NII cannot pass these costs on to its customers, its financial results will be negatively impacted.

21. Foreign taxes may reduce amounts New NII will receive or may increase its tax costs

The foreign countries in which New NII will operate have increasingly turned to new taxes, as well as aggressive interpretations of current tax law, as a method of increasing revenue. For example, NII Brazil is required to pay two types of income taxes, which include a corporate income tax and a social contribution tax, and is subject to various types of non-income related taxes, including value-added tax, excise tax, service tax, importation tax and property tax. In addition, the reduction in tax revenues resulting from the economic

downturn that has occurred in the last several years has led to proposals and new laws in the countries in which New NII will operate that propose to increase the taxes imposed on sales of handsets and on telecommunications services. The provisions of new tax laws may attempt to prohibit New NII from passing these taxes on to its customers or its ability to do so may be limited by competitive conditions. These taxes may reduce the amount of earnings that New NII will be able to generate from its services or in some cases may result in operating losses.

Distributions of earnings and other payments, including interest, received from New NII may be subject to withholding taxes imposed by some countries in which these entities operate. Any of these taxes will reduce the amount of after-tax cash New NII will be able to receive.

In general, a corporation organized under state law in the United States may claim a foreign tax credit against its federal income tax expense for foreign withholding taxes and, under certain circumstances, for its share of foreign income taxes paid directly by foreign corporate entities in which such corporation owns 10% or more of the voting stock. New NII's ability to claim foreign tax credits will be, however, subject to numerous limitations, and New NII may incur incremental tax costs as a result of these limitations or because it does not have U.S. federal taxable income.

New NII may also be required to include in its income for U.S. federal income tax purposes its proportionate share of specified earnings of its foreign corporate subsidiaries that are classified as controlled foreign corporations, without regard to whether distributions have been actually received from these subsidiaries.

22. New NII will have in place a number of agreements that are subject to enforcement in foreign countries, which may limit efficient dispute resolution

A number of the agreements that New NII will enter into are governed by the laws of, and are subject to dispute resolution in the courts of or through arbitration proceedings in, the countries or regions in which the operations are located. New NII cannot accurately predict whether these forums will provide effective and efficient means of resolving disputes that may arise. Even if New NII is able to obtain with respect to a particular dispute a satisfactory outcome through arbitration or a court proceeding, New NII could have difficulty enforcing any award or judgment on a timely basis. New NII's ability to obtain or enforce relief in the United States is also uncertain.

23. Costs to connect New NII's networks with those of other carriers are subject to local laws in the countries in which it operates and may increase, which could adversely impact its financial results

New NII must connect its telecommunication networks with those of other carriers in order to provide the services it offers. New NII may incur costs relating to these interconnection arrangements and for local and long distance transport services relating to the connection of its transmitter sites and other network equipment. These costs may include interconnection charges and fees, charges for terminating calls on the other carriers' networks and transport costs, most of which are measured based on the level of New NII's use of the related services. New NII may be able to recover a portion of these costs through revenues earned from charges it will be entitled to bill other carriers for terminating calls on its network, but because users of mobile telecommunications services who purchase those services under contract generally, and business customers like New NII's in particular, tend to make more calls that terminate on other carriers' networks and because New NII will have a smaller number of customers than most other carriers, New NII may incur more charges than it will be entitled to receive under these arrangements. The terms of the interconnection and transport arrangements, including the rates that New NII will pay, will be subject to varying degrees of local regulation in most of the countries in which it will operate, and may require it to negotiate agreements with the other carriers, most of whom are its competitors, in order to provide its services. In some instances, other carriers could offer its services to some of its subscribers at prices that are near or lower than the rates that New NII will pay to terminate calls on its networks, which may make it more difficult for New NII to compete profitably. New NII's costs relating to these interconnection and transport arrangements will be subject to fluctuation both as a result of changes in regulations in the countries in which New NII will operate and the negotiations with the other carriers. Changes in New NII's customers' calling patterns that result in more of its customers' calls terminating

on New NII's competitors' networks and changes in the interconnection arrangements, either as a result of regulatory changes or negotiated terms that are less favorable to New NII, could result in increased costs for the related services that New NII may not be able to recover through increased revenues, which could adversely impact New NII's business, financial condition, cash flows and results of operations.

24. Because New NII will rely on one supplier for equipment used in its iDEN networks, any failure of that supplier to perform could adversely affect its operations

Motorola Solutions provides substantially all of the network equipment and Motorola Mobility, which is currently owned by Lenovo Group, provides substantially all of the handsets New NII will sell for use on its iDEN networks. If either Motorola Solutions or Motorola Mobility fails to deliver system infrastructure equipment and handsets or enhancements to the features and functionality of New NII's iDEN-based networks and handsets on a timely, cost-effective basis, New NII may not be able to adequately service its existing customers or attract new customers to services supported by its iDEN networks, particularly in Argentina, where New NII will not hold rights to use spectrum that would support the deployment of a WCDMA-based network. Accordingly, if Motorola Solutions is unable to, or determines not to, continue supporting New NII's iDEN based infrastructure or if Motorola Mobility is unable to, or determines not to, continue to manufacture iDEN based handsets, New NII's business in Argentina will be materially adversely affected.

25. If the mobile services licenses New NII will have are not renewed, or are modified or revoked, its business may be restricted

Wireless communications licenses and spectrum allocations are subject to ongoing review and, in some cases, to modification or early termination for failure to comply with applicable regulations. If New NII fails to comply with the terms of its licenses and other regulatory requirements, including installation deadlines and minimum loading or service availability requirements, its licenses could be revoked. This is particularly true with respect to the grants of licenses for spectrum New NII will use to support its WCDMA networks, most of which impose strict deadlines for the construction of network infrastructure and supporting systems as a condition of the license. Further, compliance with these requirements will be a condition for eligibility for license renewal. Most of the wireless communications licenses that New NII will have will be subject to fixed terms and will not be renewed automatically. Because governmental authorities have discretion to grant or renew licenses, New NII's licenses may not be renewed or, if renewed, renewal may not be on acceptable economic terms. In addition, the regulatory schemes in the countries in which New NII will operate allow third parties, including its competitors, to challenge the award and use of its licenses. If New NII's competitors are successful in pursuing claims such as these, or if regulators in its markets take actions modifying or revoking its licenses in response to these claims, its ability to pursue its business plans, including its plans to deploy WCDMA networks, and its results of operations could be materially adversely affected.

26. Any modification or termination of New NII's trademark license with Nextel Communications could increase its costs

New NII will have the right to use "Nextel" and other of its trademarks on a perpetual basis in Latin America pursuant to an agreement with Nextel Communications, the owner of this trademark. However, Nextel Communications may terminate the license on 60 days' notice if New NII commit one of several specified defaults (namely, unauthorized use, failure to maintain agreed quality controls or a change in control of NII Holdings). If there is a change in control of one of the Operating Companies, upon 90 days' notice, Nextel Communications may terminate the sublicense granted by New NII to such Operating Company with respect to the licensed marks. The loss of the use of the "Nextel" name and trademark could require New NII to incur significant costs to establish a new brand in its markets, which could have a material adverse effect on New NII's operations.

27. Security threats and other events may materially disrupt New NII's wireless networks

Major equipment failures and the disruption of New NII's wireless networks as a result of natural disasters, severe weather, terrorist attacks, acts of war, cyber attacks or other breaches of network or information technology security, even for a limited period of time, may result in significant expenses, result in a loss of subscribers or impair New NII's ability to attract new subscribers, which in turn could have a material adverse effect on its business, results of operations and financial condition. In some of New NII's markets, more stringent network performance standards and reporting obligations have been adopted in order to ensure quality of service during unforeseen disturbances, and New NII may be required to make significant investments in its existing networks in order to comply with these recently adopted network performance standards. In addition, while New NII will maintain information security policies and procedures designed to comply with relevant privacy and security laws and restrictions, if it suffers a security breach of customer or employee confidential data, it may be subject to significant legal and financial exposure, damage to its reputation, and loss of confidence in the security of its products and services.

28. Litigation in the ordinary course of business may adversely affect New NII's business

New NII will be subject to various claims and legal actions arising in the ordinary course of its businesses. The Plan Debtors are not able to predict the nature and extent of any such claims and actions and cannot guarantee that the ultimate resolution of such claims and actions will not have a material adverse effect on New NII's business, financial condition, cash flows and results of operations.

D. Risks Related to Reorganized NII Common Stock

1. Holders of Reorganized NII Common Stock may not be able to recover in future cases of bankruptcy, liquidation or reorganization

On the Effective Date, Reorganized NII Common Stock will be distributed to the Holders of Allowed Claims in Classes 4D, 5A, 5B, 5C and 6E, and in certain scenarios, Class 4A. Upon implementation of the Plan, each Holder of Reorganized NII Common Stock will become subordinated to all Liabilities of New NII. Therefore, the assets of New NII would not be available for distribution to any Holder of Reorganized NII Common Stock in any bankruptcy, liquidation or reorganization of Reorganized NII unless and until all indebtedness of New NII has been paid.

2. There is not an established market for Reorganized NII Common Stock, which could make the markets for the shares illiquid and lead to price instability

No established market exists for the Reorganized NII Common Stock. The Plan Proponents expect that the Reorganized NII Common Stock will be approved for listing on the New York Stock Exchange or the Global or Global Select markets of the NASDAQ Stock Market as soon as practicable following the Effective Date when New NII meets the listing requirements for such securities. However, the Plan Debtors cannot predict whether the New York Stock Exchange or the NASDAQ Stock Market will approve the Reorganized NII Common Stock for listing or when any such listing will occur. There can be no assurance that the Reorganized NII Common Stock will be listed on the New York Stock Exchange or the Global or Global Select markets of the NASDAQ Stock Market or any other national exchange or interdealer quotation system or that Reorganized NII will continue to meet the requirements for listing once a listing has been approved. If the Reorganized NII Common Stock is not listed on a national exchange or interdealer quotation system, Reorganized NII intends to cooperate with any registered broker-dealer who may seek to initiate price quotations for the Reorganized NII Common Stock in the over the counter market. Again, however, no assurance can be given that such securities will be quoted on the over the counter market. Reorganized NII, therefore, cannot provide any assurance that the Reorganized NII Common Stock will be publicly tradable at any time after the Effective Date. If no public market for the Reorganized NII Common Stock develops, Holders of such securities may have difficulty selling or obtaining timely and accurate quotations with respect to such securities.

There cannot be any assurance as to the degree of price volatility in any market that develops for the Reorganized NII Common Stock. Some Holders who receive Reorganized NII Common Stock pursuant to the Plan may not elect to hold equity on a long-term basis. Sales by future shareholders of a substantial number of shares after the Effective Date could significantly reduce the market price of the Reorganized NII Common Stock. Moreover, the perception that these shareholders might sell significant amounts of the Reorganized NII Common Stock could depress the trading price of the shares for a considerable period. Under the terms of the Registration Rights Agreement, Reorganized NII will be required to file a shelf registration statement that will permit all Holders who, together with their affiliates, beneficially own 10% or more of the outstanding Reorganized NII Common Stock to sell their shares in the public markets. Sales of the Reorganized NII Common Stock, and the possibility thereof, could make it more difficult for Reorganized NII to sell equity, or equity-related securities, in the future at a time and price that they consider appropriate.

The valuation of Reorganized NII Common Stock contained in this Disclosure Statement is not an estimate of the prices at which the Reorganized NII Common Stock may trade in the market, and the Plan Debtors have not attempted to make any such estimate in connection with the development of the Plan. The value of the Reorganized NII Common Stock ultimately may be substantially higher or lower than reflected in the valuation assumptions provided in this Disclosure Statement.

3. Certain Holders of Reorganized NII Common Stock could have a significant degree of influence on New NII and matters presented to shareholders

Certain holders of Reorganized NII Common Stock are expected to acquire a significant ownership in Reorganized NII pursuant to the Plan. In addition, out of Reorganized NII's seven directors initially appointed to the New Board as of the Effective Date, three will have been selected by Capital Group, one will have been selected by Aurelius, and two will have been selected by the Luxco Group. Although these rights to select board members will not continue after selection of the New Board at the Effective Date, Capital Group, Aurelius and the Luxco Group may continue to hold a significant amount of Reorganized NII Common Stock. Thus, certain holders of Reorganized NII Common Stock may have a significant influence or control over the operations of New NII and matters presented to shareholders of Reorganized NII.

4. Future issuances of Reorganized NII Common Stock may cause Holders to incur substantial dilution

In the future, Reorganized NII may grant equity securities to its employees, consultants and directors under certain stock option and incentive plans, and Reorganized NII intends to adopt the Management Incentive Plan to be effective following the Effective Date, which contemplates the issuance of restricted stock units for, and options to purchase, Reorganized NII Common Stock to management of Reorganized NII under certain circumstances. Furthermore, Reorganized NII may issue equity securities in connection with future investments, acquisitions or capital raising transactions. Such grants or issuances could constitute a substantial portion of the then-outstanding common stock, which may result in substantial dilution in ownership of common stock, including shares of Reorganized NII Common Stock issued pursuant to the Plan.

5. Reorganized NII does not expect to pay dividends in the near future

Reorganized NII does not anticipate that cash dividends or other distributions will be paid with respect to the Reorganized NII Common Stock in the foreseeable future. In addition, restrictive covenants in certain debt instruments to which Reorganized NII will, or may, be a party, may limit the ability of New NII to pay dividends or for Reorganized NII to receive dividends from the Operating Companies, any of which may negatively impact the trading price of Reorganized NII Common Stock.

XII. FEDERAL INCOME TAX CONSEQUENCES OF CONSUMMATION OF THE PLAN

A. General

A DESCRIPTION OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN IS PROVIDED BELOW. THE DESCRIPTION IS BASED ON THE INTERNAL REVENUE CODE (THE

"IRC"), TREASURY REGULATIONS, JUDICIAL DECISIONS AND ADMINISTRATIVE DETERMINATIONS, ALL AS IN EFFECT ON THE DATE OF THIS DISCLOSURE STATEMENT AND ALL SUBJECT TO CHANGE, POSSIBLY WITH RETROACTIVE EFFECT. CHANGES IN ANY OF THESE AUTHORITIES OR IN THEIR INTERPRETATION COULD CAUSE THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN TO DIFFER MATERIALLY FROM THE CONSEQUENCES DESCRIBED BELOW.

THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX AND, IN IMPORTANT RESPECTS, UNCERTAIN. NO RULING HAS BEEN REQUESTED FROM THE INTERNAL REVENUE SERVICE; NO OPINION HAS BEEN REQUESTED FROM PLAN DEBTORS' COUNSEL CONCERNING ANY TAX CONSEQUENCE OF THE PLAN; AND NO TAX OPINION IS GIVEN BY THIS DISCLOSURE STATEMENT.

THE DESCRIPTION THAT FOLLOWS DOES NOT COVER ALL ASPECTS OF FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO THE PLAN DEBTORS OR HOLDERS OF CLAIMS. FOR EXAMPLE, THE DESCRIPTION DOES NOT ADDRESS ISSUES OF SPECIAL CONCERN TO CERTAIN TYPES OF TAXPAYERS, SUCH AS DEALERS IN SECURITIES, LIFE INSURANCE COMPANIES, FINANCIAL INSTITUTIONS, TAX EXEMPT ORGANIZATIONS, PARTNERSHIPS OR PARTNERS IN PARTNERSHIPS, NOR DOES IT ADDRESS TAX CONSEQUENCES TO HOLDERS OF INTERESTS IN THE PLAN DEBTORS. THE DESCRIPTION ALSO DOES NOT DISCUSS STATE, LOCAL, NON-U.S. OR NON-INCOME TAX CONSEQUENCES.

FOR THESE REASONS, THE DESCRIPTION THAT FOLLOWS IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND PROFESSIONAL TAX ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER OF A CLAIM. HOLDERS OF CLAIMS ARE URGED TO CONSULT WITH THEIR OWN TAX ADVISORS REGARDING THE FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF THE PLAN.

B. U.S. Federal Income Tax Consequences to the U.S. Plan Debtors

1. Cancellation of Debt Income

Generally, the discharge of a debt obligation of a U.S. debtor for an amount less than the adjusted issue price (in most cases, the amount the debtor received on incurring the obligation, with certain adjustments) creates cancellation of indebtedness ("COD") income, that must be included in the debtor's income. The amount of the U.S. Plan Debtors' COD income is dependent upon the value of the Plan consideration distributed on account of the Claims against the Plan Debtors relative to the amount of such Claims, as well as the extent to which those Claims constitute debt for federal income tax purposes and whether the payment of such Claims would be deductible for tax purposes. However, COD income is excluded from taxable income by a taxpayer that is a debtor in a reorganization case if the discharge is granted by the bankruptcy court or pursuant to a plan of reorganization approved by a bankruptcy court. The Plan, if approved, would enable the U.S. Plan Debtors to qualify for this bankruptcy exclusion rule with respect to any COD income triggered by the Plan.

If debt of a U.S. Debtor is discharged in a reorganization case qualifying for the bankruptcy exclusion, however, certain income tax attributes otherwise available and of value to the debtor are reduced, in most cases by the amount of the COD income. Tax attributes subject to reduction include: (a) net operating losses ("NOLs") and NOL carryforwards; (b) most credit carryforwards, including the general business credit and the minimum tax credit; (c) capital losses and capital loss carryforwards; (d) the tax basis of the debtor's assets, but not in an amount greater than the excess of the aggregate tax bases of the property held by the debtor immediately after the discharge over the aggregate amount of the debtor's liabilities immediately after the discharge; and (e) foreign tax credit carryforwards.

A U.S. debtor may elect to avoid the prescribed order of attribute reduction and instead reduce the basis of certain property first. In the case of affiliated corporations filing a consolidated return (such as NII Holdings and its U.S. subsidiaries), the attribute reduction rules apply first to the separate attributes of or allocable to the particular corporation whose debt is being discharged, and then, if necessary, to certain attributes of other

members of the group. Accordingly, COD income of a debtor would result first in the reduction of any NOLs and other attributes, including asset basis, of or attributable to such debtor, and then, potentially, of consolidated NOLs and/or basis of or attributable to other members of the consolidated group, after use of any such NOLs and other attributes to determine the consolidated group's taxable income for the tax year in which the debt is discharged.

2. Limitation on NOL Carryforwards

a. *General*

As of December 31, 2014 the Plan Debtors had over $1.3 billion of U.S. federal income tax NOL carryforwards, primarily located in NII Holdings and NIS. The Plan Debtors do not believe that the NOLs are currently subject to any limitations on use.

Section 382 of the IRC provides rules limiting the utilization of a corporation's NOLs and other losses, deductions and credits following a more than 50% change in ownership of a corporation's equity (an "Ownership Change"). An Ownership Change will occur with respect to NII Holdings and its consolidated subsidiaries (the "NII Loss Group") in connection with the Plan. Section 382(1)(6) of the IRC sets forth the limitation provisions applicable to corporations that undergo an ownership change in bankruptcy that does not qualify for, or for which the corporations elects out of, the Bankruptcy Exception (as defined below). Therefore, post-Effective Date usage of any NOLs and other tax attributes of the NII Loss Group (after reduction for COD income) by the Reorganized NII Loss Group will be limited by section 382(l)(6) of the IRC, unless the Bankruptcy Exception applies to the transactions contemplated by the Plan. Under section 382(1)(6), the amount of post-ownership change annual taxable income of the Reorganized NII Loss Group that can be offset by the pre-ownership change NOLs of the NII Loss Group generally cannot exceed an amount equal to the product of (a) the applicable federal long-term tax-exempt rate in effect on the date of the ownership change (currently 2.67% as of March 2015) and (b) the value of NII Holdings' stock immediately after implementation of the Plan (the "Annual Limitation"). The value of Reorganized NII stock for purposes of this computation would reflect the increase, if any, in value resulting from any surrender or cancellation of any Claims in the Chapter 11 Cases.

The Annual Limitation may be increased if NII Holdings has a net unrealized built-in gain at the time of an ownership change. If, however, NII Holdings has a net unrealized built-in loss at the time of an ownership change, the Annual Limitation may apply to such net unrealized built-in loss. Although the issue is not free from doubt, the Plan Debtors anticipate that they will be in a net unrealized built-in loss position at the time the Plan is implemented.

Any unused Annual Limitation may be carried forward, thereby increasing the Annual Limitation in the subsequent taxable year. However, if Reorganized NII and its subsidiaries do not continue the Plan Debtors' historic business or use a significant portion of their assets in a new business for two years after the ownership change (the "Business Continuity Requirement"), the Annual Limitation resulting from the ownership change is zero.

b. *Bankruptcy Exception*

Section 382(l)(5) of the IRC (the "Bankruptcy Exception") provides that the Annual Limitation will not apply to limit the utilization of a debtor's NOLs or built-in losses if the debtor stock owned by those persons who were stockholders of the debtor immediately before the ownership change, together with the stock received by certain holders of claims pursuant to the debtor's plan, comprise 50% or more of the value of all of the debtor's stock outstanding immediately after the ownership change. Stock received by holders will be included in the 50% calculation if, and to the extent that, such holders constitute "qualified creditors." A "qualified creditor" is a holder of a claim that (i) was held by such holder since the date that is 18 months before the date on which the debtor first filed its petition with the bankruptcy court or (ii) arose in the ordinary course of business and is held by the person who at all times held the beneficial interest in such claim. In determining whether the Bankruptcy Exception applies, certain holders of claims that would own a *de minimis* amount of the debtor's stock pursuant to the debtor's plan are presumed to have held their claims since the origination of such claims. In general, this *de minimis* rule applies to holders of claims who would own directly or indirectly less

than 5% of the total fair market value of the debtor's stock pursuant to the plan. The application of this rule to consolidated groups, and to the particular circumstances of the NII Loss Group, is uncertain. It is possible that the receipt of NII Common Stock by Holders of Capco Notes and Luxco Notes could qualify the Reorganized NII Loss Group for the Bankruptcy Exception.

If the Bankruptcy Exception applies, a subsequent ownership change with respect to the Reorganized NII Loss Group occurring within two years after the Effective Date will result in the reduction of the Annual Limitation that would otherwise apply to the subsequent ownership change to zero. Thus, an ownership change within two years after the Effective Date would eliminate the ability of the NII Loss Group to use pre-ownership change NOLs thereafter. If the Bankruptcy Exception applies, the Business Continuity Requirement does not apply, although a lesser business continuation requirement may apply under Treasury regulations. If a change of ownership occurs after the two years following the Effective Date, then the NII Loss Group will become subject to limitation in the use of their NOLs based upon the value of the NII Loss Group at the time of that subsequent change.

Although the Annual Limitation will not apply to restrict the deductibility of NOLs if the Bankruptcy Exception applies, NOLs of the NII Loss Group will be reduced by the amount of any deduction for any interest paid or accrued, with respect to all Allowed Claims converted into Reorganized NII Common Stock, by the Plan Debtors during the three taxable years preceding the taxable year in which the ownership change occurs and during the portion of the taxable year of the ownership change preceding the ownership change.

Even if the Bankruptcy Exception otherwise applies, the Reorganized Debtors may elect to not have the Bankruptcy Exception apply, in which event the Annual Limitation would apply. The Reorganized NII Loss Group has not yet determined whether it is eligible for the Bankruptcy Exception and whether it will elect to not have the Bankruptcy Exception apply. The Reorganized NII Loss Group will have until the due date of the tax return for the taxable year of the Effective Date to make such a determination.

3. Alternative Minimum Tax

In general, a federal alternative minimum tax ("AMT") is imposed on a corporation's alternative minimum taxable income ("AMTI") at a 20% rate to the extent that such tax exceeds the corporation's regular federal income tax for the year. AMTI is generally equal to regular taxable income with certain adjustments. For purposes of computing AMTI, certain tax deductions and other beneficial allowances are modified or eliminated. In particular, even though a corporation might otherwise be able to offset all of its taxable income for regular federal income tax purposes by available NOL carryforwards, a corporation is generally entitled to offset no more than 90% of its AMTI with NOL carryforwards (as recomputed for AMT purposes). Accordingly, usage of the Plan Debtors' NOLs by the Reorganized Debtors may be subject to limitations for AMT purposes in addition to any other limitations that may apply.

If a corporation (or a consolidated group) undergoes an ownership change and is in a net unrealized built-in loss position on the date of the ownership change, the corporation's (or group's) aggregate tax basis in its assets may be reduced for certain AMT purposes to reflect the fair market value of such assets as of the change date.

Any AMT that a Debtor pays generally will be allowed as a nonrefundable credit against its regular federal income tax liability in future taxable years when the corporation is no longer subject to AMT.

C. U.S. Federal Income Tax Consequences to U.S. Holders of Claims

The federal income tax consequences of the Plan to a U.S. Holder of a Claim will depend, in part, on the tax characterization of the exchanges of claims for other property, whether the U.S. Holder reports income on the accrual or cash basis, whether the U.S. Holder has taken a bad debt deduction or worthless security deduction with respect to the Claim and whether the U.S. Holder receives distributions under the Plan in more than one taxable year. For purposes of this discussion, a "U.S. Holder" is a Holder that is: (1) an individual citizen or resident of the United States for U.S. federal income tax purposes; (2) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia; (3) an estate the income of which is subject to U.S. federal

income taxation regardless of the source of such income; or (4) a trust (a) if a court within the United States is able to exercise primary jurisdiction over the trust's administration and one or more United States persons have authority to control all substantial decisions of the trust or (b) that has a valid election in effect under applicable Treasury regulations to be treated as a United States person. For purposes of this discussion, a "Non-U.S. Holder" is any Holder that is not a U.S. Holder other than any partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes). While not free from doubt, the discussion below assumes that the U.S. Holders of Claims against any Debtor are treated as receiving property from that Debtor in satisfaction of their Claims, and the Plan Debtors intend to treat distributions under the Plan as such.

A U.S. Holder of an Allowed Claim that is exchanged for Reorganized NII Common Stock and/or cash would recognize gain or loss in an amount equal to the difference between (1) the fair market value of Reorganized NII Common Stock plus the amount of any Cash received by the U.S. Holder with respect to its Allowed Claim and (2) the U.S. Holder's adjusted tax basis in its Claim

To the extent any portion of a U.S. Holder's recovery is allocable to interest on the Claim, such portion would be treated as interest income to such U.S. Holder. See "Certain Other Tax Considerations for U.S. Holders of Claims — Accrued but Unpaid Interest" below for a discussion of the allocation of recoveries first to principal and then to interest.

The tax basis of any Reorganized NII Common Stock received under the Plan by a U.S. Holder of an Allowed Claim would equal the fair market value of the Reorganized NII Common Stock received by the U.S. Holder. The holding period for any such Reorganized NII Common Stock received under the Plan by such a U.S. Holder generally would begin on the day following the day of receipt.

Gain or loss recognized on the exchange would be capital or ordinary, depending on the status of the Claim in the U.S. Holder's hands, including whether the Claim constitutes a market discount bond in the U.S. Holder's hands. Generally, any gain or loss recognized would be a long-term capital gain or loss if the Claim is a capital asset in the hands of the U.S. Holder and the U.S. Holder has held such Claim for more than one year, unless the U.S. Holder had previously claimed a bad debt deduction or the Holder had accrued market discount with respect to such Claim. U.S. Holders that recognize capital losses as a result of the receipt of distributions under the Plan may be subject to limitations on the utilization of such capital losses. See "Certain Other Tax Considerations for U.S. Holders of Claims — Market Discount" below for a discussion of the character of any gain recognized from a Claim with accrued market discount.

D. Certain Other Tax Considerations for U.S. Holders of Claims

1. Medicare Surtax

Subject to certain limitations and exceptions, U.S. Holders who are individuals, estates or trusts may be required to pay a 3.8% Medicare surtax on all or part of that U.S. Holder's "net investment income," which includes, among other items, dividends on stock and interest (including original issue discount) on, and capital gains from the sale or other taxable disposition of, debt. U.S. Holders should consult their own tax advisors regarding the effect, if any, of this surtax on their receipt and ownership of Reorganized NII Common Stock issued pursuant to the Plan.

2. Accrued but Unpaid Interest

In general, a U.S. Holder that was not previously required to include in taxable income any accrued but unpaid interest on the Claim may be required to include such amount as taxable interest income upon receipt of a distribution under the Plan. A U.S. Holder that was previously required to include in taxable income any accrued but unpaid interest on the Claim may be entitled to recognize a deductible loss to the extent that such interest is not satisfied under the Plan. The Plan provides that, to the extent applicable, all distributions to a U.S. Holder of an Allowed Claim will apply first to the principal amount of such Claim until such principal amount is paid in full and then to any interest accrued on such Claim prior to the Petition Date. The remaining portion of such distributions, if any, will apply to any interest accrued on such Claim after the Petition Date.

There is no assurance, however, that the IRS will respect this treatment and will not determine that all or a portion of amounts distributed to such U.S. Holder and attributable to principal under the Plan is properly allocable to interest. Each U.S. Holder of a Claim on which interest has accrued is urged to consult its tax advisor regarding the tax treatment of distributions under the Plan and the deductibility of any accrued but unpaid interest for federal income tax purposes.

3. Post-Effective Date Distributions

U.S. Holders of Claims may receive distributions subsequent to the Effective Date. The imputed interest provisions of the IRC may apply to treat a portion of any post-Effective Date distribution as imputed interest. Imputed interest may, with respect to certain U.S. Holders, accrue over time using the constant interest method, in which event the U.S. Holder may, under some circumstances, be required to include imputed interest in income prior to receipt of a post-Effective Date distribution.

4. Bad Debt and/or Worthless Securities Deduction

A U.S. Holder who, under the Plan, receives in respect of an Allowed Claim an amount less than the U.S. Holder's tax basis in the Allowed Claim may be entitled in the year of receipt (or in an earlier or later year) to a bad debt deduction in some amount under section 166(a) of the IRC or a worthless securities deduction under section 165 of the IRC. The rules governing the character, timing and amount of bad debt or worthless securities deductions place considerable emphasis on the facts and circumstances of the U.S. Holder, the obligor and the instrument with respect to which a deduction is claimed. U.S. Holders of Claims, therefore, are urged to consult their tax advisors with respect to their ability to take such a deduction.

5. Market Discount

A U.S. Holder that purchased its Claim from a prior U.S. Holder with market discount will be subject to the market discount rules of the IRC. Under those rules, assuming that the U.S. Holder has made no election to amortize the market discount into income on a current basis with respect to any market discount instrument, any gain recognized on the exchange of its Claim (subject to a *de minimis* rule) generally would be characterized as ordinary income to the extent of the accrued market discount on such Claim as of the date of the exchange.

6. Information Reporting and Backup Withholding

All distributions under the Plan will be subject to applicable federal income tax reporting and withholding. The IRC imposes "backup withholding" (currently at a rate of 28%) on certain "reportable" payments to certain taxpayers, including payments of interest. Under the IRC's backup withholding rules, a U.S. Holder of a Claim may be subject to backup withholding with respect to distributions or payments made pursuant to the Plan, unless the U.S. Holder (a) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates this fact or (b) provides a correct taxpayer identification number and certifies under penalty of perjury that the taxpayer identification number is correct and that the taxpayer is not subject to backup withholding because of a failure to report all dividend and interest income. Backup withholding is not an additional federal income tax, but merely an advance payment that may be refunded to the extent it results in an overpayment of income tax. A U.S. Holder of a Claim may be required to establish an exemption from backup withholding or to make arrangements with respect to the payment of backup withholding.

E. Certain U.S. Federal Income Tax Consequences of the Plan to Non-U.S. Holders of Claims

The following discussion includes only certain U.S. federal income tax consequences of the Plan to Non-U.S. Holders. The discussion does not include any non-U.S. tax considerations. The rules governing the U.S. federal income tax consequences to Non-U.S. Holders are complex. Each Non-U.S. Holder should consult its own tax advisor regarding the U.S. federal, state and local and the foreign tax consequences of the

consummation of the Plan to such Non-U.S. Holder and the ownership and disposition of the Reorganized NII Common Stock.

Whether a Non-U.S. Holder realized gain or loss on the exchange and the amount of such gain or loss is determined in the same manner as set forth above in connection with U.S. Holders.

1. Gain Recognition

Any gain realized by a Non-U.S. Holder on the exchange of its Claim generally will not be subject to U.S. federal income taxation unless (a) the Non-U.S. Holder is an individual who was present in the United States for 183 days or more during the taxable year in which the restructuring transactions contemplated by the Plan occur and certain other conditions are met or (b) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business in the United States (and, if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States).

If the first exception applies, to the extent that any gain is taxable, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed certain capital losses allocable to U.S. sources during the taxable year of the exchange. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax in the same manner as a U.S. Holder. In addition, if such a Non-U.S. Holder is a corporation, it may be subject to a branch profits tax equal to 30% (or such lower rate provided by an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

2. Accrued but Untaxed Interest

Payments to a Non-U.S. Holder that are attributable to accrued but untaxed interest generally will not be subject to U.S. federal income or withholding tax, provided that the withholding agent has received or receives, prior to payment, appropriate documentation (generally, IRS Form W-8BEN or W-8BEN-E) establishing that the Non-U.S. Holder is not a U.S. person, unless:

- the Non-U.S. Holder actually or constructively owns 10% or more of the total combined voting power of all classes entitled to vote;
- the Non-U.S. Holder is a "controlled foreign corporation" that is a "related person" with respect to the Plan Debtors (each, within the meaning of the IRC);
- the Non-U.S. Holder is a bank receiving interest described in Section 881(c)(3)(A) of the IRC; or
- such interest is effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the United States (in which case, provided the Non-U.S. Holder tenders a properly executed IRS Form W-8ECI (or successor form) to the withholding agent, the Non-U.S. Holder (a) generally will not be subject to withholding tax, but (b) will be subject to U.S. federal income tax in the same manner as a U.S. Holder (unless an applicable income tax treaty provides otherwise), and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the accrued but untaxed interest at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty)).

A Non-U.S. Holder that does not qualify for an exemption from withholding tax with respect to interest that is not effectively connected income generally will be subject to withholding of U.S. federal income tax at a 30% rate (or at a reduced rate or exemption from tax under an applicable income tax treaty) on payments that are attributable to accrued but untaxed interest. For purposes of providing a properly executed IRS Form W-8BEN or W-8BEN-E (or such successor form as the IRS designates), special procedures are provided under

applicable Treasury regulations for payments through qualified foreign intermediaries or certain financial institutions that hold customers' securities in the ordinary course of their trade or business.

3. Sale, Redemption or Repurchase of Reorganized NII Common Stock

A Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to any gain realized on the sale or other taxable disposition (including a cash redemption) of the Reorganized NII Common Stock unless:

- such Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition or who is subject to special rules applicable to former citizens and residents of the United States;
- such gain is effectively connected with such Non-U.S. Holder's conduct of a U.S. trade or business (and, if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States); or
- Reorganized Debtors are or have been during a specified testing period a "U.S. real property holding corporation" for U.S. federal income tax purposes.

If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed certain capital losses allocable to U.S. sources during the taxable year of disposition. If the second or (absent certain exceptions) the third exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to such gain, and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to earnings and profits effectively connected with a U.S. trade or business that are attributable to such gains at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty). The Plan Debtors do not believe that Reorganized NII is a U.S. real property holding corporation.

4. Dividends Paid to Non-U.S. Holders

Any distributions made with respect to Reorganized NII Common Stock will constitute dividends for U.S. federal income tax purposes to the extent of the Reorganized Debtors' current or accumulated earnings and profits as determined under U.S. federal income tax principles. If the amount of any distribution exceeds the Reorganized Debtors' current or accumulated profits, such excess will first be treated as a return of capital to the extent of a Non-U.S. Holder's basis in its shares, and thereafter will be treated as capital gain. Except as described below, dividends paid with respect to Reorganized NII Common Stock held by a Non-U.S. Holder that are not effectively connected with a Non-U.S. Holder's conduct of a U.S. trade or business (or, if an income tax treaty applies, are not attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States) will be subject to U.S. federal withholding tax at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty). A Non-U.S. Holder generally will be required to satisfy certain IRS certification requirements in order to claim a reduction of or exemption from withholding under a tax treaty by filing IRS Form W-8BEN or W-8BEN-E (or successor form) upon which the Non-U.S. Holder certifies, under penalties of perjury, its status as a non-U.S. person and its entitlement to the lower treaty rate or exemption from tax with respect to such payments. Dividends paid with respect to Reorganized NII Common Stock held by a Non-U.S. Holder that are effectively connected with a Non-U.S. Holder's conduct of a U.S. trade or business (and, if an income tax treaty applies, are attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States) generally will be subject to U.S. federal income tax and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the dividends at a rate of 30% (or at a reduced rate or exemption from tax under an applicable income tax treaty).

5. FATCA

Under the Foreign Account Tax Compliance Act ("FATCA"), which was enacted in 2010, foreign financial institutions and certain other foreign entities must report certain information with respect to their U.S. account holders and investors or be subject to withholding at a rate of 30% on the receipt of "withholdable payments." For this purpose, "withholdable payments" are any U.S.-source payments of fixed or determinable, annual or periodical income (including dividends, if any, on shares of Reorganized NII Common Stock), as well as gross proceeds from the sale of any property of a type which can produce U.S.-source interest or dividends (which would include Reorganized NII Common Stock) that occur after December 31, 2016. FATCA withholding will apply even if the applicable payment would not otherwise be subject to U.S. federal nonresident withholding tax. Although administrative guidance and Treasury regulations have been issued on FATCA, the exact scope and application of these rules remains unclear and potentially subject to material changes.

The tax consequences of the Plan and to the Non-U.S. Holders are uncertain. Non-U.S. Holders should consult their tax advisors regarding the particular tax consequences to them of the transactions contemplated by the Plan.

F. Importance of Obtaining Professional Tax Assistance

THE FOREGOING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN, AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE ABOVE DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON A HOLDER'S INDIVIDUAL CIRCUMSTANCES. ACCORDINGLY, HOLDERS ARE URGED TO CONSULT WITH THEIR TAX ADVISORS ABOUT THE FEDERAL, STATE, LOCAL AND FOREIGN INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN.

XIII. APPLICABILITY OF CERTAIN FEDERAL AND STATE SECURITIES LAWS

A. Reorganized NII Common Stock

The following is a discussion of the federal and state securities laws applicable to the issuance of securities pursuant to the Plan, including the Reorganized NII Common Stock.

The Plan Proponents anticipate that no registration statement will be filed under the Securities Act or any state securities laws with respect to the offer and distribution under the Plan of the Reorganized NII Common Stock in respect of Claims. The Plan Proponents believe that the provisions of section 1145(a) of the Bankruptcy Code exempt the offer and distribution of such securities under the Plan from federal and state securities registration requirements as discussed below.

1. Initial Offer and Sale

Section 1145(a)(1) of the Bankruptcy Code exempts the offer and sale of securities under a plan of reorganization from registration under the Securities Act and state securities laws if three principal requirements are satisfied: (a) the securities must be offered and sold under a plan of reorganization and must be securities of the debtor, an affiliate participating in a joint plan with the debtor or a successor to the debtor under the plan; (b) the recipients of the securities must hold a claim against, interest in, or an administrative expense claim in the case concerning the debtor; and (c) the securities must be issued entirely in exchange for the recipient's claim against or interest in the debtor, or principally in such exchange and partly for cash or property. Section 1145(a)(2) of the Bankruptcy Code exempts the offer of a security through any warrant, option, right to purchase or conversion privilege that is sold in the manner specified in section 1145(a)(1) and the sale of a security upon the exercise of such a warrant, option, right or privilege. The Plan Proponents believe that the offer and sale of the Reorganized NII Common Stock under the Plan in satisfaction of Claims satisfy the

requirements of section 1145(a) of the Bankruptcy Code and, therefore, are exempt from registration under the Securities Act and state securities laws.

The exemptions provided for in section 1145(a) do not apply to an entity that is deemed an "underwriter" as such term is defined in section 1145(b) of the Bankruptcy Code. Section 1145(b) provides that, with specified exemptions and except with respect to "ordinary trading transactions" of an entity that is not an "issuer," an entity is an "underwriter" if the entity:

- purchases a claim against, an interest in, or a claim for administrative expense against the debtor with a view to distributing any security received in exchange for such a claim or interest ("accumulators");
- offers to sell securities offered under a plan for the holders of such securities ("distributors");
- offers to buy securities under a plan from the holders of such securities, if the offer to buy is (a) with a view to distributing such securities and (b) made under a distribution agreement; and
- who is an "issuer" with respect to the securities, as the term "issuer" is defined in section 2(a)(11) of the Securities Act.

Under section 2(a)(11) of the Securities Act, an "issuer" includes any "affiliate" of the issuer, which means any person directly or indirectly controlling, controlled by or under common control with the issuer.

2. Subsequent Transfers

Securities issued pursuant to section 1145(a) are deemed to have been issued in a public offering pursuant to section 1145(c) of the Bankruptcy Code. In general, therefore, resales of and subsequent transactions in the securities issued under the Plan will be exempt from registration under the Securities Act pursuant to section 4(a)(1) of the Securities Act, unless the holder thereof is deemed to be an "issuer," an "underwriter" or a "dealer" with respect to such securities. For these purposes, an "issuer" includes any "affiliate" of the issuer, defined as a person directly or indirectly controlling, controlled by or under common control with the issuer. "Control," as defined in Rule 405 of the Securities Act, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise. A "dealer," as defined in section 2(a)(12) of the Securities Act, is any person who engages either for all or part of his or her time, directly or indirectly, as agent, broker or principal, in the business of offering, buying, selling or otherwise dealing or trading in securities issued by another person. Whether or not any particular person would be deemed to be an "affiliate" of Reorganized NII or an "underwriter" or a "dealer" with respect to any securities issued under the Plan will depend upon various facts and circumstances applicable to that person.

In connection with prior bankruptcy cases, the staff of the SEC has taken the position that resales by accumulators and distributors of securities distributed under a plan of reorganization are exempt from registration under the Securities Act if effected in "ordinary trading transactions." The staff of the SEC has indicated in this context that a transaction may be considered an "ordinary trading transaction" if it is made on an exchange or in the over-the-counter market and does not involve any of the following factors:

- either (a) concerted action by the recipients of securities issued under a plan in connection with the sale of such securities or (b) concerted action by distributors on behalf of one or more such recipients in connection with such sales;
- the use of informational documents concerning the offering of the securities prepared or used to assist in the resale of such securities, other than a bankruptcy court-approved disclosure statement and supplements thereto and documents filed with the SEC pursuant to the Exchange Act; or

- the payment of special compensation to brokers and dealers in connection with the sale of such securities designed as a special incentive to the resale of such securities (other than the compensation that would be paid pursuant to arm's-length negotiations between a seller and a broker or dealer, each acting unilaterally, not greater than the compensation that would be paid for a routine similar-sized sale of similar securities of a similar issuer).

The staff of the SEC has not provided any guidance for privately arranged trades.

The Plan Proponents have not sought the views of the SEC on this matter and, therefore, no assurance can be given regarding the proper application of the "ordinary trading transaction" exemption described above. Any persons intending to rely on such exemption are urged to consult their own counsel as to the applicability thereof to any particular circumstances.

In addition, for any "affiliate" of an issuer deemed to be an underwriter, Rule 144 under the Securities Act provides a safe-harbor from registration under the Securities Act for certain limited public resales of unrestricted securities by "affiliates" of the issuer of such securities. Rule 144 allows a Holder of unrestricted securities that is an affiliate of the issuer of such securities to sell, without registration, within any three-month period a number of shares of such unrestricted securities that does not exceed the greater of 1% of the number of outstanding securities in question or the average weekly trading volume in the securities in question during the four calendar weeks preceding the date on which notice of such sale was filed pursuant to Rule 144, subject to the satisfaction of certain other requirements of Rule 144 regarding the manner of sale, notice requirements and the availability of current public information regarding the issuer.

3. Subsequent Transfers Under State Law

State securities laws generally provide registration exemptions for subsequent transfers by a bona fide owner for the owner's own account and subsequent transfers to institutional or accredited investors. Such exemptions generally are expected to be available for subsequent transfers of the securities issued pursuant to the Plan.

GIVEN THE COMPLEX NATURE OF THE QUESTION OF WHETHER A PARTICULAR PERSON MAY BE AN UNDERWRITER AND OTHER ISSUES ARISING UNDER APPLICABLE SECURITIES LAWS, THE PLAN DEBTORS MAKE NO REPRESENTATIONS CONCERNING THE RIGHT OF ANY PERSON TO TRANSFER REORGANIZED NII COMMON STOCK ISSUED PURSUANT TO THE PLAN. THE PLAN DEBTORS RECOMMEND THAT HOLDERS OF CLAIMS CONSULT THEIR OWN COUNSEL CONCERNING WHETHER THEY MAY FREELY TRADE SUCH SECURITIES.

XIV. RECOMMENDATION AND CONCLUSION

The Plan Proponents believe that the confirmation and consummation of the Plan is preferable to all other alternatives. Consequently, the Plan Proponents urge all parties entitled to vote to accept the Plan and to evidence their acceptance by duly completing and returning their Ballots so that they will be received on or before the Voting Deadline.

Dated: ~~March 13~~April 2, 2015

Respectfully submitted,

NII Holdings, Inc. (on its own behalf and on behalf of each affiliate Plan Debtor)

By: /s/ Daniel E. Freiman
Name: Daniel E. Freiman
Title: Treasurer, Vice President – Corporate Development & Investor Relations of NII Holdings, Inc.

Summary report: **Litéra® Change-Pro TDC 7.5.0.96 Document comparison done on 4/2/2015 11:11:17 PM**	
Style name: JD Color	
Intelligent Table Comparison: Inactive	
Original DMS:iw://NYI/NYI/524645363/1	
Modified DMS: iw://NYI/NYI/524650543/1	
Changes:	
Add	334
~~Delete~~	359
~~Move From~~	0
Move To	0
Table Insert	0
~~Table Delete~~	0
Table moves to	0
~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format Changes	0
Total Changes:	693

EXHIBIT 1

**First Amended Joint Plan of Reorganization Proposed by
the Plan Debtors and Debtors in Possession and the Official Committee of Unsecured Creditors**

EXHIBIT 2

Liquidation Analysis

~~(To Come)~~

LIQUIDATION ANALYSIS

Pursuant to section 1129(a)(7) of the Bankruptcy Code (often identified as the "best interests test"), Holders of Allowed Claims must either (a) accept the Plan[1] or (b) receive or retain under the Plan property of a value, as of the Plan's assumed Effective Date, that is not less than the value such non-accepting Holder would receive or retain if the Debtors were liquidated under chapter 7 of the Bankruptcy Code ("Chapter 7" and, the cases thereunder, the "Chapter 7 Cases" and, the trustee appointed thereunder, "Chapter 7 Trustee").

In determining whether the best interests test has been met, the first step is to determine the dollar amount that would be generated from a hypothetical liquidation of the Debtors' assets under Chapter 7. The Debtors, with assistance of their restructuring advisor Alvarez & Marsal North America LLC, have prepared this hypothetical Liquidation Analysis (the "Liquidation Analysis") in connection with the Disclosure Statement. The Liquidation Analysis reflects the estimated cash proceeds, net of liquidation-related costs that would likely be available to the Debtors' creditors if the Debtors were to be liquidated under Chapter 7 as an alternative to continued operation of the Debtors' businesses under the Plan. Accordingly, asset values discussed herein may be different than amounts referred to in the Plan. The Liquidation Analysis is based upon the assumptions discussed herein and in the Disclosure Statement. All capitalized terms not defined in this Liquidation Analysis have the meanings ascribed to them in the Disclosure Statement.

UNDERLYING THE LIQUIDATION ANALYSIS ARE NUMEROUS ESTIMATES THAT, ALTHOUGH DEVELOPED AND CONSIDERED REASONABLE BY THE DEBTORS' MANAGEMENT AND ITS ADVISORS, ARE INHERENTLY SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC, REGULATORY AND COMPETITIVE UNCERTAINTIES AND CONTINGENCIES BEYOND THE CONTROL OF THE DEBTORS AND THEIR MANAGEMENT. ACCORDINGLY, THERE CAN BE NO ASSURANCE THAT THE VALUES REFLECTED IN THE LIQUIDATION ANALYSIS WOULD BE REALIZED IF THE DEBTORS WERE, IN FACT, LIQUIDATED, AND ACTUAL RESULTS COULD MATERIALLY DIFFER FROM THE RESULTS SET FORTH HEREIN.

I. General Assumptions

The Liquidation Analysis assumes hypothetically that the Chapter 11 Cases are converted to Chapter 7 Cases on June 30, 2015 (the "Conversion Date").

The primary assets of the Debtors are the indirect equity interests in and intercompany receivables owing from the Non-Debtor Affiliates, namely NII Brazil, NII Mexico and NII Argentina.

The Liquidation Analysis assumes that both NII Mexico and NII Argentina will be sold as going concerns within the period covered by this analysis.

NII Mexico is assumed to be sold pursuant to the Purchase Agreement and is assumed to be approved by local regulators and consummated on or prior to April 30, 2015. In order to fund Non-Debtor Affiliates through the NII Mexico sale closing date, the Debtors are assumed to secure a $350,000,000 superpriority postpetition financing. The postpetition credit facility is secured by the assets of NII International Telecom S.C.A. as well as the equity in its subsidiary holdings. The postpetition credit facility provides for a carve-out of up to $6,000,000 for professional fees and expenses incurred during the Chapter 11 Cases, but not paid at the Conversion Date. The superpriority postpetition financing principal and interest are assumed to be paid back directly from the proceeds of the sale of NII Mexico when the transaction is consummated on or before April 30, 2015.

NII Argentina is assumed to be sold on or before June 30, 2015. It is assumed that NII Brazil would be liquidated or enter into insolvency proceedings due to the low likelihood that a sale can be consummated, including one sufficient to increase recoveries to the Debtors' creditors, due to the unstable and challenging macroeconomic conditions in Brazil, the need for a substantial cash investment of at least $60,000,000 from Chapter 7 estate funds over the course of the minimum time period required to market NII Brazil, the Debtors' historical marketing record for NII Brazil over the prior two years pursuant to which they did not obtain any expressions of interest (including in connection with the Debtors' marketing efforts during the Chapter 11 Cases), the dearth of comparable transactions in the recent past, potential interference due to remedy-enforcement by secured lenders and the requirement to use any sale proceeds to repay NII Brazil's substantial debt load of over $700,000,000.

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[1] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan.

[2] The estimates of recoveries in the hypothetical chapter 7 liquidation set forth herein assume that the Debtors are not able to realize any value from the sale of spectrum licenses in Brazil.

The Liquidation Analysis further assumes that the Chapter 7 Trustee would proceed to liquidate all of the Debtors' remaining assets on an accelerated basis over a four-month period and that the Chapter 7 Cases would conclude on October 31, 2015. The insolvency proceeding in Brazil may continue for a longer period; however, for the purpose of this analysis, it is assumed that ongoing insolvency proceeding expenses would continue only for the pendency of the Chapter 7 Cases.

The primary driver of potential recovery in the Debtors' estates is the recovery on the assets of the Non-Debtor Affiliates. As such, the Liquidation Analysis first calculates the recovery from the asset sales of NII Mexico and NII Argentina and hypothetical wind-down of NII Brazil and the remaining Non-Debtor Affiliates to determine what value, if any, would be available to be distributed to the Debtors. Secondly, a hypothetical liquidation of the Debtors is calculated to determine what value, if any, would be distributed to the Debtors' creditors.

This Liquidation Analysis presents two different distribution scenarios ("Distribution Scenarios") reflecting the possible outcomes for the resolution of the Transferred Guarantor Claims.

Distribution Scenario A assumes that the Transferred Guarantor Claims do not receive any recovery as a result of the litigation of such Claims. Distribution Scenario B assumes that the Transferred Guarantor Claims are allowed in full as a result of such litigation. Notwithstanding these scenarios, the Debtors believe that any estimate of the outcome of the litigation of the Transferred Guarantor Claims is highly subjective and dependent on numerous variables, including the cost and time required to litigate these Claims, and the disclosure of these scenarios herein is in furtherance of a hypothetical analysis and not reflective of the Debtors' views of the merits of these Claims. This analysis does not address the Avoidance Claims and Recharacterization Claims.

II. Non-Debtor Affiliates

This analysis assumes that NII Mexico would be sold as a going concern pursuant to the Purchase Agreement and is assumed to be approved by local regulators and closed on or before April 30, 2015, NII Argentina will be sold on or before June 30, 2015 and NII Brazil will be liquidated or enter into insolvency proceedings

A. Asset Recoveries

1. Cash and Equivalents

The "Cash and Equivalents" balances are the projected cash balances as of June 30, 2015 based on the Debtors' 2015 cash forecast. Normal funding to the Non-Debtor Affiliates is expected to take place through the Conversion Date, after which no additional funding from the Debtors would take place.

NII Brazil is assumed to continue to be run as normal until an accelerated sale of the customer base can be consummated, including, if necessary, during the pendency of its insolvency proceedings; however, discretionary spending is expected to be restricted beginning in June 2015.

2. Receivables - Non-Intercompany

"Receivables Non-Intercompany" represents trade receivables from consumer and corporate customers of the Non-Debtor Affiliates for the sale of service and handsets, receivables for roaming and interconnect services to other mobile vendors and co-billing receivables. The Liquidation Analysis assumes that, after the Conversion Date, NII Brazil would likely engage in discussions with competitors to provide an orderly transition for customers to one or more new providers by selling their respective customer lists. A condition of the sale would likely be that the buyer pays the applicable Non-Debtor Affiliate an amount for each customer that signs on to such buyer's network. The recovery has been calculated based on a discount to the current Accounts Receivable balances.

3. Receivables - Intercompany

For the purposes of this analysis, with respect to a particular Non-Debtor Affiliate, Intercompany Accounts Receivable consist of amounts payable to such Non-Debtor Affiliate by another Non-Debtor Affiliate or a Debtor. Recoveries on account of Intercompany Accounts Receivable, to the extent not subordinated, would likely be based on the liquidation proceeds ratably distributed by the entity that owes the underlying payable to (a) Holders of General Unsecured Claims and any other claim of the same priority, in the case in which such entity is a Debtor, or (b) holders of the equivalent of a general unsecured claim in the insolvency proceeding of such entity, in the case in which such entity is a Non-Debtor Affiliate (each such claim in a insolvency proceeding of a Non-Debtor Affiliate, a "Non-Debtor GUC") and any other claim of the same priority. However, any Intercompany Accounts Receivable owed by NII Brazil to such Non-Debtor Affiliate likely would be subordinated under the

rules of the applicable local insolvency proceedings and would likely be treated as subordinate to Non-Debtor GUCs. For the purposes of this Liquidation Analysis, intercompany receivables claims are not subject to offset.

Any net Intercompany Accounts Receivable owed by NII Mexico to such Non-Debtor Affiliate is deemed to be capitalized as an investment in NII Mexico, consistent with the terms of the Stalking Horse Purchase Agreement.

Any net Intercompany Accounts Receivable owed by NII Argentina to such Non-Debtor Affiliate is assumed to receive priority payment out of the proceeds of the sale prior to any equity distributions.

4. Inventory

The Non-Debtor Affiliates' "Inventory" consists primarily of handsets, SIM cards, batteries and accessories purchased from manufacturers and held for sale. iDEN handsets are assumed to have limited resale value, as Sprint has dismantled the U.S. iDEN network and remaining viable iDEN networks are small. 3G handsets are relatively new, but where handsets are customized for the Non-Debtor Affiliates, they would likely require further investment to be saleable. These factors limit the recovery value of both types of handsets. The inventory recovery assumptions are based on the value of bulk sale transactions of similar assets.

Infrastructure and site inventory is captured in Property, Plant & Equipment under Construction-in-Progress.

5. Prepaid Other

The "Prepaid Other" balance is comprised of prepayments for marketing, insurance, advertising, taxes, rent and prepaid purchase commitments for the development, supply and purchase of mobile handsets at the Non-Debtor Affiliates.

6. Other Current Assets

The "Other Current Assets" balance primarily consists of advances to suppliers and a prepaid interconnection agreement.

At NII Mexico, there is restricted cash held in escrow as collateral for a secured lender and as cash collateral securing a letter of credit for a key customer rewards program. These restricted assets are added back to cash balances, increasing the purchase price for NII Mexico in accordance with the Stalking Horse Purchase Agreement.

7. Deferred Tax Assets

"Deferred Tax Assets" are offset by valuation allowances. NII Brazil is not expected to have future income tax liabilities that would enable the realization of deferred tax assets; therefore, the Liquidation Analysis assumes that the deferred tax assets have minimal value in offsetting another tax liability.

8. Property, Plant & Equipment

"Property, Plant & Equipment" includes in-service and construction-in-progress site and switch assets, land, office furniture and equipment, office network equipment, software and leasehold improvements. Since a telecommunication network by design is unique and custom, it is extremely rare to see networks sold off as a whole due to their unique configurations to a sole operator. Additionally, the cost to move a network is likely to be prohibitive due to the de-installation and re-installation costs. The liquidation market for telecommunications equipment is primarily limited to buyers seeking to utilize equipment on an as-needed basis either to cannibalize for parts or use as replacement units. Additionally, the useful life of a telecommunication network is generally limited by the rapid obsolescence of network technology. Further, certain equipment of NII Brazil secures their loans borrowed from China Development Bank Corporation and would be subject to the terms governing the loans. The liquidation value of NII Brazil's Plant, Property & Equipment is, therefore, determined by a piecemeal sale rather than the sale of a complete network to an incumbent.

9. Intangible Assets

"Intangible Assets" in NII Brazil consists of license certifications for site construction.

10. Other Noncurrent Assets

The "Other Noncurrent Assets" balance primarily consists of restricted cash and deposits. At NII Brazil, the Other Noncurrent Assets include cash deposits held by insurance companies as collateral against performance bonds, judicial deposits, tax assets and prepayments to suppliers.

Performance bonds have been posted with the Brazilian telecommunications regulator, ANATEL, in order to guarantee certain minimum build-out requirements for infrastructure and coverage within a certain time frame. Cash has been posted to the insurer to partially collateralize these bonds.

In Brazil, courts require NII Brazil to post deposits in escrow accounts called "judicial deposits," which are reflected on the consolidated balance sheet as restricted assets of NII Holdings. These deposits relate to a significant number of ongoing immaterial legal matters.

Long-term tax assets are forecast to have recoveries only insofar as they can be offset against tax liabilities.

11. Spectrum Licenses

Spectrum Licenses includes the Non-Debtor Affiliate balance sheet amounts for telecommunications licenses, net of amortization. Given a scenario in which NII Brazil would be forced to cease network operations in order to preserve cash, it is assumed that ANATEL would likely rescind the spectrum licenses on the grounds that the applicable Non-Debtor Affiliate is no longer operating the spectrum.

B. Superpriority Claims

1. Liquidation Administration Fees

For Brazil liquidation fees associated with the local insolvency proceeding are assumed to be 5% of proceeds, consistent with local case experience.

2. Statutory Wage Claims

For NII Brazil, statutory wage claims include the accrued amounts unpaid prior to the start of their respective insolvency proceedings, and statutory severance payments. In Brazil, statutory severance per employee requires one month's salary plus half a month's salary for every year of tenure. These payments have a priority in the Brazilian bankruptcy code (*Lei de Falências e o Instituto da Recuperação Extrajudicial*) and are limited to $45,000 per employee with the remainder reflected as an unsecured claim.

C. Secured Claims

1. Off Balance Sheet Liabilities

"Off Balance Sheet Liabilities" includes the liability associated with the Other Noncurrent Asset category, specifically the performance bonds and judicial deposits at NII Brazil.

Restricted cash amounts for collateral against performance bonds and for judicial deposits at NII Brazil are assumed to be fully drawn upon because the secured party, ANATEL, is likely to draw on the performance bonds, causing the insurers to draw on the cash. The restricted cash held for the judicial matters is also forecasted to be fully used to settle legal claims. Depending on the results of the lawsuits, this liability may vary greatly from the amounts the applicable courts require to be deposited. Claims that are not fully recovered by the respective secured creditors holding such claims would constitute a deficiency claim classified as a Non-Debtor GUC in NII Brazil's insolvency proceeding.

2. CDB

At NII Brazil, "CDB" includes debt borrowed from China Development Bank Corporation, which is secured by NII Brazil's network equipment and other assets. If CDB does not recover their claim in full from their collateral, the remainder would constitute a deficiency claim for the difference, which would be treated as a Non-Debtor GUC in NII Brazil's insolvency proceeding. These contractual agreements give these deficiency claims priority over intercompany liabilities.

Pursuant to the Stalking Horse Purchase Agreement, CDB indebtedness incurred by NII Mexico is paid off from the gross proceeds of the sale tendered thereunder.

D. Local Insolvency Proceeding Administrative Claims

NII Brazil is assumed to continue to be run as normal until an accelerated sale of the customer base can be consummated, assumed to be approximately one month. Estimated amounts for payroll and certain operating costs during the three-month administrative liquidation period commencing on July 31, 2015 are based upon the assumption that certain Non-Debtor Affiliate functions would likely be required to oversee the applicable liquidation process, by first transferring the customer base to the buyer and then liquidating the applicable estate. Required staff necessary to maintain and close accounting records and to complete certain administrative tasks, including payroll, tax and maintaining of records, are assumed to be needed for this period. Certain minimum staff would likely be required at the physical locations to complete the closure of the facilities, disassemble equipment and oversee the sale process of the assets.

E. Priority Claims

1. Priority Tax Claims

"Priority Tax Claims" include taxes accrued but unpaid prior to the start of the local insolvency proceedings in Brazil. These tax claims are afforded priority of payment over the Non-Debtor GUCs under the Brazilian bankruptcy code.

F. Unsecured Claims

Non-Debtor Affiliate "General Unsecured Claims" include Accounts Payable Non-Intercompany, Accrued Expenses, Other Current and Noncurrent Liabilities and the balances of debt borrowings payable to two local banks in Brazil as of July 31, 2015 (the commencement date of the applicable insolvency proceeding). It should be noted that the Liquidation Analysis does not attempt to estimate all potential additional General Unsecured Claims in the Chapter 7 Cases that would likely arise as a result of the liquidation of the Non-Debtor Affiliates. Additionally, potential litigation claims have not been included. NII Brazil GUCs from American Tower Corp are calculated as the net present value of all minimum future lease payments. Additionally, deficiency claims arising from partially recovered secured claims are reflected in "Non-Debtor GUCs."

Non-Debtor GUCs are assumed to be paid on a pro rata basis from the net liquidation proceeds available, if any, after distributions to all claims with higher levels of priority at each Non-Debtor Affiliate.

G. Intercompany Payables

Intercompany Payables owed by NII Brazil to the Debtors or other Non-Debtor Affiliates are assumed to be subordinated under the rules of the local insolvency proceedings and would likely be treated as subordinate to Non-Debtor GUCs, but senior to equity for the purpose of the governing order of priority in such proceedings. Additionally, as a result of a contractual agreement with CDB, intercompany payables would be subordinate to the CDB deficiency claims. For the purposes of this Liquidation Analysis, intercompany payables claims are not subject to offset.

For NII Argentina, the net purchase proceeds are assumed to be distributed first to pay the Intercompany Payables owed by Argentina, with the remaining amount distributed to the equity claims.

For NII Mexico, the net sale proceeds pursuant to the Purchase Agreement plus Mexico cash balances and a pro-rata portion of spectrum license payments, which are offset by paying down local debt, tower obligations and capital leases, are assumed to be distributed directly to NIU Holdings LLC, the seller of its equity interests in Nextel International (Uruguay), LLC, the parent of NII Mexico.

H. Summary Regarding Non-Debtor Affiliates

The assets of the Debtors consist primarily of indirect investments in the operating Non-Debtor Affiliates – namely, NII Brazil, NII Mexico and NII Argentina, with some de minimis cash balances and Intercompany receivables at other non-operating Non-Debtor Affiliates.

Under the current set of liquidation assumptions, because of the significant Claims forecasted to be asserted against their respective estates in their insolvency proceeding and because of the challenges in recovering value from the liquidation of assets, the Non-Debtor Affiliates' estate of NII Brazil would likely not recover sufficient proceeds from the liquidation of their assets to satisfy all of their claims and therefore would return nothing to equity holders. While all classes in such proceedings with priority higher than the Non-Debtor GUCs would receive 100% recovery, Non-Debtor GUCs in NII Brazil would likely receive a recovery of approximately 16%, excluding recoveries of intercompany payables to Debtor entities, which would likely be

subordinate to Non-Debtor GUCs. Because Non-Debtor GUCs are not fully satisfied, no proceeds (from either "Receivables – Intercompany" or "Investments in Subs") would flow from NII Brazil to the Debtors.

NII Mexico is assumed to be sold at the purchase price set forth in the Stalking Horse Purchase Agreement, subject to the bidding procedures approved by the Bankruptcy Court, and is assumed to be approved by local regulators and closed on or prior to April 30, 2015.

NII Argentina is assumed to be sold to existing bidders, approved by local regulators and closed on June 30, 2015.

III. Non-Operating Non-Debtor Affiliate Entities

The Debtors' equity interests primarily consist of indirect investments in the Non-Debtor Affiliates, some of which are non-operating companies. Non-operating Non-Debtor Affiliates would follow the same hypothetical wind-down processes as operating Non-Debtor Affiliate entities, whereby proceeds from operating Non-Debtor Affiliate entities are used to pay claims pursuant to the applicable order of priority. These claims consist primarily of immaterial intercompany payables and accrued liabilities.

As explained in the General Assumptions section, the liquidation analysis reflects two possible scenarios based on the possible outcomes of the Transferred Guarantor Claims, which are assumed to be disputed in a liquidation. Scenario A assumes the Transferred Guarantor Claims are disallowed and receive no distribution. Scenario B assumes the Transferred Guarantor Claims are Allowed in full following litigation.

The analysis assumes that there are no withholding or capital gains taxes levied on the proceeds as they pass up the corporate ownership structure to NII International Telecom S.C.A.

Proceeds from the sale of NII Argentina as a going concern would flow through two Spanish Non-Debtor Affiliate non-operating entities, NII Mercosur Telecom, S.L. and NII Mercosur Mòviles, S.L., before they would flow to Debtor NII International Telecom S.C.A.

Additionally, at NII Mercosur Telecom, S.L. (a non-operating Non-Debtor Affiliate) there is approximately $40,000,000 in cash held in escrow for the 2013 sale of Nextel Peru for potential indemnification claims payable to the purchaser.

IV. Debtors

As previously described, the Liquidation Analysis assumes hypothetically that the Chapter 11 Cases are converted to Chapter 7 Cases on the Conversion Date, i.e., June 30, 2015. Below is a summary of the assumptions that drive the recoveries that Holders of Claims would likely receive under such hypothetical liquidation. The primary assets of the Debtors are their intercompany receivables and indirect equity interests in the Non-Debtor Affiliates.

A. Asset Recoveries

1. Cash and Equivalents

The "Cash and Equivalents" balances are the projected cash balances as of the Conversion Date, June 30, 2015, based on the Debtors' 2015 cash forecast. Normal funding to the markets is expected to take place through the Conversion Date, after which no additional funding from the Debtors would take place.

2. Receivables - Non-Intercompany

"Receivables – Non-Intercompany" consists of miscellaneous receivables related to transition services agreements with the purchaser of Nextel Peru.

3. Receivables - Intercompany

For the purposes of this analysis, with respect to a particular Debtor, Intercompany Accounts Receivable consists of amounts payable to such Debtor by another Debtor or a Non-Debtor Affiliate. Recoveries on account of Intercompany Accounts Receivable, to the extent not subordinated, would likely be based on the liquidation proceeds ratably distributed by the entity that owes the underlying payable to (i) Holders of General Unsecured Claims and any other claim of the same priority, in the case in which such entity is a Debtor, or (ii) holders of Non-Debtor GUCs and any other claim of the same priority, in the case in which such entity is a Non-Debtor Affiliate. However, any Intercompany Accounts Receivable owed by NII Brazil to such Debtor

likely would be subordinated under the rules of the applicable local insolvency proceedings and would be treated as subordinate to Non-Debtor GUCs. For the purposes of this Liquidation Analysis, intercompany receivables claims are not subject to offset.

Given the results of the wind-down at NII Brazil and the sale of NII Mexico, no intercompany receivables recovery would be received from the Non-Debtor Affiliates except those receivables from NII Argentina.

4. Inventory

The Debtors do not maintain any inventory.

5. Prepaid Other

The "Prepaid Other" balance is comprised of prepayments for insurance, taxes and other prepaid purchase commitments.

6. Other Current Assets

"Other Current Assets" consists of prepayments to suppliers for handset development.

7. Deferred Tax Assets

"Deferred Tax Assets" are fully offset by valuation allowances. The Debtors are not likely to have significant future income tax liabilities that would enable the realization of deferred tax assets; therefore, the Liquidation Analysis assumes that the deferred tax assets have minimal value in offsetting other tax liabilities.

8. Property, Plant & Equipment

Debtor "Property, Plant & Equipment" includes software, office furniture and equipment, office network equipment and leasehold improvements.

9. Intangible Assets

"Intangible Assets" consists of the Nextel brand license and is assumed to have no economic value.

10. Other Noncurrent Assets

"Other Noncurrent Assets" consists of prepayments to suppliers and licenses. Prepayments to suppliers and licenses are forecasted to have little recovery values.

11. Investment in Subs

The "Investment in Subs" balance consists of the value of equity interests in subsidiaries and is assumed to have value only in the event that the liquidated subsidiary has sufficient proceeds for distribution to holders of such equity interests after fully satisfying the priority claims (trustee fees, professional fees and wind-down costs), secured claims and unsecured claims of such subsidiary.

The assets of the Debtors consist primarily of indirect investments in the Non-Debtor Affiliates – namely, NII Brazil, NII Mexico and NII Argentina.

B. Superpriority Claims

Chapter 7 Trustee & Chapter 7 Case Administration Fees

For the Debtor entities, fees payable to the Chapter 7 Trustee include those fees associated with the appointment of the Chapter 7 Trustee in accordance with section 326 of the Bankruptcy Code.

C. Secured Claims

Debtor-In-Possession Superpriority Credit Facility

In order to fund Non-Debtor Affiliates through the NII Mexico sale closing date, the Debtors are assumed to secure a $350,000,000 superpriority postpetition financing. The postpetition credit facility is secured by the assets of NII International Telecom S.C.A. as well as the equity in its subsidiary holdings. The postpetition credit facility provides for a carve-out of up to $6,000,000 for professional fees and expenses incurred during the Chapter 11 Cases, but not paid at the Conversion Date. The superpriority postpetition financing principal and interest are assumed to be repaid in full when the sale of NII Mexico is consummated on or prior to April 30, 2015. Since the Debtors are assumed to file on June 30, 2015, the effect of the financing is included in the Debtors' cash balances and it is assumed to be repaid prior to the Conversion Date.

D. Chapter 7 Administrative Claims

"Chapter 7 Administrative Claims" includes the costs to wind down the Debtors' estates after the conversion of the Chapter 11 Cases to Chapter 7 Cases, which includes amounts for wages, severance for all remaining employees who would are retained until after the Conversion Date and other overhead costs, including fees and expenses for professionals retained by the Chapter 7 Trustee. For the purpose of this analysis, all regular payroll due to the Debtors' employees as of the Conversion Date would be paid prior to conversion.

These wind-down costs are allocated to the various Debtor estates. The allocation was done by determining the total amount of distribution to third parties for all Debtors. Third parties include all Holders of Claims or Interests entitled to distributions, excluding any distribution made to other Debtors, either in the form of intercompany Claims against or Interests in another Debtor.

E. Chapter 11 Administrative Claims

1. Unpaid Wind-Down Costs

"Unpaid Wind-Down Costs" includes operating expenses accrued during the Chapter 11 Cases, but unpaid as of the Conversion Date. These costs are allocated amongst the Debtors according to third-party distributions in the same manner as Chapter 7 administrative claims.

2. Chapter 11 Professional Fees

Professional fees incurred in the Chapter 11 Cases include legal, appraisal, broker, financial advisor and accounting fees expected to be accrued over the duration of the Chapter 11 Cases, but unpaid as of the Conversion Date. These costs are allocated amongst the Debtors according to third-party distributions in the same manner as administrative claims in the Chapter 7 Cases and the Chapter 11 Cases are allocated. The postpetition credit facility provides for a carve-out of up to $6,000,000 for professional fees and expenses incurred during the Chapter 11 Cases, but not paid at the Conversion Date.

F. Priority Claims

1. Priority Tax Claims

"Priority Tax Claims" include taxes accrued but unpaid prior to the Conversion Date. These tax claims receive priority under the Bankruptcy Code.

G. Unsecured Claims

For purposes of the Liquidation Analysis, the Debtors' management has assumed that unsecured claims would likely consist of estimated General Unsecured Claims. It should be noted that the Liquidation Analysis does not attempt to estimate potential additional General Unsecured Claims that would likely arise as a result of cessation of the Debtors' operations. These claims would include, but not be limited to, claims arising as a result of the rejection of remaining Executory Contracts or the failure of the Debtors to perform under existing contracts with their suppliers, and would likely be substantial in amount. Additionally, potential litigation claims have not been included. General Unsecured Claims do, however, include unsecured non-priority wage claims, Accounts Payable Non-Intercompany, Accounts Payable Intercompany, Accrued Expenses, Other Current and Noncurrent Liabilities and the balances of Prepetition Notes as of the Petition Date. For the purposes of this Liquidation Analysis, intercompany payables claims are not subject to offset. Also included are estimated General Unsecured Claims arising from the rejection of Unexpired Leases, including based on estimates due to the cancellation of leases with the Debtors' landlord.

Additionally, the Debtors guarantee certain claims. CDB's and ATC's Claims include Claims on account of guarantees by NII Holdings and Luxco. The Prepetition Notes issued by Luxco are guaranteed by NII Holdings. The Prepetition Notes issued by Capco are guaranteed by NII Global Holdings, Inc., NII Funding Corp., NII Aviation, Inc., Nextel International (Services), Ltd.

and NII Holdings. Guaranteed Claims are treated as General Unsecured Claims. General Unsecured Claims are assumed to be paid on a pro rata basis from the net liquidation proceeds available, if any, after distributions to all Claims with higher levels of priority at each Debtor.
The Prepetition Notes issued by Luxco are assumed to be senior to the Capco Intercompany Note. The Capco Intercompany Note would receive no recovery until the Claims arising from the Prepetition Notes issued by Luxco are paid in full.

Liquidation Analysis by Entity - Scenario A
($ in 000's)

Case Number:	Debtors												Non-Debtor Affiliate
	14-12611	14-12612	14-12613	14-12614	14-12615	14-12616	14-12617	14-12618	14-12619	14-12845	14-12846	14-12843	15-10155	
Entity:	NII Holdings, Inc.	Nextel International (Services) Ltd.	NII Capital Corp.	NII Aviation, Inc.	NII Funding Corp.	NII Global Holdings, Inc.	NII International Holdings S.à r.l.	NII International Services S.à r.l.	NII International Telecom S.C.A.	NII Mercosur, LLC	Airfone Holdings, LLC	McCaw International (Brazil), LLC	NIU Holdings LLC	NII Brazil
Assets:														
Total Cash and Cash Equivalents	$ 45,220	$ 4,507	$ 25,169	$ -	$ 5,000	$ 5,000	$ 32	$ 12	$ 156,661	$ -	$ -	$ 3	$ 827,156	$ 71,524
Short-term Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables - Non-Intercompany	-	203	-	-	-	-	-	-	-	-	-	-	-	204,674
Receivables - Intercompany	10,372	8,484	14,420	41	605	32	-	-	18	0	-	(0)	-	-
Net Inventory	-	-	-	-	-	-	-	-	-	-	-	-	-	42,049
Total Prepaid Other	-	687	-	-	-	-	-	-	-	-	-	-	-	69,750
Total Other Current Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	4,101
Total Deferred Tax Asset	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property Plant And Equipment	-	819	-	-	-	-	-	-	-	-	-	-	-	217,025
Net Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Noncurrent Assets	0	-	-	-	-	-	-	-	-	-	-	-	161,483	180,756
Investment In Subs	-	-	-	-	-	34	12	0	1,131,442	1,577	-	-	19	-
Spectrum and Network Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Proceeds Available for Distribution	**$ 55,593**	**$ 14,701**	**$ 39,589**	**$ 41**	**$ 5,605**	**$ 5,066**	**$ 44**	**$ 12**	**$ 1,288,120**	**$ 1,577**	**$ -**	**$ 3**	**$ 988,658**	**$ 789,879**
Recovery to Superpriority Claims:														
Bankruptcy / Liquidation Administration Fees	$ 1,380	$ 432	$ 1,169	$ 1	$ 174	$ 177	$ -	$ 0	$ 38,667	$ -	$ -	$ -	$ -	$ 46,994
Statutory Wage Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	75,929
Superpriority Claims Recovery	**$ 1,380**	**$ 432**	**$ 1,169**	**$ 1**	**$ 174**	**$ 177**	**$ -**	**$ 0**	**$ 38,667**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 122,923**
Recovery to Secured Claims:														
Off Balance Sheet Liabilities (LCs, Performance Bonds,	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 174,340
Debtor-In-Possession Superpriority Credit Facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CDB	-	0	-	-	-	-	-	-	-	-	-	-	-	39,513
Recovery to Secured Claims	**$ -**	**$ 0**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 213,853**
Recovery to Chapter 7 Administrative Claims	**$ 9,463**	**$ 995**	**$ 392**	**$ -**	**$ 58**	**$ 59**	**$ -**	**$ 0**	**$ 12,959**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 7,768**
Recovery to Chapter 11 Administrative Claims	**$ 1,710**	**$ 8,730**	**$ 604**	**$ 1**	**$ 90**	**$ 91**	**$ -**	**$ 0**	**$ 19,968**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Recovery to Priority Claims	**$ 15,048**	**$ 515**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 70,061**
Recovery to General Unsecured Claims:														
Guaranty Claims	$ 17,499	$ 2,895	$ -	$ 39	$ 4,670	$ 4,739	$ -	$ -	$ 117,404	$ -	$ -	$ -	$ -	$ -
Unsecured Wage Claims	-	2	-	-	-	-	-	-	-	-	-	-	-	-
Long-Term Debt	0	-	35,957	-	-	-	-	-	1,098,832	-	-	-	-	-
ATC	-	-	-	-	-	-	-	-	-	-	-	-	-	151,945
Other Long-Term Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	295
Caixa Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	26,693
BdB Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	24,133
Accounts Payable - Non-Intercompany	-	4	(0)	-	-	-	-	-	(0)	-	-	-	-	21,155
Accounts Payable - Intercompany	10,409	1,124	1,453	0	612	0	10	-	40	-	-	3	-	-
Asset Retirement Obligation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Accrued Expenses	27	6	16	-	-	-	-	0	251	-	-	-	-	47,361
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	109
Other Noncurrent Liabilities	54	-	-	-	-	-	-	-	-	-	-	-	-	14,562
Deficiency Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	67,435
Lease Rejection Claims	3	-	-	-	-	-	-	-	-	-	-	-	-	21,586
Recovery to General Unsecured Claims	**$ 27,992**	**$ 4,030**	**$ 37,425**	**$ 39**	**$ 5,282**	**$ 4,739**	**$ 10**	**$ 0**	**$ 1,216,527**	**$ -**	**$ -**	**$ 3**	**$ -**	**$ 375,273**
Recovery to Equity Claim Holders	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 34**	**$ 12**	**$ -**	**$ 1,577**	**$ -**	**$ -**	**$ 988,658**	**$ -**

Liquidation Analysis by Entity - Scenario B
($ in 000's)

	Debtors												Non-Debtor Affiliate
Case Number:	14-12611	14-12612	14-12613	14-12614	14-12615	14-12616	14-12617	14-12618	14-12619	14-12845	14-12846	14-12843	15-10155	
Entity:	NII Holdings, Inc.	Nextel International (Services) Ltd.	NII Capital Corp.	NII Aviation, Inc.	NII Funding Corp.	NII Global Holdings, Inc.	NII International Holdings S.à r.l.	NII International Services S.à r.l.	NII International Telecom S.C.A.	NII Mercosur, LLC	Airfone Holdings, LLC	McCaw International (Brazil), LLC	NIU Holdings LLC	NII Brazil
Assets:														
Total Cash and Cash Equivalents	$ 45,220	$ 4,507	$ 25,169	$ -	$ 5,000	$ 5,000	$ 32	$ 12	$ 156,661	$ -	$ -	$ 3	$ 827,156	$ 71,524
Short-term Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables - Non-Intercompany	-	203	-	-	-	-	-	-	-	-	-	-	-	204,674
Receivables - Intercompany	10,352	8,469	14,413	41	604	32	-	-	18	0	-	(0)	-	-
Net Inventory	-	-	-	-	-	-	-	-	-	-	-	-	-	42,049
Total Prepaid Other	-	687	-	-	-	-	-	-	-	-	-	-	-	69,750
Total Other Current Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	4,101
Total Deferred Tax Asset	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property Plant And Equipment	-	819	-	-	-	-	-	-	-	-	-	-	-	217,025
Net Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Noncurrent Assets	0	-	-	-	-	-	-	-	-	-	-	-	161,483	180,756
Investment In Subs	-	-	-	-	-	34	12	0	141,207	1,574	-	-	19	-
Spectrum and Network Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Proceeds Available for Distribution	**$ 55,572**	**$ 14,686**	**$ 39,582**	**$ 41**	**$ 5,604**	**$ 5,066**	**$ 44**	**$ 12**	**$ 297,885**	**$ 1,574**	**$ -**	**$ 3**	**$ 988,658**	**$ 789,879**
Recovery to Superpriority Claims:														
Bankruptcy / Liquidation Administration Fees	$ 1,380	$ 432	$ 1,169	$ 1	$ 174	$ 177	$ -	$ 0	$ 8,961	$ 51	$ -	$ 1	$ 29,684	$ 46,994
Statutory Wage Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	75,929
Superpriority Claims Recovery	**$ 1,380**	**$ 432**	**$ 1,169**	**$ 1**	**$ 174**	**$ 177**	**$ -**	**$ 0**	**$ 8,961**	**$ 51**	**$ -**	**$ 1**	**$ 29,684**	**$ 122,923**
Recovery to Secured Claims:														
Off Balance Sheet Liabilities (LCs, Performance Bonds,	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 174,340
Debtor-In-Possession Superpriority Credit Facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CDB	-	0	-	-	-	-	-	-	-	-	-	-	-	39,513
Recovery to Secured Claims	**$ -**	**$ 0**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 213,853**
Recovery to Chapter 7 Administrative Claims	**$ 9,462**	**$ 994**	**$ 391**	**$ -**	**$ 58**	**$ 59**	**$ -**	**$ 0**	**$ 3,001**	**$ 17**	**$ -**	**$ 0**	**$ 9,942**	**$ 7,768**
Recovery to Chapter 11 Administrative Claims	**$ 1,709**	**$ 8,730**	**$ 603**	**$ 1**	**$ 90**	**$ 91**	**$ -**	**$ 0**	**$ 4,624**	**$ 26**	**$ -**	**$ 0**	**$ 15,319**	**$ -**
Recovery to Priority Claims	**$ 15,048**	**$ 515**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 70,061**
Recovery to General Unsecured Claims:														
Guaranty Claims	$ 17,488	$ 2,885	$ -	$ 39	$ 4,670	$ 4,739	$ -	$ -	$ 27,147	$ 1,481	$ -	$ 2	$ 933,713	$ -
Unsecured Wage Claims	-	2	-	-	-	-	-	-	-	-	-	-	-	-
Long-Term Debt	0	-	35,951	-	-	-	-	-	254,084	-	-	-	-	-
ATC	-	-	-	-	-	-	-	-	-	-	-	-	-	151,945
Other Long-Term Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	295
Caixa Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	26,693
BdB Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	24,133
Accounts Payable - Non-Intercompany	-	4	(0)	-	-	-	-	-	(0)	-	-	-	-	21,155
Accounts Payable - Intercompany	10,402	1,120	1,452	0	612	0	10	-	9	-	-	0	-	-
Asset Retirement Obligation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Accrued Expenses	27	6	16	-	-	-	-	0	58	-	-	-	-	47,361
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	109
Other Noncurrent Liabilities	54	-	-	-	-	-	-	-	-	-	-	-	-	14,562
Deficiency Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	67,435
Lease Rejection Claims	3	-	-	-	-	-	-	-	-	-	-	-	-	21,586
Recovery to General Unsecured Claims	**$ 27,974**	**$ 4,016**	**$ 37,420**	**$ 39**	**$ 5,282**	**$ 4,739**	**$ 10**	**$ 0**	**$ 281,299**	**$ 1,481**	**$ -**	**$ 2**	**$ 933,713**	**$ 375,273**
Recovery to Equity Claim Holders	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 34**	**$ 12**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

NII Holdings Inc.
Recovery % in Liquidation Analysis - Scenario A
($ in 000's)

		Debtors													
Case Number:		14-12611	14-12612	14-12613	14-12614	14-12615	14-12616	14-12617	14-12618	14-12619	14-12845	14-12846	14-12843	15-10155	
Class Number	**Designation**	NII Holdings, Inc.	Nextel International (Services) Ltd.	NII Capital Corp.	NII Aviation, Inc.	NII Funding Corp.	NII Global Holdings, Inc.	NII International Holdings S.à r.l.	NII International Services S.à r.l.	NII International Telecom S.C.A.	NII Mercosur, LLC	Airfone Holdings, LLC	McCaw International (Brazil), LLC	NIU Holdings LLC	**Totals**
n/a	Chapter 11 Admin Claims	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
n/a	Chapter 11 DIP Loan Claim	-	-	-	-	-	-	-	-	100.00%	-	-	-	-	-
n/a	Priority Tax Claims	100.00%	100.00%	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
n/a	UST Statutory Fees [1]	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
1A - 1E	Priority Claims	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
2A - 2E	Secured Claims	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
3A, 3D	Sale-Leaseback Guaranty Claims [2]	0.30%	-	-	-	-	-	-	-	45.70%	-	-	-	-	12.81%
4A, 4D	Luxco Note Claims [3]	0.30%	-	-	-	-	-	-	-	64.83%	-	-	-	-	65.13%
5A - 5C	Capco Note Claims	0.30%	0.10%	1.26%	0.00%	0.16%	0.17%	-	-	-	-	-	-	-	1.99%
6E	Transferred Guarantor Claims	-	-	-	-	-	-	-	-	-	NA	NA	NA	NA	0.00%
7A	CDB Documents Claim [2]	0.30%	-	-	-	-	-	-	-	-	-	-	-	-	0.30%
8A - 8E	General Unsecured Claims	0.30%	0.10%	1.26%	0.00%	0.16%	0.17%	100.00%	100.00%	45.70%	< 0.01%	< 0.01%	0.11%	< 0.01%	4.63%
9A - 9C	Convenience Class Claims [4]	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
10A - 10E	Section 510 Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11A - 11E	Non-Debtor Affiliate Claims	0.30%	0.10%	NA	NA	NA	NA	NA	NA	45.70%	NA	NA	0.11%	NA	0.20%
12A	NII Interests [5]	$ -	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	$ -
13B - 13E	Subsidiary Debtor Equity Interests	NA	$ -	$ -	$ -	$ -	$ -	$ 34	$ 12	$ -	$ 1,577	$ -	$ -	$ 988,658	$ 990,300

(1) U.S. Trustee statutory fees are distributed pro rata as a proportion of proceeds distributed to third parties.
(2) The reflected recovery rate represents proceeds received from the liquidation of the Debtors and does not include any recovery on a related claim in a hypothetical liquidation of any of the Non-Debtor Affiliates.
(3) The Luxco Note Claims recovery rate at NII International Telecom S.C.A. reflects the subordination agreement in place between the Luxco Notes and the intercompany payable due to NII Capital Corp.
(4) The Convenience Class is not applicable and the claimants grouped in the Convenience Class in the Plan would be treated like General Unsecured Claims under the Chapter 7 liquidation.
(5) Refers to any interest in NII Holdings.

NII Holdings Inc.
Recovery % in Liquidation Analysis - Scenario B
($ in 000's)

		Debtors													
Case Number:		14-12611	14-12612	14-12613	14-12614	14-12615	14-12616	14-12617	14-12618	14-12619	14-12845	14-12846	14-12843	15-10155	
Class Number	**Designation**	NII Holdings, Inc.	Nextel International (Services) Ltd.	NII Capital Corp.	NII Aviation, Inc.	NII Funding Corp.	NII Global Holdings, Inc.	NII International Holdings S.à r.l.	NII International Services S.à r.l.	NII International Telecom S.C.A.	NII Mercosur, LLC	Airfone Holdings, LLC	McCaw International (Brazil), LLC	NIU Holdings LLC	**Totals**
n/a	Chapter 11 Admin Claims	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
n/a	Chapter 11 DIP Loan Claim	-	-	-	-	-	-	-	-	100.00%	-	-	-	-	-
n/a	Priority Tax Claims	100.00%	100.00%	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
n/a	UST Statutory Fees [1]	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
1A - 1E	Priority Claims	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
2A - 2E	Secured Claims	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
3A, 3D	Sale-Leaseback Guaranty Claims [2]	0.30%	-	-	-	-	-	-	-	10.57%	-	-	-	-	3.19%
4A, 4D	Luxco Note Claims [3]	0.30%	-	-	-	-	-	-	-	14.99%	-	-	-	-	15.29%
5A - 5C	Capco Note Claims	0.30%	0.10%	1.26%	0.00%	0.16%	0.17%	-	-	-	-	-	-	-	1.99%
6E	Transferred Guarantor Claims	-	-	-	-	-	-	-	-	-	0.11%	< 0.01%	< 0.01%	68.77%	68.88%
7A	CDB Documents Claim [2]	0.30%	-	-	-	-	-	-	-	-	-	-	-	-	0.30%
8A - 8E	General Unsecured Claims	0.30%	0.10%	1.26%	0.00%	0.16%	0.17%	100.00%	100.00%	10.57%	< 0.01%	< 0.01%	< 0.01%	< 0.01%	1.18%
9A - 9C	Convenience Class Claims [4]	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
10A - 10E	Section 510 Claims	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11A - 11E	Non-Debtor Affiliate Claims	0.30%	0.10%	NA	NA	NA	NA	NA	NA	10.57%	NA	NA	< 0.01%	NA	0.14%
12A	NII Interests [5]	$ -	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	$ -
13B - 13E	Subsidiary Debtor Equity Interests	NA	$ -	$ -	$ -	$ -	$ -	$ 34	$ 12	$ -	$ -	$ -	$ -	$ -	$ 65

(1) U.S. Trustee statutory fees are distributed pro rata as a proportion of proceeds distributed to third parties.
(2) The reflected recovery rate represents proceeds received from the liquidation of the Debtors and does not include any recovery on a related claim in a hypothetical liquidation of any of the Non-Debtor Affiliates.
(3) The Luxco Note Claims recovery rate at NII International Telecom S.C.A. reflects the subordination agreement in place between the Luxco Notes and the intercompany payable due to NII Capital Corp.
(4) The Convenience Class is not applicable and the claimants grouped in the Convenience Class in the Plan would be treated like General Unsecured Claims under the Chapter 7 liquidation.
(5) Refers to any interest in NII Holdings.

Below is a summary of the proposed recoveries by Holders of Allowed Claims against, and Allowed Equity Interests in, the Debtors pursuant to the Plan as compared to recoveries in a hypothetical chapter 7 liquidation:

Class	Claim	Note	Plan Consideration	% Plan Recovery	Scenario A Chapter 7 Recovery	Scenario B Chapter 7 Recovery
-	Administrative Claims	A	Cash payment	100%	100.00%	100.00%
-	Statutory Fees	B	Cash payment	100%	100.00%	100.00%
-	Requisite Consenting Noteholders Professional Fees	C	Cash payment	100%	0.00%	0.00%
-	DIP Claims	D	Cash Payment	100%	100.00%	100.00%
-	Priority Tax Claims	E	Cash Payment	100%	100.00%	100.00%
Classes 1A through 1E	Priority Claims	F	Cash Payment	100%	100.00%	100.00%
Classes 2A through 2E	Secured Claims	G	Cash payment; collateral return *plus* allowed interest under section 506(b); other unimpaired treatment	100%	100.00%	100.00%
Classes 3A and 3D	Sale-Leaseback Guaranty Claims	H	New NII- ATC Guaranty	NA	3A - NII Holdings, Inc. - 0.30% 3D - NII International Telecom S.C.A. - 45.70%	3A - NII Holdings, Inc. - 0.30% 3D - NII International Telecom S.C.A. - 10.57%
Classes 4A and 4D	Luxco Note Claims	I	Unless otherwise agreed by the Holder of a Luxco Note Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed: (A) to each Holder of an Allowed Luxco Note Claim in Classes 4A and 4D, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata ~~Share~~share of the Luxco Notes Distributable Value Allocation ~~(subject to downward adjustment based on the receipt of Net Overbid~~	100%	4A - NII Holdings, Inc. - 0.30% 4D - NII International	4A - NII Holdings, Inc. - 0.30% 4D - NII International

Class	Claim	Note	Plan Consideration	% Plan Recovery	Scenario A Chapter 7 Recovery	Scenario B Chapter 7 Recovery
			~~Proceeds (if any))~~, and with respect to specific distributions on account of Claims in each of Class 4A and Class 4D shall be comprised of: i. with respect to each Holder of an Allowed Luxco Note Claim in Class 4D, its Pro Rata ~~Share~~share of the Luxco Notes Distributable Value Allocation; and ii. having satisfied such Claims in full as a result of distributions to Holders of Class 4D Claims, no further distribution with respect to each Holder of an Allowed Luxco Note Claim in Class 4A; and (B) an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustee under the Luxco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise its contractual lien rights prior to distribution).		Telecom S.C.A. - 64.83%	Telecom S.C.A. - 14.99%
Classes 5A through 5C	Capco Note Claims	J	Unless otherwise agreed by the Holder of a Capco Note Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed: (A) to each Holder of an Allowed Capco Note Claim in Classes 5A, 5B and 5C, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata ~~Share~~share of the Capco Distributable Value Allocation (i.e., the amount equal to 29.61% multiplied by the Plan Distributable Value~~) (subject to upward adjustment based on the receipt of Net Overbid Proceeds (if any))~~, and with respect to specific distributions on account of Claims in each of Class 5A, 5B and 5C shall be comprised of: i. with respect to each Holder of an Allowed Capco Note Claim in Class 5A, its Pro Rata ~~Share~~share of 19.34% of the Capco Distributable Value Allocation; ii. with respect to each Holder of an Allowed Capco Note Claim in Class 5B, its Pro Rata ~~Share~~share of 69.22% of the Capco Distributable Value Allocation; and iii. with respect to each Holder of an Allowed Capco Note Claim in Class 5C, its Pro Rata ~~Share~~share of 11.44% of the Capco Distributable Value Allocation; and (B) an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustees under the Capco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise their contractual lien rights prior to distribution).	5A – 5.64% 5B – 20.18% 5C – 3.33%	5A - NII Holdings, Inc. - 0.30% 5B - NII Capital Corp. - 1.26% 5C - Nextel International (Services), Ltd. - 0.10% 5C - NII Aviation, Inc. - 0.00% 5C - NII Funding Corp. - 0.16% 5C - NII Global Holdings, Inc. - 0.17%	5A - NII Holdings, Inc. - 0.30% 5B - NII Capital Corp. - 1.26% 5C - Nextel International (Services), Ltd. - 0.10% 5C - NII Aviation, Inc. - 0.00% 5C - NII Funding Corp. - 0.16% 5C - NII Global Holdings, Inc. - 0.17%
Class 6E	Transferred Guarantor Claims	K	Unless otherwise agreed by the Holder of a Transferred Guarantor Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed to each Holder of an Allowed Transferred Guarantor Claim in Class 6E, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata ~~Share~~share of the TG Claims Distributable Value Allocation (i.e., the amount equal to 10.14% multiplied by the Plan Distributable Value)~~ (subject to downward adjustment based on the receipt of Net Overbid Proceeds (if any))~~.	21% (based on asserted Claim amounts)	NA	6E – NII Mercosur, LLC - 0.11% 6E - Airfone Holdings, LLC - ~~NA~~<0.01% 6E – McCaw International (Brazil), LLC - ~~NA~~<0.01%

Class	Claim	Note	Plan Consideration	% Plan Recovery	Scenario A Chapter 7 Recovery	Scenario B Chapter 7 Recovery
						6E - NIU Holdings LLC - 68.77%
Class 7A	CDB Documents Claims	L	Each Holder of a CDB Documents Claim shall receive the Amended Guarantee	NA	7A - NII Holdings, Inc. - 0.30%	7A - NII Holdings, Inc. - 0.30%
Classes 8A through 8E	General Unsecured Claims	M	Unless otherwise agreed by the Holder of a General Unsecured Claim and the applicable Debtor and the Creditors' Committee and each of the Requisite Consenting Noteholders, on the Effective Date, each Holder of an Allowed General Unsecured Claim in Classes 8A, 8B, 8C ~~and~~, 8D and 8E ~~against NIU Holdings LLC~~ shall receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, a distribution equal to the following: (A) with respect to each Holder of an Allowed General Unsecured Claim in Class 8A, Cash in an amount equal to 5.64% of its Allowed General Unsecured Claim against Holdings; (B) with respect to each Holder of an Allowed General Unsecured Claim in Class 8B, Cash in an amount equal to 20.18% of its Allowed General Unsecured Claim against Capco~~, provided that, in the event of an Overbid, such percentage shall equal the result, expressed as a percentage, of dividing (x) the Capco Distributable Value Allocation on account of the Capco Note Claims against Capco after accounting for such Net Overbid Proceeds, by (y) the amount of the Allowed Class 5B Claims~~; (C) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NIS, Cash in an amount equal to 4.51% of its Allowed General Unsecured Claim; (D) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Aviation, Inc., Cash in an amount equal to 0.15% of its Allowed General Unsecured Claim; (E) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Funding Corp., Cash in an amount equal to 0.24% of its Allowed General Unsecured Claim; (F) with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Global Holdings, Inc., Cash in an amount equal to 0.18% of its Allowed General Unsecured Claim; (G) with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Holdings S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Holdings S.à r.l.; (H) with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Services S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Services S.à r.l.; (I) with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against Luxco, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against Luxco; ~~and~~ (J) with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against NIU Holdings LLC, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NIU Holdings LLC~~.~~; (K) with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against McCaw International (Brazil), LLC, its share of the property available for distribution of McCaw International (Brazil), LLC ratably with all other Allowed unsecured Claims against McCaw International (Brazil), LLC; (L) with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against Airfone Holdings, LLC, its share of the property available for distribution of Airfone Holdings, LLC ratably with all other Allowed unsecured Claims against Airfone Holdings, LLC; and (M) with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against NII Mercosur, LLC, its share of the property available for distribution of NII Mercosur, LLC ratably with all other Allowed unsecured Claims against NII Mercosur, LLC..	8A -5.64% 8B – 20.18% 8C - Nextel International (Services), Ltd. – 4.51% 8C - NII Aviation, Inc. - 0.15% 8C - NII Funding Corp. - 0.24% 8C - NII Global Holdings, Inc. - 0.18% 8D – 100.00% 8E - NII Mercosur, LLC - ~~0.00~~<0.01% 8E - Airfone Holdings, LLC - ~~0.00~~<0.01% 8E - McCaw International (Brazil), LLC - ~~0.00~~<0.01% 8E - NIU Holdings LLC -	8A - NII Holdings, Inc. - 0.30% 8B - NII Capital Corp. - 1.26% 8C - Nextel International (Services), Ltd. - 0.10% 8C - NII Aviation, Inc. - 0.00% 8C - NII Funding Corp. - 0.16% 8C - NII Global Holdings, Inc. - 0.17% 8D - Nextel International Holdings S.à r.l. - 100.00% 8D - Nextel International Services S.à r.l. - 100.00% 8D - NII International Telecom S.C.A. - 45.70%	8A - NII Holdings, Inc. - 0.30% 8B - NII Capital Corp. - 1.26% 8C - Nextel International (Services), Ltd. - 0.10% 8C - NII Aviation, Inc. - 0.00% 8C - NII Funding Corp. - 0.16% 8C - NII Global Holdings, Inc. - 0.17% 8D - Nextel International Holdings S.à r.l. - 100.00% 8D - Nextel International Services S.à r.l. - 100.00% 8D - NII International Telecom S.C.A. - 10.57%

Class	Claim	Note	Plan Consideration	% Plan Recovery	Scenario A Chapter 7 Recovery	Scenario B Chapter 7 Recovery
				100.00%	8E - NII Mercosur, LLC - ~~0.00~~<0.01% 8E - Airfone Holdings, LLC - ~~0.00~~<0.01% 8E - McCaw International (Brazil), LLC - 0.11% 8E - NIU Holdings LLC - ~~0.00~~<0.01%	8E - NII Mercosur, LLC - ~~0.00~~<0.01% 8E - Airfone Holdings, LLC - ~~0.00~~<0.01% 8E - McCaw International (Brazil), LLC - ~~0.00~~<0.01% 8E - NIU Holdings LLC - ~~0.00~~<0.01%
Classes 9A through 9C	Convenience Claims	N	Unless otherwise agreed by the Holder of a Convenience Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, each Holder of an Allowed Convenience Claim shall receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, Cash equal to the amount of such Allowed Claim (as reduced, if applicable, pursuant to an election by the Holder thereof in accordance with Section I.A.~~56~~54 of the Plan)~~; provided, however, that if the amount of the Convenience Claims exceeds the Maximum Convenience Class Payment, each Holder of an Allowed Convenience Claim shall receive its Pro Rata share of the Maximum Convenience Class Payment~~.	100%	NA	NA
Classes 10A through 10E	Section 510 Claims	O	No property shall be distributed to or retained by the Holders of Section 510 Claims, and such Claims shall be extinguished on the Effective Date. Holders of Section 510 Claims shall not receive any distribution pursuant to the Plan.	0%	0.0%	0.0%
Classes 11A through 11E	Non-Debtor Affiliate Claims	P	On the Effective Date, all Non-Debtor Affiliate Claims shall be Reinstated.	NA	11A - NII Holdings, Inc. - 0.30% 11C - Nextel International (Services), Ltd. - 0.10% 11D - NII International Telecom S.C.A. - 45.70%	11A - NII Holdings, Inc. - 0.30% 11C - Nextel International (Services), Ltd. - 0.10% 11D - NII International Telecom S.C.A. - 10.57%

Class	Claim	Note	Plan Consideration	% Plan Recovery	Scenario A Chapter 7 Recovery	Scenario B Chapter 7 Recovery
					11E - McCaw International (Brazil), LLC - 0.11%	11E - McCaw International (Brazil), LLC - ~~0.00~~<0.01%
Class 12A	NII Interests	Q	On the Effective Date, all NII Interests shall be cancelled and extinguished. Holders of NII Interests shall not receive any distribution pursuant to the Plan.	0%	$-	$-
Classes 13B through 13E	Subsidiary Debtor Equity Interests	R	On the Effective Date, all Subsidiary Debtor Equity Interests shall not receive any distribution pursuant to the Plan and shall be Reinstated, subject to Section III.C.1 of the Plan.	NA	NA	NA

A. Except as specified in this Section II.A.1 of the Plan, and subject to Section II.A.1.d of the Plan and subject to the bar date provisions in the Plan, unless otherwise agreed by the Holder of an Administrative Claim and the applicable Reorganized Debtor, each Holder of an Allowed Administrative Claim shall receive, in full satisfaction of its Administrative Claim, Cash equal to the Allowed amount of such Administrative Claim on either (i) the latest to occur of (A) the Effective Date (or as soon thereafter as practicable), (B) the date such Claim becomes an Allowed Administrative Claim and (C) such other date as may be agreed upon by the Reorganized Debtors and the Holder of such Claim or (ii) on such other date as the Bankruptcy Court may order.

B. All fees payable pursuant to 28 U.S.C. § 1930 after the Effective Date shall be paid by the applicable Reorganized Debtor in accordance therewith until the earlier of the conversion or dismissal of the applicable Chapter 11 Case under section 1112 of the Bankruptcy Code or the closing of the applicable Chapter 11 Case pursuant to section 350(a) of the Bankruptcy Code.

C. Pursuant ~~to the Plan Term Sheet, the Debtors shall have sought authorization to pay in full in Cash the reasonable and documented fees and expenses of Akin Gump Strauss Hauer & Feld LLP, Paul, Weiss, Rifkind, Wharton & Garrison LLP and Kirkland & Ellis LLP (a) incurred through the date of the DIP Order, such payment to be made to Akin Gump Strauss Hauer & Feld LLP and Kirkland & Ellis LLP expeditiously after entry of the DIP Order and receipt of the relevant invoices for such fees and expenses and to Paul, Weiss, Rifkind, Wharton & Garrison LLP on the Effective Date following the receipt of invoices for such fees and expenses and (b) incurred from the date of the DIP Order through the Effective Date, such payment to be made to Akin Gump Strauss Hauer & Feld LLP, Paul, Weiss, Rifkind, Wharton & Garrison LLP and Kirkland & Ellis LLP on the Effective Date, in each case, subject to the limitations set forth in Section I.A.163 of the Plan. Additionally, pursuant~~ to the Plan Support Agreement, the Debtors ~~shall~~ have sought to obtain authorization pursuant to the Plan Support Agreement Order to pay in full in cash the Requisite Consenting Noteholder Professionals Fees/Expenses, ~~including the reasonable and documented fees and expenses of Houlihan Lokey Capital, Inc., Millstein & Co. L.P. and Blackstone Advisory Partners, L.P., including any restructuring fees~~subject to the limitations set forth in Section I.A.158 of the Plan, with such payment to be made on the Effective Date. To the extent the Requisite Consenting Noteholders Professionals Fees/Expenses are not paid in full in cash pursuant to ~~the DIP Order and/or~~ the Plan Support Agreement Order, in light of the substantial contribution that each of the Requisite Consenting Noteholders and their respective Requisite Consenting Noteholder Professionals have made to the Chapter 11 Cases resulting in an actual and demonstrable benefit to the Debtors' estates and all creditors, the Requisite Consenting Noteholder Professionals Fees/Expenses shall constitute Allowed Administrative Claims and shall be paid in full in Cash, subject to the limitations set forth in Section I.A.~~163~~158 of the Plan.

D. Upon consummation of the Mexico Sale Transaction, Allowed DIP Claims shall be paid in Cash in an amount equal to the full amount of those Claims in accordance with the DIP Credit Agreement and to the extent such Allowed DIP Claims have not been otherwise paid pursuant to a separate order(s) of the Bankruptcy Court.

E. Pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, unless otherwise agreed by the Holder of a Priority Tax Claim and the Plan Proponents (with the consent of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed), each Holder of an Allowed Priority Tax Claim shall

receive, in full satisfaction of its Allowed Priority Tax Claim that is due and payable on or before the Effective Date, on account of and in full and complete settlement, release and discharge of such Claim, Cash equal to the amount of such Allowed Priority Tax Claim on the later of: (i) the Effective Date (or as soon as reasonably practicable thereafter); and (ii) the date such Priority Tax Claim becomes an Allowed Priority Tax Claim, or as soon as practicable thereafter; provided, however, that all Allowed Priority Tax Claims that are not due and payable on or before the Effective Date shall be paid in the ordinary course of business by the Reorganized Debtors as they become due.

F. On the later of (a) the Effective Date and (b) the date on which such Priority Claim becomes an Allowed Priority Claim, unless otherwise agreed to by the Plan Proponents (with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed) and the Holder of an Allowed Priority Claim (in which event such other agreement will govern), each Holder of an Allowed Priority Claim against a Plan Debtor shall receive on account and in full and complete settlement, release and discharge of such Claim, at the Plan Debtors' election (following consultation with the Creditors' Committee and with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed), (i) Cash in the amount of such Allowed Priority Claim in accordance with section 1129(a)(9) of the Bankruptcy Code and/or (ii) such other treatment required to render such Claim unimpaired pursuant to section 1124 of the Bankruptcy Code. All Allowed Priority Claims against the Plan Debtors that are not due and payable on or before the Effective Date shall be paid by the Reorganized Debtors when such Claims become due and payable in the ordinary course of business in accordance with the terms thereof.

G. Unless otherwise agreed by the Holder of a Secured Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, each Holder of a Secured Claim shall receive the following treatment at the option of the Plan Proponents (with the consent of each of the Requisite Consenting Noteholders, such consent not to be unreasonably withheld, conditioned or delayed): (i) such Allowed Secured Claim shall be Reinstated; (ii) payment in full (in Cash) of any such Allowed Secured Claim; (iii) satisfaction of any such Allowed Secured Claim by delivering the collateral securing any such Allowed Secured Claim and paying any interest required to be paid under section 506(b) of the Bankruptcy Code; or (iv) providing such Holders with such treatment in accordance with section 1129(b) of the Bankruptcy Code as may be determined by the Bankruptcy Court.

H. Unless otherwise agreed by the Holder of a Sale-Leaseback Guaranty Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, the Luxco Sale-Leaseback Guarantee and each of the Holdings Sale-Leaseback Guarantees shall be extinguished and each Holder of an Allowed Sale-Leaseback Guaranty Claim shall receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim the New NIIATC Guaranty.

I. Unless otherwise agreed by the Holder of a Luxco Note Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed:

A. to each Holder of an Allowed Luxco Note Claim in Classes 4A and 4D, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata ~~Share~~share of the Luxco Notes Distributable Value Allocation (i.e., the amount equal to 60.25% multiplied by the Plan Distributable Value~~) (subject to downward adjustment based on the receipt of Net Overbid Proceeds (if any)~~), and with respect to specific distributions on account of Claims in each of Class 4A and Class 4D shall be comprised of:

i. with respect to each Holder of an Allowed Luxco Note Claim in Class 4D, its Pro Rata Share of the Luxco Notes Distributable Value Allocation; and

ii. having satisfied such Claims in full as a result of distributions to Holders of Class 4D Claims, no further distribution with respect to each Holder of an Allowed Luxco Note Claim in Class 4A; and

B. an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustee under the Luxco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise its contractual lien rights prior to distribution)

J. Unless otherwise agreed by the Holder of a Capco Note Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed:

A. to each Holder of an Allowed Capco Note Claim in Classes 5A, 5B and 5C, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata ~~Share~~share of the Capco Distributable Value Allocation (i.e., the amount equal to 29.61% multiplied by the Plan Distributable Value~~) (subject to upward adjustment based on the receipt of Net Overbid Proceeds (if any)~~), and with respect to specific distributions on account of Claims in each of Class 5A, 5B and 5C shall be comprised of:

i. with respect to each Holder of an Allowed Capco Note Claim in Class 5A, its Pro Rata ~~Share~~share of 19.34% of the Capco Distributable Value Allocation;

ii. with respect to each Holder of an Allowed Capco Note Claim in Class 5B, its Pro Rata ~~Share~~share of 69.22% of the Capco Distributable Value Allocation; and

iii. with respect to each Holder of an Allowed Note Claim in Class 5C, its Pro Rata share of 11.44% of the Capco Distributable Value Allocation;

B. an amount of Cash equal to the reasonable and documented fees and expenses of the Indenture Trustees under the Capco Indentures outstanding as of the Effective Date (as to which it is anticipated that the Indenture Trustee will exercise their contractual lien rights prior to distribution).

K. Unless otherwise agreed by the Holder of a Transferred Guarantor Claim and the applicable Debtor and the Creditors' Committee, on or as soon after the Effective Date as practicable, after taking into account the settlement of the Avoidance Claims, the Recharacterization Claims and the Transferred Guarantor Claims, there shall be distributed to each Holder of an Allowed Transferred Guarantor Claim in Class 6E, subject to the terms of the Plan, in full and final satisfaction, settlement, release and discharge of, and in exchange for, such Claim, its Pro Rata ~~Share~~share of the TG Claims Distributable Value Allocation (i.e., the amount equal to 10.14% multiplied by the Plan Distributable Value)~~ (subject to downward adjustment based on the receipt of Net Overbid Proceeds (if any))~~.

L. Unless otherwise agreed by the Holder of a CDB Documents Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, each Holder of an Allowed CDB Documents Claim, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, shall receive the CDB Amended Guarantee.

M. Unless otherwise agreed by the Holder of a General Unsecured Claim and the applicable Debtor and the Creditors' Committee and each of the Requisite Consenting Noteholders, on the Effective Date, each Holder of an Allowed General Unsecured Claim in Classes 8A, 8B, 8C~~ and~~, 8D and 8E ~~against NIU Holdings LLC~~ shall receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, a distribution equal to the following:

A. with respect to each Holder of an Allowed General Unsecured Claim in Class 8A, Cash in an amount equal to 5.64% of its Allowed General Unsecured Claim against Holdings;

B. with respect to each Holder of an Allowed General Unsecured Claim in Class 8B, Cash in an amount equal to 20.18% of its Allowed General Unsecured Claim against Capco, provided that, in the event of an Overbid, such percentage shall equal the result, expressed as a percentage, of dividing (x) the Capco Distributable Value Allocation on account of the Capco Note Claims against Capco after accounting for such Net Overbid Proceeds, by (y) the amount of the Allowed Class 5B Claims;

C. with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NIS, Cash in an amount equal to 4.51% of its Allowed General Unsecured Claim;

D. with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Aviation, Inc., Cash in an amount equal to 0.15% of its Allowed General Unsecured Claim;

E. with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Funding Corp., Cash in an amount equal to 0.24% of its Allowed General Unsecured Claim;

F. with respect to each Holder of an Allowed General Unsecured Claim in Class 8C against NII Global Holdings, Inc., Cash in an amount equal to 0.18% of its Allowed General Unsecured Claim;

G. with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Holdings S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Holdings S.à r.l.;

H. with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against NII International Services S.à r.l., Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NII International Services S.à r.l.;

I. with respect to each Holder of an Allowed General Unsecured Claim in Class 8D against Luxco, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against Luxco;

J. with respect to each Holder of an Allowed General Unsecured Claim in Class 8E against NIU Holdings LLC, Cash in an amount equal to 100% of its Allowed General Unsecured Claim against NIU Holdings LLC;

K. with respect to each Holder of an Allowed General Unsecured Claim ~~against McCaw International (Brazil), LLC~~ in Class 8E~~, such Holder shall receive no distribution on account of its Allowed General Unsecured Claim~~ against McCaw International (Brazil), LLC, ~~and such Claims shall be extinguished on the Effective Date;~~its share of the property available for distribution of McCaw International (Brazil), LLC ratably with all other Allowed unsecured Claims against McCaw International (Brazil), LLC;

L. with respect to each Holder of an Allowed General Unsecured Claim ~~against Airfone Holdings, LLC~~ in Class 8E~~, such Holder shall receive no distribution on account of its Allowed General Unsecured Claim~~ against Airfone Holdings, LLC, ~~and such Claims shall be extinguished on the Effective Date~~its share of the property available for distribution of Airfone Holdings, LLC ratably with all other Allowed unsecured Claims against Airfone Holdings, LLC; and

M. with respect to each Holder of an Allowed General Unsecured Claim ~~against NII Mercosur, LLC~~ in Class 8E~~, such Holder shall receive no distribution on account of its Allowed General Unsecured Claim~~ against NII Mercosur, LLC, ~~and such Claims shall be extinguished on the Effective Date~~its share of the property available for distribution of NII Mercosur, LLC ratably with all other Allowed unsecured Claims against NII Mercosur, LLC.

N. Unless otherwise agreed by the Holder of a Convenience Claim and the applicable Debtor and the Creditors' Committee, on the Effective Date, each Holder of an Allowed Convenience Claim shall receive, subject to the terms of the Plan, in full satisfaction, settlement, release and discharge of, and in exchange for, such Claim, Cash equal to the amount of such Allowed Claim (as reduced, if applicable, pursuant to an election by the Holder thereof in accordance with Section I.A.~~56~~54 of the Plan)~~; provided, however, that if the amount of the Convenience Claims exceeds the Maximum Convenience Class Payment, each Holder of an Allowed Convenience Claim shall receive its Pro Rata share of the Maximum Convenience Class Payment; provided, further, however, that notwithstanding anything herein to the contrary, each Holder of an Allowed Convenience Claim shall receive a percentage recovery on account of its Allowed Claim against a Plan Debtor that is not less than the percentage recovery received by Holders of Allowed General Unsecured Claims against the applicable Plan Debtor but in no event shall any such percentage recovery exceed 100.0%~~.

O. No property shall be distributed to or retained by the Holders of Section 510 Claims, and such Claims shall be extinguished on the Effective Date. Holders of Section 510 Claims shall not receive any distribution pursuant to the Plan.

P. No property shall be distributed to or retained by the Holders of Section 510 Claims, and such Claims shall be extinguished on the Effective Date. Holders of Section 510 Claims shall not receive any distribution pursuant to the Plan.

Q. On the Effective Date, all Subsidiary Debtor Equity Interests shall not receive any distribution pursuant to the Plan and shall be Reinstated, subject to Section III.C.1 of the Plan.

Summary report: **Litéra® Change-Pro TDC 7.5.0.96 Document comparison done on 4/2/2015 3:22:27 PM**	
Style name: JD Color	
Intelligent Table Comparison: Inactive	
Original DMS:iw://NYI/NYI/524647840/1	
Modified DMS: iw://NYI/NYI/524647840/3	
Changes:	
Add	43
~~Delete~~	57
~~Move From~~	0
Move To	0
Table Insert	0
~~Table Delete~~	0
Table moves to	0
~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format Changes	0
Total Changes:	100

EXHIBIT 3

Prospective Financial Information

~~(To Come)~~

FINANCIAL PROJECTIONS

The Debtors (together with the Non-Debtor Affiliates, the "Company"), with the assistance of their advisors, developed a set of financial projections for the four-year period of 2015 through and including 2018 (such projections, the "Financial Projections" and, such period, the "Projection Period") for the purpose of demonstrating feasibility of the Plan.[1] The Financial Projections present, to the best of the Debtors' knowledge, the Reorganized Debtors' projected financial position, results of operations, and cash flows during the Projection Period and reflect the Debtors' assumptions and judgments as of December 2014, except for certain updates made to the projections described below.

Scope of Projections

The Financial Projections are based on the assumption that the Effective Date will occur on or about June 30, 2015. If the Effective Date is significantly delayed or if certain projected proceeds are not timely received, additional expenses, including professional fees, and additional post-petition financing may be incurred and operating results may be negatively impacted.

The following significant changes were made to the previous version of the Financial Projections prepared in December 2014:

- The sale of NII Mexico is assumed to close on April 30, 2015 for proceeds of $1.875 billion less adjustments for net debt and other items. Approximately $688 million of the net proceeds are distributed on the Effective Date to bondholders in accordance with the Plan Support Agreement and approximately $515 million is retained by the Company to fund its operations, which excludes restricted cash held in escrow. In addition, the planned sale of certain tower assets in Mexico in the first quarter of 2015 has been removed.
- The sale of NII Argentina is assumed to occur on June 30, 2015 and the expected proceeds have been adjusted downward.
- The business plan for the Company's headquarters has been revised to reflect the avoidance of certain costs related to the support of NII Mexico, removal of the previously contemplated $500 million exit financing, and inclusion of the borrowing and subsequent repayment of $350 million debtor-in-possession financing.

Other than these changes, the operating results in the Financial Projections do not reflect any material changes to the assumptions and judgments used as of December 2014. In addition, the estimated beginning balances as of January 1, 2015 included in the Financial Projections have not been updated to reflect the actual financial results as of December 31, 2014 reported in the Company's annual report on Form 10-K filed with the SEC on March 10, 2015.

The Financial Projections do not fully reflect the application of fresh start accounting. In addition, any gain or loss resulting from the sale of NII Mexico and NII Argentina directly impacts shareholders' equity in the Financial Projections.

The Financial Projections include the (i) Projected Consolidated Income Statement of Reorganized NII Holdings, Inc., (ii) Projected Consolidated Balance Sheet of Reorganized NII Holdings, Inc., and (iii) Projected Consolidated Cash Flow Statement of Reorganized NII Holdings, Inc.

The Financial Projections are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Factors that could cause actual results to differ materially from the Financial Projections include, but are not limited to: increased competition impacting service offerings, pricing, and ability to attract and retain subscribers; ability to keep pace with technological changes in the wireless industry; cost of equipment and infrastructure; changes in government policies, regulations and requirements applicable to the Company; foreign exchange fluctuations and ability to repatriate funds held in foreign currencies; significance of coverage in areas

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[1] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Plan or the Disclosure Statement, as applicable.

where the Company does not have and/or plan to expand service; increase in expectations of network quality; customer and/or vendor concerns related to restructuring and financial health of the Company; execution of network investment plan; supplier performance for iDEN equipment; revocation or modification of operating licenses; major network disruptions and/or security threats; and availability of funding as forecasted in the Financial Projections.

KEY ASSUMPTIONS TO FINANCIAL PROJECTIONS

Methodology

The Debtors prepared a business plan (the "Business Plan") that presents the Financial Projections of consolidated operations and cash flows of the Debtors, including all operations of the Non-Debtor Affiliates. The Business Plan incorporates assumptions related to certain economic and business conditions for the Projection Period, including macroeconomic factors as well as trends in the mobile telecommunications industry. The Business Plan projects that only NII Brazil will remain under the ownership of the Company for the entire Projection Period, while NII Mexico and NII Argentina are projected to be divested. The Company's headquarters is projected to continue providing necessary corporate functions to support the U.S. stock listing and public disclosure requirements of the ongoing Brazil operations, including accounting, tax, legal, and finance functions. The Financial Projections reflect the consummated sale of NII Chile in August 2014 and no further impact to the Financial Projections thereafter.

The Financial Projections for NII Brazil were prepared in local currency, Brazilian *reais* (BRL), and converted into U.S. dollars (USD) at an average exchange rate of 2.44 BRL/USD in 2015 and 2.4 BRL/USD in 2016 through 2018. These rates approximate the 52 week average value of the BRL as of March 2015.The Financial Projections for NII Mexico were prepared in U.S. dollars assuming the average Mexican peso (MXN) to U.S. dollar (USD) foreign currency exchange rate is 13.2 MXN/USD in 2015.

Due to recent economic trends, the current prevailing foreign currency exchange rates in Brazil and Mexico are significantly weaker than the foreign currency exchange rates assumed in the Financial Projections. A decline in the values of the local currencies in the markets in which the Company operates affects its operating results because the Company generates nearly all of its revenues in foreign currencies, but it pays for some of its operating expenses and capital expenditures in U.S. dollars. Further, because the Company reports its results of operations in U.S. dollars, declines in the value of local currencies in its markets relative to the U.S. dollar result in reductions in the Company’s reported revenues, as well as a reduction in the carrying value of the Company’s assets, including the value of cash investments held in local currencies. Depreciation of the local currencies also results in increased costs to the Company for imported equipment. The Company has entered into some limited hedging arrangements to mitigate short-term volatility in foreign exchange rates, but has not hedged against long-term movements in foreign exchange rates because the alternatives currently available for hedging against those movements are limited and costly. Because the Financial Projections assume that NII Mexico will be sold on April 30, 2015, the impact of the weaker foreign currency exchange rates in Mexico is expected to be limited. However, if the actual foreign currency exchange rates in Brazil are different from what is assumed in the Financial Projections, it would likely have an impact on the Company’s future financial results.

Revenue

The Financial Projections forecast wireless service and other revenues. Wireless service revenue primarily includes fixed monthly charges for mobile telephone service, wireless data services and push-to-talk and other services, including revenues from calling party pays programs and variable charges for airtime and two-way radio usage, long-distance charges, and international roaming revenues derived from calls placed by the Company's subscribers. Wireless service revenue considers a variety of service plans tailored for subscribers on the Company's iDEN and 3G/4G networks. Other revenues primarily includes revenues generated by the Company's handset maintenance programs, roaming revenues generated from other service providers' subscribers that roam on the Company's networks and co-location rental revenues from third-party tenants that rent space on the Company's towers. Wireless service and other revenues exclude revenues generated from the sales of handsets and accessories, which are netted against handset upgrades costs in Operating Expenses before Marketing, Sales, and Fulfillment and against cost of handset sales in Marketing, Sales and Fulfillment.

The Debtors' primary revenue stream is related to customer access to the Company's mobile communications networks. The Financial Projections forecast a growing share of subscribers on the more advanced 3G/4G networks and a declining share of subscribers on the iDEN networks during the Projection Period. The Debtors used third-party industry projections as a basis for industry subscriber counts, gross subscriber additions ("gross adds"), subscriber churn ("churn"), and average revenue per user ("ARPU") for market segments relevant to the Company. The Debtors then assumed a share of gross additions and ARPU by market segment consistent with historical results, macroeconomic expectations, and/or future marketing strategies. Churn estimates considered industry projections for market segments relevant to the Company, historical performance, and/or expected customer experience on the Company's 3G/4G networks.

NII Brazil is projected to generate service revenue from both its 3G/4G and iDEN networks. Total subscribers and ARPU on the iDEN network in Brazil are forecasted to decline during the Projection Period. Total subscribers on the 3G/4G network in Brazil are forecasted to increase significantly over the Projection Period as the Company aggressively pursues new subscribers with its attractive service offerings and as a certain portion of subscribers on its iDEN network switch to the advanced 3G/4G network. Despite the significant expected subscriber growth, NII Brazil's share of gross subscriber additions (gross adds) is expected to remain at or below historical levels. ARPU from subscribers on its 3G/4G network is forecasted to be fairly stable over the Projection Period. NII Brazil does not expect to add subscribers who pay on a prepaid basis.

Recently, the macroeconomic conditions in Brazil have weakened, which has led to slower growth in the wireless telecommunications market. While NII Brazil continues to gain share of the 3G postpaid segment in line with or better than projected, these conditions have led to slower than expected subscriber growth, higher subscriber churn, lower revenue growth and higher bad debt expense. If these macroeconomic conditions continue, they could adversely affect NII Brazil's ability to generate the operating results in the Financial Projections.

NII Mexico is projected to generate service revenue from both its iDEN and 3G/4G networks. In addition, NII Mexico expects to add subscribers that pay for their services both on a prepaid and postpaid basis. Consistent with historical results and expected rate plans, postpaid subscribers on both iDEN and 3G/4G are expected to generate a higher ARPU compared to prepaid subscribers.

Operating Expenses other than Marketing, Sales, and Fulfillment

The Debtors view a certain subset of operating expenses as costs to provide wireless service to the entire subscriber base and do not relate to subscriber acquisition. The Debtors designate these costs as Operating Expenses before Marketing, Sales, and Fulfillment and refers to them on an average subscriber basis as "Cash Costs per User" or "CCPU". These costs include interconnect costs, site costs, service and repair costs, handset upgrade costs, general and administrative expenses, and other expenses unrelated to customer acquisition. In calculating CCPU, the sum of these costs on a monthly basis is divided by the average number of subscribers during the period. In general, CCPU on a consolidated basis declines over the entire Projection Period as a result of projected scale advantages, local regulatory rules favoring the Company, mix shift of handset upgrades away from customized handsets, and targeted cost reduction efficiencies.

The key assumptions related to Operating Expenses before Marketing, Sales and Fulfillment that are reflected in CCPU are as follows:

For interconnect costs, the Debtors assume that mobile termination rates will decline based on industry trends and regulatory reforms, which will be partially offset by higher usage as the subscriber base shifts from its iDEN network to its 3G/4G network. The Debtors also assume that it will leverage its existing roaming relationship with Telefonica in Brazil, under which the Company pays for charges when its subscribers roam on Telefonica's network. Among other things, the Debtors used third-party forecasts and its knowledge of the industry to develop these assumptions.

For site costs, the Debtors assume that new cell sites will be built to, among other things, support the expected growth in mobile voice and data usage as the subscriber base grows and meet the Company's regulatory coverage requirements in Brazil. The assumptions used in the Financial Projections are based on the Debtors' estimate of the

number of cell sites needed to support the Company's growth plans, which incorporates the expected use of the Company's existing roaming relationship with Telefonica.

For service and repair costs, the Debtors assume that the Company will continue to provide these services to its subscribers. Service and repair costs per subscriber are expected to decline as the Company does not offer this service to its 3G or 4G subscribers in Brazil.

For handset upgrade costs, the Debtors assume that the Company will continue to invest in both retaining existing subscribers and migrating certain subscribers to its 3G/4G network by offering handset upgrade subsidies and other retention-related offers. The Debtors' forecast for upgrade costs is consistent with what it believes the Company will need to spend to maintain its churn at the forecasted levels.

For general and administrative costs (G&A), the Debtors assume that the Company will capture economies of scale as it grows its subscriber base over the coming years. It also reflects the implementation of cost reduction initiatives the Company has implemented and expects to implement in the future.

For other costs, the Debtors assume that the Company will continue to incur costs that are necessary to support the business operation that are not captured in the other cost categories.

Marketing, Sales, and Fulfillment Expenses

The Debtors view a certain subset of operating expenses as costs incurred for subscriber acquisition. The Debtors designate these costs as Marketing, Sales, and Fulfillment Expenses and refer to them on a gross subscriber addition basis as "Cost per Gross Addition" or "CPGA". The costs included in this metric are advertising costs, commissions, handset subsidies, and fulfillment and other costs. In calculating CPGA, the sum of these costs on a monthly basis is divided by the total number of gross adds during the period. In general, consolidated CPGA is projected to decline in 2015, resulting from a shift in handset mix; marketing strategy favoring direct channels, which are more cost efficient; more efficient handset delivery options; and targeted cost reductions and efficiencies. Thereafter, consolidated CPGA generally increases in 2016 through and including 2018, reflecting increased costs for newer technology handsets and marketing costs to support continued subscriber growth.

The key assumptions related to Marketing, Sales and Fulfillment Expenses that are reflected in CPGA are as follows:

For advertising costs, the Debtors assume that the Company will spend at a level consistent with industry-wide benchmarks. The Company's brand positioning is a key competitive differentiator.

For commissions costs, the Debtors assume that the Company will continue to incentivize both its direct and indirect sales forces to reach its gross add targets. The Debtors' estimate of commission rates reflects their best estimate of the cost of remaining competitive.

For handset subsidies costs, the Debtors assume that the Company will continue to offer handset subsidies to new postpaid subscribers consistent with the market. The Debtors' forecasts for per-gross add handset subsidies reflect their estimate of the cost of devices and the subsidy level required for the Company to remain competitive for market segments relevant to the Company.

For fulfillment and other costs, the Debtors assume that the Company will employ a more efficient handset delivery model than it does today, based on initiatives implemented and that it expects to implement in the future. The costs the Debtors have assumed for fulfillment and other are their best estimate of the costs required for the Company to reach its growth aspirations.

Taxes

The Debtors forecasted tax liabilities and payments for income taxes and value added taxes ("VAT"). Both taxes considered rates in all jurisdictions where the Company operates along with rules and regulations in place at the time the Financial Projections were prepared.

The Debtors forecasted income tax liabilities based on projected pre-tax income for each quarter during the Projection Period. Income taxes were forecasted independently in each region and included the ability within each region to utilize historical and forecasted net losses and/or other tax attributes to offset local tax payments in the future. The basis for all tax calculations considers local rules and regulations in place at the time the Financial Projections were prepared.

From 2015 through and including 2018, NII Brazil is projected to pay income taxes beginning in 2017 as soon as it begins to generate positive taxable income. From 2015 through and including 2018, the Debtors do not project to pay any income taxes in the United States for its headquarters operations as no taxable income is expected to be generated in the Projection Period.

The Debtors forecasted VAT liabilities based primarily on aggregate sales and purchases during the Projection Period as well as other business activities in Brazil that would generate a VAT liability. VAT was forecasted considering local rules and regulations in place at the time the Financial Projections were prepared. In addition, VAT payments assume that existing credits are able to be utilized in the Projection Period based on the credit schemes in place at the time the Financial Projections were prepared.

From 2015 through and including 2018, NII Brazil is projected to pay VAT at an increasing amount each year as existing credits are fully utilized by the beginning of 2015, and the volume of handset sales and service revenue increases during the Projection Period.

Capital Expenditures

The Debtors forecasted capital expenditures to support the continued build-out of the enhanced 3G/4G networks and regulatory requirements. Capital expenditures are forecasted to mainly consist of the costs to build, maintain, and update the Company's 3G/4G network equipment, including towers, antennas, and transmission equipment. To determine the capital needs for the 3G/4G networks, the Debtors considered projected subscriber growth rates; projected voice, data, and messaging traffic usage per subscriber consistent with industry expectations; and geographic capacity and coverage required to maintain a quality network experience.

To determine the capital expenditures required to support the additional network needs during the Projection Period, the Debtors considered the mix of new sites (e.g., indoor, outdoor), network equipment per site, and historical costs per site. For NII Brazil, the Debtors assume the Company's purchase of spectrum from the government in 2015 to support the broader build-out of the 4G network in São Paulo. In addition, for capital expenditures the Debtors assume the Company's ability to optimize costs through collocation of equipment, technology overlays, and strategic use of roaming agreements with other carriers.

The Debtors have included negligible amounts of capital expenditures in the Financial Projections to maintain the existing iDEN networks. The Financial Projections assume all regulatory requirements that were in effect at the time the Financial Projections were prepared are met in Brazil throughout the Projection Period.

Outside of network-related capital expenditures, the Financial Projections include amounts for other investments, including retail stores, furniture and fixtures, and information technology. These non-network expenditures considered the investments necessary to support maintenance of assets and any new direct-channel marketing activities.

Financing

The Financial Projections assume the business operations will be fully funded throughout the Projection Period using proceeds from the sale of NII Mexico and NII Argentina. In addition, the Financial Projections assume that the Company borrows $350 million in debtor-in-possession financing in March 2015 and repays the amount borrowed and accrued interest in April 2015 using proceeds from the sale of NII Mexico. The Financial Projections assume that all pre-petition unsecured senior notes are cancelled.

CONSOLIDATED INCOME STATEMENT ($ Millions)

Revenue	**2015E**	**2016E**	**2017E**	**2018E**
Service	$2,147	$2,112	$2,554	$2,927
Other	245	$268	$324	$372
Total revenue	**$2,391**	**$2,381**	**$2,878**	**$3,299**
% growth	*(32%)*	*(0%)*	*21%*	*15%*
Interconnect	$212	$278	$403	$495
Site Costs	515	398	438	462
Service & Repair Cost	28	5	0	0
Upgrade Cost	140	95	124	148
G&A	571	478	523	546
Other	205	218	247	272
Expenses before marketing and sales cost	**$1,672**	**$1,471**	**$1,736**	**$1,923**
Cash cost per user (USD/month)	*$19.27*	*$21.65*	*$22.14*	*$21.99*
EBITDA Before Marketing and Sales	**$720**	**$910**	**$1,142**	**$1,376**
Advertising	$95	$90	$104	$112
Commissions	129	91	81	84
Subsidies	178	165	186	195
Fulfillment & Other	162	129	129	131
Marketing and sales	**$565**	**$475**	**$501**	**$523**
Cost per gross add (CPGA)	*$174*	*$198*	*$205*	*$207*
Total operating expenses	**$2,236**	**$1,946**	**$2,237**	**$2,445**
EBITDA	**$155**	**$434**	**$641**	**$854**
% margin	*6.5%*	*18.3%*	*22.3%*	*25.9%*
Depreciation	$359	$326	$355	$376
Amortization	$49	$45	$45	$45
Depreciation and amortization	**408**	**371**	**400**	**421**
EBIT	**($253)**	**$63**	**$242**	**$433**
% margin	*(11%)*	*3%*	*8%*	*13%*
Interest expense	$163	$143	$123	$98
Interest income	(18)	(12)	(8)	(16)
Other expenses	124	0	0	0
Pre-tax (loss) / income	**($521)**	**($68)**	**$127**	**$352**
Income tax provision	$11	$0	$26	$77
Tax rate	*(2.2%)*	*0.0%*	*20.4%*	*21.8%*
Net (loss) / income	**($533)**	**($68)**	**$101**	**$275**

CONSOLIDATED BALANCE SHEET ($ Millions)

	2015E	2016E	2017E	2018E
Cash, restricted cash and ST investments	$816	$619	$550	$714
Accounts receivable, net	452	592	700	791
Inventory, net	86	60	71	80
Prepaid expenses & other	92	60	63	68
Value added tax receivable	254	337	433	539
Total current assets	**$1,700**	**$1,668**	**$1,817**	**$2,191**
PP&E and intangibles, net	$2,248	$2,238	$2,113	$1,888
Other long-term assets	167	172	177	182
Total assets	**$4,115**	**$4,077**	**$4,106**	**$4,260**
Accounts payable	$86	$140	$159	$171
Accrued expenses	516	598	659	697
Other current liabilities	105	119	131	140
Total current liabilities	**$706**	**$857**	**$948**	**$1,009**
Senior notes	$0	$0	$0	$0
Bank loans and vendor financing	810	701	545	366
Towers financing and capitalized leases	226	215	207	205
Total debt	**$1,036**	**$916**	**$753**	**$571**
Other long-term liabilities	229	229	229	229
Total liabilities	**$1,972**	**$2,002**	**$1,930**	**$1,809**
Shareholders' equity	2,143	2,075	2,176	2,451
Total liabilities and shareholders equity	**$4,115**	**$4,077**	**$4,106**	**$4,260**

CONSOLIDATED STATEMENT OF CASH FLOWS ($ Millions)

	2015E	2016E	2017E	2018E
Operating				
Net (loss) / income	($533)	($68)	$101	$275
Depreciation	359	326	355	376
Amortization	49	45	45	45
Change in net working capital	(168)	70	(31)	(44)
VAT	(83)	(83)	(96)	(105)
Other changes in cash	(5)	(5)	(5)	(5)
Cash flows from operating activities	**($381)**	**$285**	**$369**	**$542**
Investing				
Proceeds from sales of assets	$1,541	$0	$0	$0
Capital expenditures and spectrum licenses	(450)	(361)	(275)	(196)
Cash flows from investing activities	**$1,090**	**($361)**	**($275)**	**($196)**
Cash flows before financing	**$710**	**($76)**	**$94**	**$346**
Financing				
Borrowings	$444	$0	$0	$0
Repayments and distributions	(1,073)	(120)	(163)	(182)
Total repayments	(629)	(120)	(163)	(182)
Net change in cash	**$81**	**($196)**	**($69)**	**$164**
Beg balance, cash, restricted cash and ST investments	**$735**	**$816**	**$619**	**$550**
Net change	81	(196)	(69)	164
End balance, cash, restricted cash and ST investments	**$816**	**$619**	**$550**	**$714**

Cash and ST investments	**$609**	**$427**	**$545**	**$710**
Restricted cash	207	192	5	4
Total	**$816**	**$619**	**$550**	**$714**

EXHIBIT 4

Valuation Analysis

~~(To Come)~~

Valuation Analysis

I. Overview

Rothschild Inc. ("Rothschild") has performed an analysis of the estimated distributable value of NII Holdings, Inc. (together with its subsidiaries, the "Company" or "NII") on a going-concern basis.[1]

In preparing its analysis, Rothschild has, among other things: (i) reviewed certain recent publicly available financial results of the Company; (ii) reviewed certain internal financial and operating data of the Company, including the financial projections prepared and provided by the Company's management ("Management") on March 12, 2015 for the calendar years 2015 through 2018 (the "Financial Projections"); (iii) discussed with certain senior executives the current operations and prospects of the Company, as well as key assumptions related to the Financial Projections; (iv) prepared discounted cash flow analyses based on the Financial Projections, utilizing various discount rates, perpetuity growth rates and terminal value multiples; (v) considered the multiples of certain publicly traded companies in businesses reasonably comparable to the operating businesses of the Company; (vi) utilized specific tax assumptions and net operating loss carryforward ("NOL") information and analysis prepared by Management; (vii) considered the terms of the Stalking Horse Purchase Agreement; and (viii) conducted such other analyses as Rothschild deemed necessary under the circumstances. Rothschild also has considered a range of potential risk factors.

Rothschild assumed, without independent verification, the accuracy, completeness and fairness of all of the financial and other information available to it from public sources or as provided to Rothschild by the Company or its representatives. Rothschild also assumed that the Financial Projections have been reasonably prepared on a basis reflecting the Company's best estimates and judgment as to future operating and financial performance. Rothschild did not make any independent evaluation of the Company's assets, nor did Rothschild verify any of the information it reviewed. To the extent the valuation is dependent upon the Reorganized NII's achievement of the Financial Projections, the valuation must be considered speculative. Rothschild does not make any representation or warranty as to the fairness of the terms of the Plan.

In addition to the foregoing, Rothschild relied upon the following assumptions with respect to the valuation of the Company:

- The Effective Date occurs on or about June 30, 2015 ("Effective Date").
- This valuation was conducted as of March 12, 2015.
- The Company is able to recapitalize with adequate liquidity as of the Effective Date.
- The Company performs to the levels forecasted in the Financial Projections.
- The Company closes the sale of NII Mexico by April 30, 2015 and the sale of NII Argentina by June 30, 2015.

[1] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Plan or the Disclosure Statement, as applicable.

- The pro forma debt levels of the Company at the Effective Date will be approximately $1.0 billion, assuming the completion of the sale of NII Mexico by April 30, 2015.

- Reorganized NII is able to offset earnings against NOLs based on the tax analysis prepared by Management and the Company's outside accountants.

- General financial and market conditions as of the Effective Date will not differ materially from those conditions prevailing as of March 12, 2015.

- Rothschild has not considered the impact of a prolonged bankruptcy case and has assumed operations will continue in the ordinary course consistent with the Financial Projections.

II. Valuation Methodologies

In developing the valuation range, Rothschild used the following methodologies:

A. Discounted Cash Flow Analysis

The Discounted Cash Flow analysis ("DCF") is a forward-looking valuation methodology that is used to calculate the intrinsic value of an asset or a business by calculating the present value of expected future cash flows and the value of the business beyond the projected horizon ("Terminal Value") and discounting them by the company's weighted average cost of capital ("WACC"), using mid-year convention. The Terminal Value is derived using either an exit multiple of EBITDA based on a range selected to reflect the trading levels of peer companies or a perpetuity growth rate. The WACC is a blended rate of return that captures the required returns of both debt and equity investors. For the DCF, Rothschild made the following assumptions:

Segment	**Terminal Value methodology**	**WACC**
Brazil	5.0-5.5x EBITDA	12.0-14.0%
HQ[2]	0% perpetuity growth	13.0%

In addition, the DCF included the net present value of the NOLs.

B. Trading Values Analysis

The Trading Values analysis estimates the value of a company based on a relative comparison with other publicly traded companies with similar operating and financial characteristics. Rothschild selected public companies that offer wireless telecommunications services in Latin America and the Caribbean and for which revenues relating to telecommunications services in those regions comprised at least two-thirds of such companies' revenues. Under this methodology, the enterprise value for each selected public company was determined by examining the trading prices for the equity securities of such companies in the public markets and adding the aggregate amount of outstanding net debt for such company and

[2] "HQ" refers to NII Holdings corporate headquarters.

minority interest and subtracting equity in affiliates. Those enterprise values are commonly expressed as multiples of various measures of operating statistics, most commonly revenues, EBITDA and EBITDA less capital expenditures. In addition, each of the selected public companies' operational performance, operating margins, profitability, leverage and business trends were examined.

In addition, the Trading Values analysis adjusts for the DCF value of HQ as described above.

C. Additional Valuation Considerations

Rothschild considered valuation analyses based upon precedential or comparable transactions, which analyses estimate value by examining public merger and acquisition transactions that involve companies similar to Reorganized NII. However, due to the general scarcity of recent data points in this respect, Rothschild concluded precedential transactions were not applicable to this valuation analysis. Notwithstanding the above, Rothschild assumed that NII Mexico had an implied enterprise value of $1.875 billion, pursuant to the Stalking Horse Purchase Agreement.

III. Total Enterprise Value and Total Distributable Value

As a result of such analyses, review, discussions, considerations and assumptions, Rothschild estimates the total distributable value ("TDV") of the Company at approximately $2.6 billion to $3.1 billion. The TDV reflected in the Plan is $2.813 billion as of June 30, 2015.

The calculation of TDV is comprised of:

(1) Reorganized NII total enterprise value ("TEV") which includes the Brazil and HQ segments, less pro forma total debt as of June 30, 2015 to estimate total equity value in Reorganized NII, and

(2) Estimated distributable net cash proceeds from the sale of NII Mexico and NII Argentina, adjusted as described below and net of repayment of the DIP Loan in full.

The distributable net cash proceeds from the sale of NII Mexico were adjusted for the repayment of debt and spectrum license payment rebates, in each case as provided by Management. In addition, Rothschild's valuation range assumes an expected value to the Company of indemnity escrow proceeds equal to (i) with respect to the high-end of Rothschild's valuation range, 100% of the escrowed amounts, discounted to June 30, 2015 at the cost of equity, and (ii) with respect to the low-end of Rothschild's valuation range, 50% of the high-end value.

	Rothschild valuation range[3]	
	Low	**High**
Reorganized NII Total Enterprise Value[1]	**$2.5**	**$2.9**
Less: Debt as of June 30, 2015[2]	(1.0)	(1.0)
Reorganized NII Equity Value	1.5	1.9
Plus: Assumed NII Mexico and NII Argentina Distributable Cash Proceeds	1.4	1.5
Less: $350m DIP Loan Repayment	(0.4)	(0.4)
Total Distributable Value	**$2.6**	**$3.1**

Notes
[1] Includes the Brazil and HQ segments
[2] Assumes no excess cash or cash equivalents as of June 30, 2015
[3] Figures may not sum to total due to rounding

These estimated ranges of values are based on a hypothetical value that reflects the estimated intrinsic value of Reorganized NII derived through the application of various valuation methodologies. Rothschild's estimate is based on economic, market, financial and other conditions as they exist on, and on the information made available as of March 12, 2015. It should be understood that, although subsequent developments, before or after the Confirmation Hearing, may affect Rothschild's conclusions, Rothschild does not have any obligation to update, revise or reaffirm its estimate.

The summary set forth above does not purport to be a complete description of the analyses performed by Rothschild. The preparation of an estimate involves various determinations as to the most appropriate and relevant methods of financial analysis and the application of these methods in the particular circumstances and, therefore, such an estimate is not readily susceptible to summary description. The value of an operating business is subject to uncertainties and contingencies that are difficult to predict and will fluctuate with changes in factors affecting the financial condition and prospects of such a business and the state of the financial markets. The estimates prepared by Rothschild assume that the Reorganized NII will continue as the owner and operator of its businesses and assets and that such assets are operated in accordance with the Company's Financial Projections. Depending on the results of the Company's operations or changes in the financial markets, a valuation analysis as of the Effective Date may differ from that disclosed herein.

THE FOREGOING VALUATION IS BASED UPON A NUMBER OF ESTIMATES AND ASSUMPTIONS THAT ARE INHERENTLY SUBJECT TO SIGNIFICANT UNCERTAINTIES AND CONTINGENCIES BEYOND THE CONTROL OF THE COMPANY OR REORGANIZED NII. ACCORDINGLY, THERE CAN BE NO ASSURANCE THAT THE RANGES REFLECTED IN THE VALUATION WOULD BE REALIZED IF THE PLAN WERE TO BECOME

EFFECTIVE, AND ACTUAL RESULTS COULD VARY MATERIALLY FROM THOSE SHOWN HERE.

THE ESTIMATED CALCULATIONS OF ENTERPRISE VALUE, EQUITY VALUE AND TOTAL DISTRIBUTABLE VALUE ARE HIGHLY DEPENDENT UPON ACHIEVING THE FUTURE FINANCIAL RESULTS AS SET FORTH IN THE COMPANY'S FINANCIAL PROJECTIONS, AS WELL AS THE REALIZATION OF CERTAIN OTHER ASSUMPTIONS, NONE OF WHICH ARE GUARANTEED AND MANY OF WHICH ARE OUTSIDE OF THE COMPANY'S CONTROL, AS FURTHER DISCUSSED IN SECTION XI OF THE DISCLOSURE STATEMENT.

THE CALCULATIONS OF VALUE SET FORTH HEREIN REPRESENT ESTIMATED REORGANIZATION VALUES AND DO NOT NECESSARILY REFLECT VALUES THAT COULD BE ATTAINABLE IN PUBLIC OR PRIVATE MARKETS OR THE ACTUAL VALUES OF DISTRIBUTIONS MADE PURSUANT TO THE PLAN. THE EQUITY VALUE STATED HEREIN DOES NOT PURPORT TO BE AN ESTIMATE OF THE POST-REORGANIZATION MARKET VALUE. SUCH VALUE, IF ANY, MAY BE MATERIALLY DIFFERENT FROM THE REORGANIZED EQUITY VALUE RANGES ASSOCIATED WITH THIS VALUATION ANALYSIS. THE IMPLIED TOTAL DISTRIBUTABLE VALUES SET FORTH HEREIN ARE ESTIMATES ONLY AND DO NOT REFLECT ACTUAL VALUES THAT MAY BE ATTAINABLE IN ANY DISTRIBUTION MADE PURSUANT TO THE PLAN. NO RESPONSIBILITY IS TAKEN BY ROTHSCHILD FOR CHANGES IN MARKET CONDITIONS AND NO OBLIGATIONS ARE ASSUMED TO REVISE THIS CALCULATION OF REORGANIZED NII'S VALUE TO REFLECT EVENTS OR CONDITIONS THAT SUBSEQUENTLY OCCUR. THE CALCULATIONS OF VALUE DO NOT CONFORM TO UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE.