

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

-----X
:

In re: : Chapter 11

:

: Case No. 09-12659 (MFW)

PROTOSTAR LTD., et al.,¹ :

: (Jointly Administered)

:

Debtors. :

-----X

~~FIRST~~SECOND AMENDED ~~JOINT~~ CHAPTER 11 PLAN OF PROTOSTAR I LTD.
AND ITS AFFILIATED DEBTORS AND DEBTORS IN POSSESSION

~~November 11, 2009~~
January 26, 2010

MILBANK, TWEED, HADLEY &
M^cCLOY LLP

Matthew S. Barr
Peter K. Newman
One Chase Manhattan Plaza
New York, NY 10005-1413

PACHULSKI STANG ZIEHL &
JONES LLP

Laura Davis Jones
James E. O'Neill
Kathleen P. Makowski
919 North Market Street, 17th Floor
P.O. Box 8705
Wilmington, DE 19899-8705

*Attorneys For ProtoStar Ltd. And Its
Affiliated Debtors And Debtors In Possession*

¹ The ProtoStar entities, along with the last four digits of their respective federal tax identification numbers, are as follows: ProtoStar Ltd. (4245), ProtoStar I Ltd. (1042), ProtoStar II Ltd. (1244), ProtoStar Satellite Systems, Inc. (2615), ProtoStar Development Ltd. (none) and ProtoStar Asia Pte. Ltd. (none). The mailing address for ProtoStar is 100 California Street, Suite 700, San Francisco, CA 94111.



091265910012600000000004

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I	DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME AND GOVERNING LAW1
ARTICLE II	TREATMENT OF ADMINISTRATIVE EXPENSE CLAIMS AND PRIORITY TAX CLAIMS 20 <u>16</u>
ARTICLE III	CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS 21 <u>17</u>
ARTICLE IV	ACCEPTANCE OR REJECTION OF PLAN 26 <u>19</u>
ARTICLE V	PROVISIONS FOR IMPLEMENTATION OF PLAN 27 <u>20</u>
ARTICLE VI	EXECUTORY CONTRACTS AND UNEXPIRED LEASES 35 <u>27</u>
ARTICLE VII	PROVISIONS REGARDING DISTRIBUTIONS..... 36 <u>28</u>
ARTICLE VIII	PROCEDURES FOR RESOLUTION OF DISPUTED, CONTINGENT AND UNLIQUIDATED CLAIMS 42 <u>35</u>
ARTICLE IX	CONDITIONS PRECEDENT TO CONFIRMATION AND EFFECTIVE DATE OF THE PLAN 43 <u>37</u>
ARTICLE X	RELEASE, EXCULPATION, INJUNCTIVE AND RELATED PROVISIONS 45 <u>38</u>
ARTICLE XI	RETENTION AND PRESERVATION OF CAUSES OF ACTION 47 <u>40</u>
ARTICLE XII	RETENTION OF JURISDICTION 50 <u>43</u>
ARTICLE XIII	MISCELLANEOUS PROVISIONS 52 <u>45</u>

~~FIRST AMENDED~~ CHAPTER 11 PLAN

Pursuant to title 11 of the United States Code, 11 U.S.C. §§ 101 – 1532 (as amended, the “Bankruptcy Code”), ~~ProtoStar Ltd., PS I, PS II, PSS, PSD and PSA, as debtors~~ as debtor and ~~debtors~~ debtor in possession in the above-captioned chapter 11 cases, hereby respectfully propose the following ~~first amended~~ chapter 11 plan:

ARTICLE I

DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME AND GOVERNING LAW

A. *Rules of Interpretation, Computation of Time and Governing Law*

1. For purposes herein: (a) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and the neuter gender; (b) any reference herein to a contract, instrument, release, note 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 herein to an existing document or exhibit Filed, or to be Filed, shall mean such document or exhibit, as it may have been or may be amended, modified or supplemented; (d) unless otherwise specified, all references herein to articles, exhibits and schedules are references to the respective Articles, Exhibits or Schedules hereof or hereto; (e) the words “herein,” “hereof” and “hereto” refer to the Plan in its entirety rather than to a particular portion of the Plan; (f) 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 hereof; (g) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply and (h) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to such term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be.

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

3. Except to the extent that the Bankruptcy Code or Bankruptcy Rules apply, and subject to the express provisions of any contract, instrument, release, note or other agreement or document entered into in connection herewith, the laws of the State of New York, giving effect to the conflict of laws’ principles thereof, shall govern the construction of the Plan and any agreements, documents and instruments executed in connection with the Plan including, without limitation, any rule of law or procedure supplied by federal law as interpreted under the decisions of the State of New York (including the Bankruptcy Code and the Bankruptcy Rules).

B. *Defined Terms*

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

1. “12.5% Senior Secured Notes” means the 12.5% Senior Secured Convertible Notes due 2012 issued under the Senior Secured Notes Indenture.

2. “18.0% Senior Secured Notes” means those new notes bearing interest at 18.0% issued, as of February 23, 2009, by PS I to Prepetition 12.5% Senior Secured Noteholders in exchange for the 12.5% Senior Secured Notes.

3. “Adequate Protection Lien” has the meaning set forth in the ~~applicable~~ PS I Final DIP Order.

4. “Administrative Expense Claim” means any right to payment constituting a cost or expense of administration of the Chapter 11 Cases pursuant to sections 503(b) and 507(a)(2) or 507(b) of the Bankruptcy Code, including but not limited to: (a) the actual and necessary costs and expenses incurred after the Petition Date of preserving the Estates and operating ProtoStar’s businesses; (b) compensation for legal, financial advisory, accounting and other professional services, and reimbursement of expenses awarded or allowed pursuant to sections 327, 328, 330, 331, 503 or 1103 of the Bankruptcy Code, including Creditors’ Committee Members’ Expenses; (c) any indebtedness or obligations incurred or assumed by ProtoStar in connection with the conduct of their ~~business~~ businesses and (d) all fees and charges assessed against the Estates pursuant to section 1930 of chapter 123 of title 28 of the United States Code; *provided, however*, that the term Administrative Expense Claim does not include (i) any Assumed PS I Liabilities under the ~~Asset Purchase Agreements~~ PS I Asset Purchase Agreement or (ii) any liabilities of PS II and/or ProtoStar Ltd. assumed by the purchaser of the PS II Satellite and certain related assets pursuant to the APA therefor approved by the Bankruptcy Court.

5. “Administrative Expense Bar Date” means the date established by the Bankruptcy Court in the Bar Date Order (i.e., 4:00 p.m. (prevailing Eastern time) on October 30, 2009) by which Holders of Administrative Expense Claims arising between the Petition Date and September 30, 2009 were required to File a request for payment of such Administrative Expense Claim in accordance with the Bar Date Order.

6. “Affiliate” shall have the meaning ascribed to such term in section 101(2) of the Bankruptcy Code.

7. “Allowed” means a Claim allowable pursuant to section 502 of the Bankruptcy Code or ~~an~~ PS I Administrative Expense Claim allowable pursuant to section 503 of the Bankruptcy Code: (a) for which a Proof of Claim or request for payment of administrative expense was filed on or before the applicable Bar Date established by the Bankruptcy Court or by other order of the Bankruptcy Court and as to which no objection or other challenge to allowance thereof has been timely Filed, or if an objection or challenge has been timely Filed, such Claim or PS I Administrative Expense Claim is allowed by a Final Order; (b) for which a Proof of Claim or request for administrative expense is not filed and that has been listed in ~~ProtoStar~~ PS I’s Schedules and is not listed as disputed, contingent or unliquidated; or (c) that is

deemed allowed under the Plan or by prior order of the Bankruptcy Court; *provided, however*, that “Allowed Claim” shall not include any Claim subject to disallowance in accordance with section 502(d) of the Bankruptcy Code.

8. “APA” means Asset Purchase Agreement.

~~9. “Asset Purchase Agreements” means the PS I APA and the PS II APA.~~

~~10. “Assumed Liabilities” means the Assumed PS I Liabilities and the Assumed PS II Liabilities.~~

9. ~~11.~~ “Assumed PS I Liabilities” means those liabilities of PS I and/or ProtoStar Ltd. assumed by the PS I Purchaser pursuant to the PS I APA.

~~12. “Assumed PS II Liabilities” means those liabilities of PS II and/or ProtoStar Ltd. assumed by the PS II Purchaser pursuant to the PS II APA.~~

~~13. “Auctions” means the PS I Auction and the PS II Auction.~~

10. ~~14.~~ “Bankruptcy Clerk” means Clerk of the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801.

11. ~~15.~~ “Bankruptcy Code” means title 11 of the United States Code, as amended from time to time, as in effect on the Confirmation Date, as applicable to the Chapter 11 Cases.

12. ~~16.~~ “Bankruptcy Court” means the United States Bankruptcy Court for the District of Delaware, or any other court having jurisdiction over the Chapter 11 Cases.

13. ~~17.~~ “Bankruptcy Rules” means the Federal Rules of Bankruptcy Procedure, as amended from time to time, as applicable to the Chapter 11 Cases, promulgated pursuant to 28 U.S.C. § 2075 and the General, Local and Chambers Rules of the Bankruptcy Court, as amended from time to time.

14. ~~18.~~ “Bar Date” means, as applicable, the (i) Claims Bar Date, (ii) Governmental Unit Bar Date, (iii) Administrative Expense Bar Date or (iv) Second Administrative Expense Bar Date.

15. ~~19.~~ “Bar Date Order” means that certain Order Pursuant To 11 U.S.C. § 105(a) And Fed. R. Bankr. P. 3003(c)(3) Authorizing And Approving (i) Procedures Establishing Deadlines To File Proofs Of Claim And Make Requests For Payment Of Administrative Expenses And (ii) Form And Manner Of Notice Of Bar Dates (Docket No. 216) entered by the Bankruptcy Court establishing the Claims Bar Date, Governmental Unit Bar Date and Administrative Expense Bar Date in the Chapter 11 Cases.

~~20. “Bermuda Entities” means, collectively, ProtoStar Ltd., PS I, PS II and PSD, all of which are organized under the laws of Bermuda.~~

16. ~~21.~~ “*Bermuda Proceeding*” means that certain proceeding commenced on July 29, 2009 in the Supreme Court of Bermuda wherein ~~each of the Bermuda Entities~~PS I presented a winding up petition under the Companies Act 1981.

~~22.~~ —“*Bidding Procedures Orders*” means ~~the PS I BPO and the PS II BPO.~~

17. ~~23.~~ “*BNYM*” means The Bank of New York Mellon (formerly named The Bank of New York).

~~24.~~ —“*BPO*” means ~~Bidding Procedures Order.~~

18. ~~25.~~ “*Business Day*” means any day, other than a Saturday, Sunday, “legal holiday” (as defined in Bankruptcy Rule 9006(a)) or any other day on which commercial banks in New York are required or are authorized to close by law or executive order.

~~26.~~ —“*Chapter 5 Causes of Action*” means ~~any avoidance, recovery, subordination or other actions, Claims, causes of action, suits, judgments, third party claims, counterclaims and crossclaims against Insiders and/or any other Persons or Entities under the Chapter 5 of the Bankruptcy Code, including sections 506, 510, 542, 543, 544, 545, 547, 548, 549, 550, 551, and 553 of the Bankruptcy Code or otherwise, of ProtoStar or any ProtoStar entity, the Estates or any Estate whether known or unknown and whether asserted or unasserted as of the Effective Date; provided, however, that Chapter 5 Causes of Action shall not include any Excluded Actions.~~

19. ~~27.~~ “*Chapter 11 Cases*” means the chapter 11 cases styled *In re ProtoStar Ltd., et al.*, Case Number 09-12659 (MFW) (Jointly Administered), pending in the Bankruptcy Court.

20. ~~28.~~ “*Claim*” means a claim, as defined in section 101(5) of the Bankruptcy Code, against ~~a ProtoStar entity~~PS I.

21. ~~29.~~ “*Claims Agent*” means Kurtzman Carson Consultants LLC; the Claims Agent is located at 2335 Alaska Ave., El Segundo, CA 90245, telephone: (866) 381-9100.

22. ~~30.~~ “*Claims Bar Date*” means the date established by the Bankruptcy Court in the Bar Date Order (i.e., 4:00 p.m. (prevailing Pacific time) on October 14, 2009) by which Holders of Claims other than Governmental Unit Claims are required to File Proofs of Claim on account of such Claims in accordance with the Bar Date Order.

~~31.~~ —“*Claims Objection Deadline*” means ~~180 days after the Effective Date, or such later date as may be ordered by the Bankruptcy Court.~~

23. ~~32.~~ “*Class*” means a category of Holders of Claims or Equity Interests as set forth in Article III herein.

~~33.~~ —“*Closing Date*” means ~~the PS I Closing Date and the PS II Closing Date.~~

24. ~~34.~~ “*Confirmation*” means the entry on the docket by the Clerk of the Bankruptcy Court of the Confirmation Order, subject to all conditions specified in Article IX.A herein having been satisfied or waived pursuant to Article IX.C herein.

25. ~~35.~~ “Confirmation Date” means the date upon which the Confirmation Order is entered by the Bankruptcy Court on its docket, within the meaning of Bankruptcy Rules 5003 and 9021.

26. ~~36.~~ “Confirmation Hearing” means the hearing or hearings at which the Bankruptcy Court considers entry of the Confirmation Order.

27. ~~37.~~ “Confirmation Order” means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code, which shall be in form and substance acceptable to counsel for the Noteholder Supporting Creditors ~~and counsel for the CS Facility Lenders.~~

28. ~~38.~~ “Creditor” means any Holder of a Claim.

29. ~~39.~~ “Creditors’ Committee” means the Official Committee of Unsecured Creditors appointed by the United States Trustee in ~~these~~the Chapter 11 Cases on August ~~11,~~10, 2009.

30. ~~40.~~ “Creditors’ Committee Members” means, as currently constituted, Philippine Long Distance Telephone Company, ILS International Launch Services, ~~Space Systems/Loral, Inc.,~~ Integral Systems, Inc. and Afro Asian Satellite Communications Mauritius Ltd., and, prior to January 11, 2010, also Space Systems/Loral, Inc., each in their capacity as a member of the Creditors’ Committee, ~~as currently constituted.~~

31. ~~41.~~ “Creditors’ Committee Members’ Expenses” means any Administrative Expense Claim of a Creditors’ Committee Member under section 503(b)(3)(F) of the Bankruptcy Code.

~~42. — “CS” means Credit Suisse, Singapore Branch, in its separate legal roles as Agent, Security Agent and Calculation Agent to the CS Facility.~~

~~43. — “CS Facility” means that certain Facility Agreement, dated as of March 19, 2008, among ProtoStar Ltd., as borrower, PS II, PSD and PSS, as guarantors, CS, the CS Facility Lenders and Credit Suisse International, as Hedging Bank.~~

~~44. — “CS Facility Collateral Agreement” means that certain Security and Guarantee Agreement, dated as of March 31, 2008, by an among ProtoStar Ltd., as borrower, PS II, PSS and PSD, as guarantors, and CS.~~

~~45. — “CS Facility Claims” means the Claims of the CS Facility Lenders based on the Prepetition Obligations.~~

~~46. — “CS Facility Collateral Actions” means the CS Facility ProtoStar Ltd. Collateral Actions, the CS Facility PS II Collateral Actions, the CS Facility PSD Collateral Actions and the CS Facility PSS Collateral Actions.~~

~~47. — “CS Facility Guarantee Claims” means the CS Facility PS II Guarantee Claims, the CS Facility PSD Guarantee Claims and the CS Facility PSS Guarantee Claims.~~

~~48. “CS Facility Lenders” means the financial institutions party to the CS Facility as lenders thereto.~~

~~49. “CS Facility ProtoStar Ltd. Collateral Actions” means those Other Causes of Action held by ProtoStar Ltd. that are part of the collateral of CS and the CS Facility Lenders under the CS Facility Collateral Agreement, whether known or unknown, including the actions identified in a schedule to be filed with the Plan Supplement which shall be in form and substance reasonably satisfactory to counsel for the CS Facility Lenders.~~

~~50. “CS Facility PS II Collateral Actions” means those Other Causes of Action held by PS II that are part of the collateral of CS and the CS Facility Lenders under the CS Facility Collateral Agreement, whether known or unknown, including the actions identified in a schedule to be filed with the Plan Supplement which shall be in form and substance reasonably satisfactory to counsel for the CS Facility Lenders.~~

~~51. “CS Facility PSD Collateral Actions” means those Other Causes of Action held by PSD that are part of the collateral of CS and the CS Facility Lenders under the CS Facility Collateral Agreement, whether known or unknown, including the actions identified in a schedule to be filed with the Plan Supplement which shall be in form and substance reasonably satisfactory to counsel for the CS Facility Lenders.~~

~~52. “CS Facility PSS Collateral Actions” means those Other Causes of Action held by PSS that are part of the collateral of CS and the CS Facility Lenders under the CS Facility Collateral Agreement, whether known or unknown, including the actions identified in a schedule to be filed with the Plan Supplement which shall be in form and substance reasonably satisfactory to counsel for the CS Facility Lenders.~~

~~53. “CS Facility PS II Guarantee Claims” means the Claims of the CS Facility Lenders against PS II arising from PS II’s guarantee of the Prepetition Obligations under the CS Facility Collateral Agreement.~~

~~54. “CS Facility PSD Guarantee Claims” means the Claims of the CS Facility Lenders against PSD arising from PSD’s guarantee of the Prepetition Obligations under the CS Facility Collateral Agreement.~~

~~55. “CS Facility PSS Guarantee Claims” means the Claims of the CS Facility Lenders against PSS arising from PSS’s guarantee of the Prepetition Obligations under the CS Facility Collateral Agreement.~~

32. ~~56.~~ “Debtors” means, collectively, ProtoStar Ltd., PS I, PS II, PSS, PSD and PSA (and each, individually, a “Debtor”).

~~57. “DIP Claims” means the PS I DIP Claims and the PS II DIP Claims.~~

33. ~~58.~~ “Disclosure Statement” means the Disclosure Statement for the Plan as it may be amended, supplemented, or modified from time to time, that is prepared and distributed in accordance with sections 1125, 1126(b) and/or 1145 of the Bankruptcy Code, Bankruptcy Rule

3018 and/or other applicable law and approved by the Bankruptcy Court in the Disclosure Statement Order.

34. ~~59.~~ “*Disputed*” means, with respect to any Claim or Equity Interest, as of the date of determination, any Claim or Equity Interest: (a) listed on the Schedules as unliquidated, disputed or contingent, unless and until it is Allowed pursuant to an order that is a Final Order; (b) as to which ~~any~~ ProtoStar ~~entity~~ or any other party-in-interest has Filed a timely objection or request for estimation in accordance with the Bankruptcy Code and the Bankruptcy Rules, which objection or request for estimation has not been withdrawn with prejudice or determined by a Final Order; (c) as to which the deadline for filing objections has not passed (whether or not an objection has been Filed), unless and to the extent such Claim or Equity Interest has been Allowed pursuant to an order that is a Final Order or (d) that is otherwise disputed by any of ProtoStar, the Liquidating ~~Trustee~~ Trustees or any other party-in-interest, or is subject to any right of setoff or recoupment, or the Holder thereof is subject to any Claim or Cause of Action, in accordance with applicable law, which dispute, right of setoff or recoupment, Claim or Cause of Action, has not been withdrawn or determined in favor of such Holder by a Final Order. For the avoidance of doubt, ~~the CS Facility Claims, CS Facility Guarantee Claims, PS II DIP Claims, Noteholder Claims, the Noteholder Guarantee Claims and~~ the PS I DIP Claims are Allowed Secured Claims, subject only to the terms of the ~~Final DIP Orders~~ PS I Final DIP Order. Notwithstanding the filing of the PS I Lien Avoidance Complaint, the Noteholder Claims are Allowed Claims although the determination of such Claims’ Secured or Unsecured status will be determined by resolution of the issues raised by the PS I Lien Avoidance Complaint.

35. ~~60.~~ “*Effective Date*” means the date that is the first Business Day after the Confirmation Date on which: (a) no stay of the Confirmation Order is in effect, and (b) all conditions specified in Article IX.B herein have been (x) satisfied or (y) waived pursuant to Article IX.C herein.

36. ~~61.~~ “*Equity Interest*” means any equity interest in ~~any of the ProtoStar entities~~ PS I, including, but not limited to, any issued, unissued, authorized or outstanding shares of stock together with any warrants, options or contract rights to purchase or acquire such interests at any time.

37. ~~62.~~ “*Estate* Estates” means ~~the estate of~~ each of ~~the~~ ProtoStar ~~entities~~’s estates created pursuant to section 541 of the Bankruptcy Code upon the commencement of the Chapter 11 Cases.

38. ~~63.~~ “*Excluded Actions*” means any actions (i) ~~against the parties set forth on a schedule to be Filed not less than five (5) Business Days prior to the Confirmation Hearing by ProtoStar, which the Purchasers intend to continue to do business with in connection with the closing of the Asset Purchase Agreements~~ released pursuant to the PS I Sale Order including any actions against (A) Singapore Telecommunications Ltd. (“SingTel”) on account of the Agreement for In-Orbit Operations and Telemetry, Tracking, Command and Monitoring Services, dated as of August 29, 2007, between PS I and SingTel, or (B) Optus Networks Pty Limited (“Optus”) on account of the Agreement for Back-Up In-Orbit Operations, dated as of May 13, 2008, between PS I and Optus, (ii) released under the Plan, ~~or~~ (iii) against a party released under the Plan or otherwise released pursuant to the Plan; for the avoidance of doubt,

the Excluded Actions shall include any avoidance or other action or Claim of any nature whatsoever against the Releasees.

39. ~~64.~~ “File” or “Filed” means file or filed with the Bankruptcy Court in the Chapter 11 Cases.

40. ~~65.~~ “Final Decree” means the decree contemplated under Bankruptcy Rule 3022.

~~66. —“Final DIP Orders” means the PS I Final DIP Order and PS II Final DIP Order.~~

41. ~~67.~~ “Final Order” means an order of the Bankruptcy Court: (i) as to which the time to appeal, petition for certiorari or move for reargument, reconsideration or rehearing has expired and as to which no appeal, petition for certiorari or other proceeding for reargument, reconsideration or rehearing is pending; or (ii) if an appeal, writ of certiorari, reargument or rehearing thereof has been sought, such order has been affirmed by the highest court to which such order was appealed or from which certiorari was sought, reargument, reconsideration or rehearing has been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari or move for reargument, reconsideration or rehearing has expired; *provided, however,* that the possibility of a motion pursuant to Rule 59 or 60 of the Federal Rules of Civil Procedure or any analogous Bankruptcy Rule being Filed with respect to such order shall not cause such order to be deemed a non-Final Order.

42. ~~68.~~ “Governmental Unit Bar Date” means the date established by the Bankruptcy Court in the Bar Date Order (i.e., 4:00 p.m. (prevailing Pacific time) on January 25, 2010) by which Holders of Governmental Unit Claims are required to File Proofs of Claim on account of such Governmental Unit Claims in accordance with the Bar Date Order.

43. ~~69.~~ “Governmental Unit Claim” means any Claim the Holder of which is a Governmental Unit.

44. ~~70.~~ “Holder” means the Person or Entity holding the beneficial interest in a Claim, Equity Interest, Lender Liquidating Trust Interest or Unsecured Liquidating Trust Interest.

45. ~~71.~~ “Impaired” means, with respect to any Class of Claims or Equity Interests, a Claim or Equity Interest that is “impaired” within the meaning of section 1124 of the Bankruptcy Code.

~~72. —“Impaired Claim” or means a Claim classified as Impaired.~~

~~73. —“Impaired Equity Interest” means an Equity Interest classified as Impaired.~~

46. ~~74.~~ “Insider” means an insider as defined in section 101(31) of the Bankruptcy Code.

47. ~~75.~~ “Intercompany Claim” means any Claim held by any Debtor against ~~any other Debtor.~~

~~76. —“Intercompany Interest” means any Equity Interest of a ProtoStar entity or any subsidiary of a ProtoStar entity that is owned by any ProtoStar entity or any subsidiary of any ProtoStar entity as of the Record Date~~PS I.

~~48.~~ ~~77.~~ “*Intercreditor Agreement*” means that certain Intercreditor Agreement dated as of September 28, 2006, by and among PS I, ProtoStar Ltd., the Prepetition First Lien Collateral Agent and the Prepetition Second Lien Collateral Agent, which, among other things, describes the relative priorities of the liens granted for the ratable benefit of the WC Lenders and the Noteholders with respect to the PS I Collateral.

~~49.~~ “*IRC*” means the Internal Revenue Code.

~~50.~~ ~~78.~~ “*IRS*” means the Internal Revenue Service.

~~79.~~ —“*Lien*” means a lien as defined in section 101(37) of the Bankruptcy Code.

~~51.~~ ~~80.~~ —“*Lender Liquidating Trust*” means the liquidating trust established on the Effective Date, in accordance with the Plan and Lender Liquidating Trust Agreement, for the benefit of the Lender Liquidating Trust Beneficiaries to which the Lender Liquidating Trust Assets will be transferred. The Lender Liquidating Trust shall conduct no business and shall qualify as a liquidating trust pursuant to Treasury Regulations §301.7701-4(d).

~~52.~~ ~~81.~~ —“*Lender Liquidating Trust Agreement*” means the trust agreement between ~~ProtoStar~~PS I and the Lender Liquidating Trustee that, among other things, creates and establishes the Lender Liquidating Trust, describes the powers, duties and responsibilities of the Lender Liquidating Trustee, and provides for the liquidation and distribution of proceeds of the Lender Liquidating Trust Assets, which trust agreement shall be substantially in the form filed in the Plan Supplement and shall be in form and substance acceptable to counsel for the Noteholder Supporting Creditors ~~and counsel for the CS Facility Lenders.~~

~~53.~~ ~~82.~~ —“*Lender Liquidating Trust Assets*” means all assets of ~~ProtoStar~~PS I and the ~~Estates~~PS I Estate as of the Petition Date not sold pursuant to any ~~Asset Purchase Agreement~~APA including, but not limited to, the ~~Other Causes of Action and~~Noteholder Collateral Actions, the Residual Noteholder Collateral Assets, ~~and excluding the Unsecured Liquidating Trust Assets,~~funds held in the PS I Claim Reserve pending resolution of the PS I Lien Avoidance Complaint and all rights of setoff and recoupment and other defenses that ~~ProtoStar~~PS I and the ~~Estates~~PS I Estate may have with respect to any Claim.

~~83.~~ —“*Lender Liquidating Trust A Assets*” means those Lender Liquidating Trust Assets consisting of ~~CS Facility Collateral Actions and the Residual CS Facility Collateral Assets.~~

~~84.~~ —“*Lender Liquidating Trust B Assets*” means those Lender Liquidating Trust Assets consisting of ~~Noteholder Collateral Actions and the Residual Noteholder Collateral Assets,~~ and excluding Unsecured Liquidating Trust Assets. For the avoidance of doubt, the Lender Liquidating Trust Assets only include assets subject to the Noteholders’ validly perfected liens.

54. ~~85.~~ “Lender Liquidating Trust Beneficiaries” means, collectively, each Holder of a Lender Liquidating Trust A Interest (and their successors and assigns) and each Holder of a Trust B Interest (and their successors and assigns).

55. ~~86.~~ “Lender Liquidating Trust ~~Interest~~ Interests” means the interests in the Lender Liquidating Trust ~~Agreement~~ distributed to Holders of PS I Secured Claims.

56. ~~87.~~ “Lender Liquidating Trustee” means the Person selected by the ~~Prepetition Secured Lenders~~ Noteholders, as set forth in the Plan Supplement, or, after the Effective Date, such other Person appointed by the ~~Prepetition Secured Lenders~~ Holders of Lender Liquidating Trust Interests in accordance with the Lender Liquidating Trust Agreement, or as otherwise determined by the Bankruptcy Court.

57. “Lien” means a lien as defined in section 101(37) of the Bankruptcy Code.

58. ~~88.~~ “Liquidating Trust Agreement(s)” means, as applicable, ~~one or both of~~ the Lender Liquidating Trust Agreement and /or the Unsecured Liquidating Trust Agreement.

59. ~~89.~~ “Liquidating Trust Assets” means, as applicable, the Lender Liquidating Trust Assets and /or the Unsecured Liquidating Trust Assets.

60. ~~90.~~ “Liquidating Trust Beneficiaries” means as applicable, the Lender Liquidating Trust Beneficiaries and /or the Unsecured Liquidating Trust Beneficiaries.

~~91.~~ —

61. “Liquidating ~~Trustees~~ Trustee(s)” means, ~~as applicable, one or both of~~ as applicable, the Lender Liquidating Trustee and /or the Unsecured Liquidating Trustee.

62. ~~92.~~ “Liquidating ~~Trusts~~ Trust(s)” means, as applicable, ~~one or both of the Lender Liquidating Trust and~~ the Lender Liquidating Trust and/or the Unsecured Liquidating Trust.

~~93.~~ — “Management Incentive Plans” or “MIPs” means the PS I MIP and PS II MIP.

63. ~~94.~~ “Noteholder Claims” means the Claims of the Noteholders based on the Prepetition Indenture Obligations.

~~95.~~ — “Noteholder Guarantee Claims” means the Claims of the Noteholders against ProtoStar Ltd. arising from ProtoStar’s guarantee of the Senior Secured Notes under the PS I Guarantee and Security Agreement.

64. ~~96.~~ “Noteholder Collateral Actions” means those Other Causes of Action that are part of the collateral of BNYM and the Noteholders under the Senior Secured Notes Indenture, whether known or unknown, including without limitation the actions identified in a schedule to be filed with the Plan Supplement which shall be in form and substance reasonably satisfactory to counsel for the Noteholder Supporting Creditors.

65. ~~97.~~ “*Noteholder Supporting Creditors*” means those entities set forth on Schedule A hereto as Noteholders or as managers, agents of or advisors to the Noteholders.

66. ~~98.~~ “*Noteholders*” means the Prepetition 12.5% Senior Secured Noteholders and the Prepetition 18.0% Senior Secured Noteholders and, where applicable, the managers, agents of or advisors to the Prepetition 12.5% Senior Secured Noteholders and the Prepetition 18.0% Senior Secured Noteholders.

67. ~~99.~~ “*Notice and Balloting Agent*” means Kurtzman Carson Consultants LLC; the Notice and Balloting Agent can be contacted at ProtoStar Claims Processing Center, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Ave., El Segundo, CA 90245, telephone: 888-251-2954

68. ~~100.~~ “*Official Bankruptcy Forms*” means the Official and Procedural Bankruptcy Forms, prescribed by the Judicial Conference of the United States, in accordance with Bankruptcy Rule 9009.

69. ~~101.~~ “*Other Causes of Action*” means, without limitation, all Claims, actions, causes of action, choses in action, suits, debts, dues, damages, judgments, third-party claims, counterclaims and crossclaims (including, but not limited to, all claims arising under state, federal or other non-bankruptcy law) of ~~ProtoStar or any ProtoStar entity~~ PS I, the ~~Estates or any~~ PS I Estate (including, but not limited to, those actions described in Article XI ~~hereof~~ herein) that are or may be pending or existing on the Effective Date, or which are based on any facts or circumstances occurring on or before the Effective Date, against any Person or Entity, based in law or equity, including, but not limited to, under the Bankruptcy Code, whether direct, indirect, known or unknown, derivative, or otherwise and whether asserted or unasserted as of the Effective Date, including the Unknown Causes of Action; *provided, however*, the Other Causes of Action shall not include any PS I Chapter 5 Causes of Action, the PS I Lien Avoidance Action or any Excluded Actions.

70. ~~102.~~ “*Permissible Investments*” has the meaning set forth in Article V.C.3(eC) ~~of the Plan~~ herein.

71. ~~103.~~ “*Petition Date*” means July 29, 2009.

72. ~~104.~~ “*Plan*” means this chapter 11 plan, including the Plan Supplement and all exhibits, supplements, appendices, and schedules hereto, either in its present form or as it may be altered, amended, modified or supplemented from time to time in accordance with the terms hereof, the Bankruptcy Code and the Bankruptcy Rules.

73. ~~105.~~ “*Plan Supplement*” means the compilation of documents and form of documents, schedules and exhibits to be Filed on or before seven (7) days prior to the Voting Deadline and which may be amended from time to time until Confirmation.

74. ~~106.~~ “*Prepetition 12.5% Senior Secured Noteholders*” means the holders of the 12.5% Senior Secured Notes.

75. ~~107.~~ “*Prepetition 18.0% Senior Secured Noteholders*” means the holders of the 18.0% Senior Secured Notes.

~~108.~~ “*Prepetition Agents*” means the ~~WC Agent, CS, the Prepetition First Lien Collateral Agent and the Prepetition Second Lien Collateral Agent.~~

76. ~~109.~~ “*Prepetition First Lien Collateral Agent*” means BNYM, in its capacity as first lien collateral agent for the WC Lenders.

77. ~~110.~~ “*Prepetition Indenture Obligations*” means the Existing Indenture Obligations (as defined in the PS I Final DIP Order), including interest accruing after the Petition Date to the extent payable thereon in accordance with section 506(b) of the Bankruptcy Code, solely with respect to PS I.

~~111.~~ “*Prepetition Obligations*” has the meaning set forth in the ~~PS II Final DIP Order.~~

78. ~~112.~~ “*Prepetition Second Lien Collateral Agent*” means BNYM, in its capacity as second lien collateral agent for the Noteholders.

~~113.~~ “*Prepetition Secured Facilities*” means the ~~WC Agreement, the Senior Secured Notes Indenture and the CS Facility.~~

~~114.~~ “*Prepetition Secured Lenders*” means the ~~Noteholders and the CS Facility Lenders.~~

79. ~~115.~~ “*Priority Claim*” means any Priority Non-Tax Claim or Priority Tax Claim.

80. ~~116.~~ “*Priority Non-Tax Claim*” means a Claim accorded priority in right of payment under section 507(a) of the Bankruptcy Code, other than a Priority Tax Claim or PS I Administrative Expense Claim.

81. ~~117.~~ “*Priority Tax Claim*” means an unsecured Claim of a Governmental Unit of the kind specified in section 502(i) or 507(a)(8) of the Bankruptcy Code.

82. “*Pro Rata*” means the proportion that an Allowed Claim in a particular Class bears to the aggregate amount of Allowed Claims in such Class.

83. ~~118.~~ “*Professional*” means a Person or Entity employed pursuant to a Final Order in accordance with sections 327 or 1103 of the Bankruptcy Code and to be compensated for services rendered prior to the Confirmation Date, pursuant to sections 327, 328, 330, 331, 503 or 1103 of the Bankruptcy Code, or for which compensation and reimbursement has been allowed by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.

84. ~~119.~~ “*Professional Fee Claim*” means any Claim for fees and expenses (including, but not limited to, hourly, transaction and success fees) for services rendered by Professionals in the Chapter 11 Cases, including Creditors’ Committee Members’ Expenses.

85. ~~120.~~ “*Proof of Claim*” has the meaning ascribed to it in Bankruptcy Rule 3001.

~~121. “Pro Rata” means the proportion that an Allowed Claim in a particular Class bears to the aggregate amount of Allowed Claims in such Class.~~

~~86. 122. “ProtoStar” means, collectively, ProtoStar Ltd., PS I, PS II, PSS, PSD and PSA.~~

~~123. “ProtoStar Ltd. CS Facility Claims” means, collectively, those Claims comprising the Class of Claims set forth in Article III.B.2(A) of the Plan.~~

~~124. “ProtoStar Ltd. Noteholder Claims” means, collectively, those Claims comprising the Class of Claims set forth in Article III.B.3(A) of the Plan.~~

~~125. “ProtoStar Ltd. Trust A Interest” means a Lender Liquidating Trust Interest distributed to Holders of ProtoStar Ltd. CS Facility Claims, which interests shall have priority with regard to distributions from those Lender Liquidating Trust Assets consisting of the CS Facility ProtoStar Ltd. Collateral Actions and the Residual CS Facility ProtoStar Ltd. Collateral Assets.~~

~~126. “ProtoStar Ltd. Unsecured Claims” means, collectively, those Claims comprising the Class of Claims set forth in Article III.B.4(A) of the Plan.~~

87. “ProtoStar Affiliate Administrative Budget” means a budget reasonably acceptable to counsel for the Noteholder Supporting Creditors to pay, in accordance with any PS I Reserve Distribution Order, the ProtoStar Affiliate Administrative Expenses; provided, however, that notwithstanding anything herein to the contrary, the ProtoStar Affiliate Administrative Budget shall not include any amounts to fund costs or expenses of any party (including without limitation the Creditors’ Committee (or its members) or the Unsecured Liquidating Trustee or their respective advisors) associated with or related to the investigation or prosecution of the PS I Lien Avoidance Action or any other cause of action against the Noteholders, the WC Lenders, the PS I Prepetition Agents or the Senior Secured Notes Trustee.

88. “ProtoStar Affiliate Administrative Expenses” means the administrative expenses of the ProtoStar Affiliate Debtors allocated to or for the benefit of PS I or the Lender Liquidating Trust (or, after any PS I Trust Asset Transfer, the Unsecured Liquidating Trust), including without limitation, costs and expenses of the ProtoStar Affiliate Debtors in connection with the defense of the PS I Lien Avoidance Action and the reconciliation process with respect to Claims asserted against PS I, associated with maintenance of ProtoStar employees and ProtoStar’s books and records and Professionals’ fees and expenses of the ProtoStar Affiliate Debtors; provided, however, that notwithstanding anything herein to the contrary, ProtoStar Affiliate Administrative Expenses shall not include any amounts to fund costs or expenses of any party (including without limitation the Creditors’ Committee (or its members) or the Unsecured Liquidating Trustee or their respective advisors) associated with or related to the investigation or prosecution of the PS I Lien Avoidance Action or any other cause of action against the Noteholders, WC Lenders, the PS I Prepetition Agents or the Senior Secured Notes Trustee.

89. “ProtoStar Affiliate Debtors” means, collectively, ProtoStar Ltd., PS II, PSS, PSD and PSA (or their successors and assigns).

~~90.~~ ~~127.~~ “Provisional Liquidator” means John C. McKenna appointed as provisional liquidator for ~~the Bermuda Entities~~ PS I (and certain Debtor affiliates) by order of the Supreme Court of Bermuda.

~~128.~~ “PSA” means ~~ProtoStar Asia Pte. Ltd.~~

~~129.~~ “PSA Unsecured Claims” means, collectively, those Claims comprising the Class of Claims set forth in ~~Article III.B.11(A) of the Plan.~~

~~130.~~ “PSD” means ~~ProtoStar Development Ltd.~~

~~131.~~ “PSD Secured Claims” means, collectively, those Claims comprising the Class of Claims set forth in ~~Article III.B.12(A) of the Plan.~~

~~132.~~ “PSD Trust A Interest” means a Lender Liquidating Trust Interest distributed to Holders of PSD Secured Claims, which interests shall have priority with regard to distributions from those Lender Liquidating Trust Assets consisting of the CS Facility PSD Collateral Actions and the Residual CS Facility PSD Facility Collateral Assets.

~~133.~~ “PSD Unsecured Claims” means, collectively, those Claims comprising the Class of Claims set forth in ~~Article III.B.13(A) of the Plan.~~

~~134.~~ “PSS” means ~~ProtoStar Satellite Systems, Inc.~~

~~135.~~ “PSS Secured Claims” means, collectively, those Claims comprising the Class of Claims set forth in ~~Article III.B.9(A) of the Plan.~~

~~136.~~ “PSS Trust A Interest” means a Lender Liquidating Trust Interest distributed to Holders of PSS Secured Claims, which interests shall have priority with regard to distributions from those Lender Liquidating Trust Assets consisting of the CS Facility PSS Collateral Actions and the Residual CS Facility PSS Collateral Assets.

~~137.~~ “PSS Unsecured Claims” means, collectively, those Claims comprising the Class of Claims set forth in ~~Article III.B.10(A) of the Plan.~~

~~91.~~ ~~138.~~ “PS I” means ProtoStar I Ltd.

~~92.~~ ~~139.~~ “PS I ~~APA~~ Administrative Expense Claim” means an Administrative Expense Claim against PS I.

~~93.~~ “PS I Administrative Reserve” means a reserve from the cash proceeds of the PS I Sale necessary to fund (i) Administrative Expense Claims provided for in the ProtoStar I Budget (as defined in the PS I DIP Credit Agreement), including PS I Administrative Expense Claims provided for in the ProtoStar I Budget through the Effective Date, and (ii) administrative expenses of the ProtoStar Affiliate Debtors allocated to or for the benefit of PS I or the Lender Liquidating Trust (or, after any PS I Trust Asset Transfer, the Unsecured Liquidating Trust) pursuant to the ProtoStar Affiliate Administrative Budget and in accordance with the PS I Reserve Distribution Order.

94. “PS I Asset Purchase Agreement” means the APA for the purchase of the PS I Satellite Assets and any ancillary documents referred to therein, as approved by the Bankruptcy Court in the PS I Sale Order.

95. ~~140.~~ “PS I Auction” means the auction conducted in accordance with the PS I ~~BPO~~Bidding Procedures Order for the sale of the PS I Satellite Assets.

96. ~~141.~~ “PS I Bidding Procedures Order” means that certain Order (A) Establishing Bidding Procedures Relating To Sale Of All Or Substantially All Assets Of ProtoStar I Ltd., (B) Authorizing And Scheduling Date And Time For Auction, (C) Scheduling Date And Time For Hearing On Sale Order, (D) Approving Cure Amount Procedures, And (E) Setting Objection Deadlines (Docket No. 160), entered by the Bankruptcy Court in the Chapter 11 Cases.

97. “PS I Chapter 5 Causes of Action” means any avoidance, recovery, subordination or other actions, Claims, causes of action, suits, judgments, third-party claims, counterclaims and crossclaims against Insiders and/or any other Persons or Entities under Chapter 5 of the Bankruptcy Code, including sections 506, 510, 542, 543, 544, 545, 547, 548, 549, 550, 551, and 553 of the Bankruptcy Code or otherwise, of PS I or the PS I Estate whether known or unknown and whether asserted or unasserted as of the Effective Date; provided, however, that PS I Chapter 5 Causes of Action shall not include any Excluded Actions.

98. “PS I Chapter 11 Case” means the chapter 11 case of PS I being jointly administered for procedural purposes only with the other Chapter 11 Cases.

99. “PS I Claim Reserve” means a reserve from the PS I Net Sale Proceeds, established on the Effective Date in an amount sufficient to fund Pro Rata distributions to Holders of Class 3 Claims, including Disputed Claims, in the event a Final Order is entered in the PS I Lien Avoidance Action invalidating the Liens held by the Noteholders and the WC Lenders with respect to the PS I Collateral, which amount shall be in accordance with the PS I Reserve Distribution Order.

100. ~~142.~~ “PS I Closing Date” has the meaning set forth in Article V.A.~~1~~ of the Plan herein.

101. ~~143.~~ “PS I Collateral” means substantially all of the assets of PS I ~~and the equity interests of PS I held by ProtoStar Ltd.~~ and the proceeds thereof that secure the WC Agreement and the Senior Secured Notes, including all obligations thereunder.

102. ~~144.~~ “PS I DIP Account” means that certain account used by ProtoStar for receipt and disbursement of funds borrowed under the PS I DIP Credit Agreement and PS I Final DIP Order.

103. “PS I DIP Agent” means Wells Fargo Bank, National Association, as administrative agent for the lenders under the PS I DIP Credit Agreement

104. ~~145.~~ “PS I DIP Claims” means the “DIP Obligations” as defined in the PS I Final DIP Order.

105. ~~146.~~ “*PS I DIP Credit Agreement*” means that certain Debtor-In-Possession Credit Agreement (as amended in accordance with the terms thereof and the terms of the PS I Final DIP Order), by and among ProtoStar Ltd., as borrower, and PS I, as guarantor, Wells Fargo Bank, National Association, as administrative agent for itself and the lenders thereunder, approved by the Bankruptcy Court pursuant to the PS I Final DIP Order.

106. ~~147.~~ “*PS I DIP Lenders*” means the lenders under the PS I DIP Credit Agreement and the managers, agents of or advisors to such lenders.

107. “*PS I Estate*” means the estate of PS I created pursuant to section 541 of the Bankruptcy Code upon the commencement of the PS I Chapter 11 Case.

108. ~~148.~~ “*PS I Final DIP Order*” means that certain Final Order (I) Authorizing ProtoStar Ltd. And ProtoStar I Ltd. (A) To Obtain Post-Petition Senior Secured Super-Priority Financing Pursuant To 11 U.S.C. §§ 105, 361, 362, 363(c)(2), 364(c), 364(d)(1), 364(e) And 507 And (B) To Utilize Cash Collateral of Pre-Petition Lenders And (II) Granting Adequate Protection To Pre-Petition Lenders Pursuant To 11 U.S.C. §§ 361, 362, 363 And 364 (Docket No. 162), entered by the Bankruptcy Court in the Chapter 11 Cases.

109. ~~149.~~ “*PS I Guarantee and Security Agreement*” means that certain Guarantee and Security Agreement, dated as of September 28, 2006 (as amended through the date hereof) between by PS I, as pledgor, ProtoStar Ltd., as guarantor and pledgor, and BNYM, in its capacity as Collateral Agent.

110. “*PS I Lien Avoidance Complaint*” means that certain Complaint Challenging The Nature, Extent, Validity, Priority and Perfection Of Certain Liens And Security Interests, And Objecting To Proof Of Claim Of The Bank Of New York Mellon (Docket No. 325), filed by the Creditors’ Committee with the Bankruptcy Court, as amended from time to time as so authorized by the Bankruptcy Court.

111. “*PS I Lien Avoidance Action*” means that certain adversary proceeding commenced by the Creditors’ Committee by the filing of the PS I Lien Avoidance Complaint with Adv. Pro. No. 09-52279 (MFW).

112. ~~150.~~ “*PS I MIP*” means any PS I sale-related management incentive plan approved by the Court pursuant to any PS I MIP Order.

~~151. — “*PS I MIP Motion*” means the Motion for Order, Pursuant to 11 U.S.C. §§ 363(b) and 105, Authorizing and Approving ProtoStar I Sale-Related Employee Incentive Plan and Payments Thereunder (Docket No. 350), filed by ProtoStar with the Bankruptcy Court on October 30, 2009.~~

113. ~~152.~~ “*PS I MIP Order*” means any order, pursuant to 11 U.S.C. §§ 363(b) and 105, authorizing and approving ProtoStar I sale-related management incentive plan and payments thereunder entered by the Bankruptcy Court in the Chapter 11 Cases, ~~(which order shall be acceptable to counsel for the Noteholder Supporting Creditors).~~

114. ~~153.~~ “*PS I MIP Payments*” means those payments, approved pursuant to the PS I MIP Order, from proceeds of the PS I Sale otherwise due and payable to the Noteholders, provided for under the PS I MIP Order.

115. ~~154.~~ “*PS I Net Sale Proceeds*” means cash proceeds of the PS I Sale less amounts necessary to payfund (i) ~~all the PS I Administrative Expense Claims provided for in the ProtoStar I Budget (as defined in the PS I DIP Credit Agreement)~~ Reserve, (ii) accrued and unpaid Priority Non-Tax Claims, which amount shall not exceed \$150,000 in the aggregate ~~and~~, (iii) ~~all payments due and payable under~~ the PS I MIP Payments, (iv) the PS I Claim Reserve, (v) one half of the premiums associated with procurement of Tail Insurance and (vi) Unsecured Liquidating Trust Cash.

~~155. — “PS I Prepetition Obligations” has the meaning set forth in the PS I Final DIP Order.~~

116. “PS I Prepetition Agents” means the WC Agent, the Prepetition First Lien Collateral Agent and the Prepetition Second Lien Collateral Agent.

117. “PS I Prepetition Secured Lenders” means the WC Lenders and the Noteholders.

118. ~~156.~~ “*PS I Purchase Price*” has the meaning set forth in Article V.A. ~~1 of the Plan~~ herein.

119. ~~157.~~ “*PS I Purchaser*” means the purchaser of the PS I Satellite Assets pursuant to the PS I APA and the PS I Sale Order.

120. “PS I Reserve Distribution Order” means any order authorizing ProtoStar to make distributions from the PS I Net Sale Proceeds and/or establishing the amounts necessary for the PS I Administrative Reserve and/or PS I Claim Reserve.

121. ~~158.~~ “*PS I Sale*” means the sale of the PS I Satellite Assets to the PS I Purchaser selected at the PS I Auction and pursuant to the PS I APA approved under the PS I Sale Order.

122. ~~159.~~ “*PS I Sale Order*” means the Final Order of the Bankruptcy Court in the Chapter 11 Cases approving the PS I Sale of the PS I Satellite Assets to the PS I Purchaser.

123. “PS I Sale Proceeds Distribution Order” means that certain Order Granting In Part And Denying In Part Motion Of ProtoStar For Authorization To Distribute Sale Proceeds In Accordance With PS I Final DIP Order (Docket No. 521), as entered by the Bankruptcy Court in the Chapter 11 Cases.

124. ~~160.~~ “*PS I Satellite*” means that certain geostationary satellite launched on July 7, 2008, that ~~is was~~ owned ~~and operated~~ by PS I until closing of the PS I Sale.

125. ~~161.~~ “*PS I Satellite Assets*” means the PS I Satellite and certain related assets identified in the PS I APA which ~~are to be were~~ sold to the PS I Purchaser.

126. ~~162.~~ “*PS I Secured Claims*” means, collectively, those Claims comprising the Class of Claims set forth in Article III.B.~~5(A) of the Plan.~~2(A) herein.

127. “*PS I Trust Asset Transfer*” means a transfer of the Lender Liquidating Trust Assets and the PS I Administrative Reserve by the Lender Liquidating Trustee to the Unsecured Liquidating Trustee, following entry of a Final Order invalidating the Liens held by the Noteholders and WC Lenders.

128. ~~163.~~ “*PS I Unsecured Claims*” means, collectively, those Claims comprising the Class of Claims set forth in Article III.B.~~63(A) of the Plan~~herein.

129. ~~164.~~ “*PS IP*” means ProtoStar II Ltd.

~~165.~~ “*PS II APA*” means the APA for the purchase of the PS II Satellite Assets and any ancillary documents referred to therein, as approved by the Bankruptcy Court in the PS II Sale Order.

~~166.~~ “*PS II Auction*” means the auction conducted in accordance with the PS II BPO for the sale of the PS II Satellite Assets.

~~167.~~ “*PS II Bidding Procedures Order*” means that certain Order (A) Establishing Bidding Procedures Relating To Sale Of All Or Substantially All Assets Of ProtoStar II Ltd., (B) Authorizing And Scheduling Date And Time For Auction, (C) Scheduling Date And Time For Hearing On Sale Order, (D) Approving Cure Amount Procedures, And (E) Setting Objection Deadlines (Docket No. 161), entered by the Bankruptcy Court in the Chapter 11 Cases.

~~168.~~ “*PS II Closing Date*” has the meaning set forth in Article V.A.2 of the Plan.

~~169.~~ “*PS II DIP Account*” means that certain account means that certain account used by ProtoStar for receipt and disbursement of funds borrowed under the PS II DIP Credit Agreement and PS II Final DIP Order.

~~170.~~ “*PS II DIP Claims*” means the “Postpetition Obligations” as defined in the PS II Final DIP Order.

~~171.~~ “*PS II DIP Credit Agreement*” means that certain senior secured superpriority debtor in possession multiple draw term loan agreement (as the same may be amended, supplemented or otherwise modified from time to time) ProtoStar Ltd. and PS II, as borrowers, each additional borrower that becomes a party thereto pursuant to the terms thereof, debtors PSS, PSD, PSA and non-debtor ProtoStar II Asia Services Ltd., as guarantors, the lenders from time to time parties thereto and Credit Suisse, Singapore Branch, as collateral agent and Credit Suisse, Cayman Islands Branch, as administrative agent, as approved by the Bankruptcy Court pursuant to the PS II Final DIP Order.

~~172.~~ “*PS II DIP Lenders*” means the lenders under the PS II DIP Credit Agreement and the managers, agents of or advisors to such lenders.

~~173. —“PS II Final DIP Order” means that certain Final Order (I) Authorizing Debtors To Obtain Postpetition Financing Pursuant Sections 363 And 364 Of The Bankruptcy Code, (II) Granting Liens And Superpriority Claims To DIP Lenders Pursuant To Section 364 Of The Bankruptcy Code, (III) Authorizing Use Of Cash Collateral Pursuant To Section 363 Of The Bankruptcy Code And (IV) Providing Adequate Protection To Prepetition Lenders Pursuant To Sections 361, 362, 363 And 364 Of The Bankruptcy Code (Docket No. 166), entered by the Bankruptcy Court in the Chapter 11 Cases.~~

~~174. —“PS II MIP” means any PS II sale related management incentive plan approved by the Court pursuant to any PS II MIP Order.~~

~~175. —“PS II MIP Order” means any order, pursuant to 11 U.S.C. §§ 363(b) and 105, authorizing and approving ProtoStar II sale related management incentive plan and payments thereunder entered by the Bankruptcy Court in the Chapter 11 Cases (which order shall be acceptable to counsel for the CS Facility Lenders).~~

~~176. —“PS II MIP Payments” means those payments provided for under the PS II MIP.~~

~~177. —“PS II Net Sale Proceeds” means cash proceeds of the PS II Sale less amounts necessary to pay (i) all Administrative Expense Claims provided for in the Budget (as defined in the PS II DIP Credit Agreement), (ii) accrued and unpaid Priority Non Tax Claims, which amount shall not exceed \$150,000 in the aggregate and (iii) all payments due and payable under the PS II MIP.~~

~~178. —“PS II Purchase Price” has the meaning set forth in Article V.A.2 of the Plan.~~

~~179. —“PS II Purchaser” means the purchaser of the PS II Satellite Assets or the CS Facility Lenders in the event of a credit bid by the CS Facility Lenders at the PS II Auction, as the case may be, pursuant to the PS II APA and the PS II Sale Order.~~

~~180. —“PS II Sale” means the sale of the PS II Satellite Assets to the PS II Purchaser selected at the PS II Auction and pursuant to the PS II APA approved under the PS II Sale Order.~~

~~181. —“PS II Sale Order” means the Final Order of the Bankruptcy Court in the Chapter 11 Cases approving the PS II Sale of the PS II Satellite Assets to the PS II Purchaser, which shall be in form and substance acceptable to counsel for the CS Facility Lenders.~~

~~182. —“PS II Satellite” means that certain geostationary satellite launched on May 16, 2009 that is owned and operated by PS II.~~

~~183. —“PS II Satellite Assets” means the PS II Satellite and certain related assets identified in the PS II APA which are to be sold to the PS II Purchaser.~~

~~184. —“PS II Secured Claim” has the meaning set forth in Article III.B.7(a) of the Plan.~~

~~185. —“PS II Trust A Interest” means a Lender Liquidating Trust Interest distributed to Holders of PS II Secured Claims, which interests shall have priority with regard to distributions~~

~~from those Lender Liquidating Trust Assets consisting of the CS Facility PS II Collateral Actions and the Residual CS Facility PS II Collateral Assets.~~

~~186. “PS II Unsecured Claims” means, collectively, those Claims comprising the Class of Claims set forth in Article III.B.8(A) of the Plan.~~

~~187. “Purchasers” means the PS I Purchaser and the PS II Purchaser.~~

130. “PSA” means ProtoStar Asia Pte. Ltd.

131. “PSD” means ProtoStar Development Ltd.

132. “PSS” means ProtoStar Satellite Systems, Inc.

133. ~~188.~~ “Record Date” means the date as of which the identity of Holders of Claims or Interests is set for purposes of determining the identity of Entities entitled to receive a ballot(s) and vote on the Plan. Pursuant to Bankruptcy Rules 3017(d) and 3018(a), this date is the date of entry of an order by the Bankruptcy Court approving the Disclosure Statement or such other date as the Bankruptcy Court may set.

134. ~~189.~~ “Releasees” has the meaning set forth in Article X.A ~~of the Plan~~ herein.

~~190. “Residual Collateral Assets” means the Residual CS Facility Collateral Assets and the Residual Noteholder Collateral Assets.~~

~~191. “Residual CS Facility Collateral Assets” means the Residual CS Facility ProtoStar Ltd. Collateral Assets, the Residual CS Facility PSD Collateral Assets, the Residual CS Facility PSS Collateral Assets and the Residual CS Facility PS II Collateral Assets.~~

~~192. “Residual CS Facility ProtoStar Ltd. Collateral Assets” means those assets of ProtoStar Ltd., if any, that are part of the collateral of CS and the CS Facility Lenders under the CS Facility Collateral Agreement that are not sold to the PS II Purchaser under the PS II APA.~~

~~193. “Residual CS Facility PSD Collateral Assets” means those assets of PSD, if any, that are part of the collateral of CS and the CS Facility Lenders under the CS Facility Collateral Agreement that are not sold to the PS II Purchaser under the PS II APA.~~

~~194. “Residual CS Facility PSS Collateral Assets” means those assets of PSS, if any, that are part of the collateral of CS and the CS Facility Lenders under the CS Facility Collateral Agreement that are not sold to the PS II Purchaser under the PS II APA.~~

~~195. “Residual CS Facility PS II Collateral Assets” means those assets of PS II, if any, that are part of the collateral of CS and the CS Facility Lenders under the CS Facility Collateral Agreement that are not sold to the PS II Purchaser under the PS II APA.~~

135. ~~196.~~ “Residual Noteholder Collateral Assets” means those assets of PS I ~~and the Equity Interests of PS I held by ProtoStar Ltd.~~, if any, that are part of the collateral of BNYM

and the Noteholders under the PS I Guarantee and Security Agreement or Senior Secured Notes Indenture that are not sold to the PS I Purchaser under the PS I APA.

~~197. “Sales” means the PS I Sale and the PS II Sale.~~

~~198. “Sale Orders” means the PS I Sale Order and the PS II Sale Order.~~

~~199. “Satellites” means the PS I Satellite and the PS II Satellite.~~

~~200. “Satellite Assets” means the Satellites and certain related assets identified in the applicable Asset Purchase Agreement, which are to be sold to the applicable Purchaser thereunder.~~

136. ~~201.~~ “Schedules” mean the schedules of assets and liabilities and the statement of financial affairs that were filed by ~~each of the ProtoStar entities~~ PS I on August 28, 2009 and amended on December 17, 2009, in accordance with section 521 of the Bankruptcy Code, the Official Bankruptcy Forms and the Bankruptcy Rules, as they may be amended and supplemented from time to time.

137. ~~202.~~ “Second Administrative Expense Bar Date” has the meaning set forth in Article II.A.1 ~~of the Plan~~ herein.

138. ~~203.~~ “Secured Claim” means (a) any Claim against ~~a ProtoStar entity~~ PS I to the extent reflected in the Schedules or upon a Proof of Claim as a Secured Claim, that is secured by a Lien on Collateral of ~~such ProtoStar entity~~ PS I, which Lien is valid, perfected and enforceable under applicable law or by reason of a Final Order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of such Collateral as determined pursuant to section 506(a) of the Bankruptcy Code, or (b) any Claim Allowed under this Plan as a Secured Claim.

139. ~~204.~~ “Senior Secured Notes” means the 12.5% Senior Secured Notes and the 18.0% Senior Secured Notes.

140. ~~205.~~ “Senior Secured Notes Indenture” means that certain Indenture, dated as of September 28, 2006 (as amended by the Supplemental Indenture dated as of February 23, 2009, and as otherwise amended, modified and supplemented from time to time), between PS I, as issuer, ProtoStar Ltd. and BNYM, pursuant to which PS I issued \$160,000,000 of the 12.5% Senior Secured Notes, and the related PS I Guarantee and Security Agreement, ~~dated as September 28, 2006 (as amended, modified and supplemented from time to time), among PS I, ProtoStar Ltd., and BNYM.~~

141. ~~206.~~ “Senior Secured Notes Trustee” means BNYM, in its capacity as trustee for the Senior Secured Notes Indenture.

142. ~~207.~~ “Superpriority Claim” has the meaning set forth in the ~~applicable~~ PS I Final DIP Order.

143. “Tail Insurance” means continuing director and officer insurance coverage for a tail period of six (6) years for the directors and officers of all of the ProtoStar entities, the material terms of which, including the amount of premiums associated therewith, shall be agreed upon by PS I and counsel for the Noteholder Supporting Creditors.

144. ~~208.~~ “Treasury Regulations” means title 26 of the Code of Federal Regulations.

~~209.~~ “Trust A Interests” means the ProtoStar Ltd. Trust A Interests, PS II Trust A Interests, the PSD Trust A Interests and the PSS Trust A Interests.

~~210.~~ “Trust B Interests” means the Lender Liquidating Trust Interests distributed to Holders of ProtoStar Ltd. Noteholder Claims and PS I Secured Claims, which interests shall have priority with regard to distributions from those Lender Liquidating Trust Assets consisting of the Noteholder Collateral Actions and the Residual Noteholder Collateral Assets.

145. ~~211.~~ “Unimpaired” means, with respect to a Class of Claims, a Claim that is not impaired within the meaning of section 1124 of the Bankruptcy Code.

146. ~~212.~~ “Unknown Other Causes of Action” has the meaning set forth in Article XI.B of the Plan herein.

147. ~~213.~~ “Unsecured Claims Claim” means, collectively, ProtoStar Ltd. Unsecured Claim, PS I Unsecured Claim, PS II Unsecured Claim, PSS Unsecured Claim, PSA Unsecured Claim and PSD Unsecured any Claim against PS I, other than an Administrative Expense Claim, Priority Claim or Secured Claim.

148. ~~214.~~ “Unsecured Liquidating Trust” means the liquidating trust established on the Effective Date, in accordance with the Plan and Unsecured Liquidating Trust Agreement, for the benefit of the Unsecured Liquidating Trust Beneficiaries, to which the Unsecured Liquidating Trust Assets will be transferred. ~~The Unsecured Liquidating Trust shall be funded with the Chapter 5 Causes of Action (and proceeds thereof), which shall be placed in the Unsecured Liquidating Trust, as provided for herein.~~ The Unsecured Liquidating Trust shall conduct no business and shall qualify as a liquidating trust pursuant to Treasury Regulations §301.7701-4(d).

~~215.~~ “Unsecured Liquidating Trust Assets” means all Chapter 5 Causes of Action (including proceeds therefrom) of ProtoStar and the Estates as of the Effective Date.

149. ~~216.~~ “Unsecured Liquidating Trust Agreement” means the trust agreement between ProtoStar PS I and the Unsecured Liquidating Trustee that, among other things, creates and establishes the Unsecured Liquidating Trust, describes the powers, duties and responsibilities of the Unsecured Liquidating Trustee, and provides for the liquidation and distribution of proceeds of the Unsecured Liquidating Trust Assets, which trust agreement shall be substantially in the form filed in the Plan Supplement and shall be satisfactory to counsel for the Noteholder Supporting Creditors and counsel for the ~~CS Facility Lenders~~ Creditors’ Committee.

150. “Unsecured Liquidating Trust Assets” means the Unsecured Liquidating Trust Cash, any unencumbered assets of PS I and the PS I Estate as of the Effective Date, all PS I

Chapter 5 Causes of Action (including proceeds therefrom) of PS I and the PS I Estate as of the Effective Date, the PS I Lien Avoidance Action commenced by the Creditors' Committee, to the extent authorized and consistent with the terms of the PS I Final DIP Order, and such other assets transferred to or deposited with the Unsecured Liquidating Trust pursuant to Article V herein.

151. ~~217.~~ “*Unsecured Liquidating Trust Beneficiaries*” means, collectively, each Holder of an Unsecured Liquidating Trust A Interest (and their successors and assigns) or an Unsecured Liquidating Trust B Interest (and their successors and assigns).

~~218.—~~

152. “*Unsecured Liquidating Trust Interest*” ~~has the meaning set forth in the Unsecured Liquidating Trust Agreement~~ Cash” means cash in the amount of \$50,000, which amount shall be funded from proceeds of the PS I Sale, to be transferred to the Unsecured Liquidating Trust on the Effective Date to fund the Unsecured Liquidating Trust.

153. “*Unsecured Liquidating Trust A Interest*” means the interests in the Unsecured Liquidating Trust distributed to Holders of Class 3 Unsecured Claims.

154. “*Unsecured Liquidating Trust B Interest*” means the interests in the Unsecured Liquidating Trust distributed to the Holder of Class 4 Equity Interests.

155. “*Unsecured Liquidating Trust Interests*” means Unsecured Liquidating Trust A Interests and Unsecured Liquidating Trust B Interests.

156. ~~219.~~ “*Unsecured Liquidating Trustee*” means the Person selected by the Noteholder Supporting Creditors, ~~counsel for the CS Facility Lenders,~~ the Creditors' Committee and the Provisional Liquidator, as set forth in the Plan Supplement, or, after the Effective Date, such other Person appointed by the Holders of Unsecured Liquidating Trust Interests in accordance with the Unsecured Liquidating Trust Agreement, or as otherwise determined by the Bankruptcy Court.

157. ~~220.~~ “*Voting Deadline*” means the deadline to vote on the Plan as may be set by the Bankruptcy Court.

158. ~~221.~~ “*WC Agent*” means Canyon Capital Advisors LLC, in its capacity as administrative agent for the WC Lenders.

159. ~~222.~~ “*WC Agreement*” or “*WC Facility*” means that certain Credit Agreement, dated as of March 28, 2007 (as amended by Amendment No. 1 dated as of July 5, 2007, Amendment No. 2 dated as of February 23, 2009, and Amendment No. 3 dated as of May 29, 2009, and as otherwise amended, restated, or supplemented), among PS I, as borrower, ProtoStar Ltd., the WC Lenders, BNYM and the WC Agent.

160. ~~223.~~ “*WC Lenders*” means the lenders from time to time party to the WC Agreement.

ARTICLE II

TREATMENT OF ADMINISTRATIVE EXPENSE CLAIMS AND PRIORITY TAX CLAIMS

A. PS I Administrative Expense Claims

1. PS I Administrative Expense Bar Dates

Pursuant to the Bar Date Order dated September 3, 2009, requests for payment of Administrative Expense Claims that arose on or before September 30, 2009, were required to be Filed no later than the Administrative Expense Bar Date (i.e., 4:00 p.m. (prevailing Pacific time) on October 30, 2009). All PS I Administrative Expense Claims accruing on or after October 1, 2009 through the date that is ten (10) days prior to the date of the Confirmation Hearing (the “Second Administrative Expense Bar Date”) (other than the PS I DIP Claims and Professional Fee Claims) and not otherwise paid in the ordinary course of ~~ProtoStar’s businesses~~ PS I’s business shall be filed with the Bankruptcy Court by the Second Administrative Expense Bar Date, and objections (if any) to such PS I Administrative Expense Claims shall be filed no later than forty-five (45) days after the Second Administrative Expense Bar Date. Any Holder of ~~ana~~ PS I Administrative Expense Claim (other than the PS I DIP Claims and Professional Fee Claims) who fails to file a timely request for the payment of ~~ana~~ PS I Administrative Expense Claim that is required to be filed on or before the Second Administrative Expense Bar Date: (a) shall be forever barred, estopped and enjoined from asserting such PS I Administrative Expense Claim against ~~each of the ProtoStar entities~~ PS I, any Purchaser or the Liquidating Trust Assets (or filing a request for the allowance thereof), and ~~each of the ProtoStar entities, their~~ PS I, its property, and the Liquidating Trust Assets shall be forever discharged from any and all indebtedness or liability with respect to such PS I Administrative Expense Claim; and (b) such Holder shall not be permitted to participate in any distribution under the Plan on account of such PS I Administrative Expense Claim.

2. Treatment of PS I Administrative Expense Claims and PS I DIP Claims

On the later to occur of (a) the Effective Date and (b) the date on which ~~ana~~ PS I Administrative Expense Claim shall become an Allowed Claim, ~~ProtoStar~~ PS I or the ~~Lender~~ Liquidating ~~Trustee~~ Trustees, as applicable, shall (i) pay to each Holder of an Allowed PS I Administrative Expense ~~Claim, PS I DIP Claim or PS II DIP~~ Claim, in cash, the full amount of such Allowed PS I Administrative Expense Claim, or (ii) satisfy and discharge such Allowed PS I Administrative Expense Claim on such other terms and conditions as may be agreed between the Holder of such PS I Administrative Expense Claim, on the one hand, and ~~ProtoStar, the Prepetition Secured Lenders or~~ PS I or the Lender Liquidating Trustee (as the case may be) ~~(with respect to the Creditors’ Committee or Unsecured Liquidating Trustee, solely to the extent such other terms and conditions include one or more Unsecured Claims)~~, on the other hand.

On the Effective Date, PS I shall distribute to the PS I DIP Agent (i) an amount necessary to repay the PS I DIP Claims (other than those related to the refinancing of the WC Agreement) in full and (ii) an amount necessary to pay those PS I DIP Claims related to the refinancing of the WC Agreement in accordance with any PS I Reserve Distribution Order(s).

3. Professional Fee Claims

Notwithstanding anything herein to the contrary, all entities seeking awards by the Bankruptcy Court of Professional Fee Claims for compensation for services rendered or reimbursement of expenses incurred prior to the Effective Date shall (a) file, on or before the date that is thirty (30) days after the Effective Date their respective applications for final allowances of compensation for services rendered and reimbursement of expenses incurred and (b) be paid in full by the Lender Liquidating Trustee or, after any PS I Trust Asset Transfer, the Unsecured Liquidating Trustee, in cash, in such amounts as are Allowed by the Bankruptcy Court, within five (5) Business Days of entry of such order. ~~ProtoStar~~ PS I, the Lender Liquidating Trustee or the ~~Lender~~ Unsecured Liquidating Trustee, as applicable, ~~are~~ is authorized to pay compensation for services rendered or reimbursement of expenses incurred after the Effective Date in the ordinary course of business and without the need for Bankruptcy Court approval.

B. *Priority Tax Claims*

Each Holder of an Allowed Priority Tax Claim shall, in full and final satisfaction of such Allowed Priority Tax Claim, be paid in full, in cash, on the Effective Date, unless the Holder consents to other treatment.

ARTICLE III

CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS

A. *Summary*

The categories listed below classify Claims against and Equity Interests in ~~each of the ProtoStar entities~~ PS I for all purposes, including voting, confirmation and distribution pursuant hereto and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or Equity Interest shall be deemed classified in a particular Class only to the extent that the Claim or Equity 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 Equity Interest qualifies within the description of such different Class. A Claim or Equity Interest is in a particular Class only to the extent that such Claim or Equity Interest is Allowed in that Class and has not been paid or otherwise satisfied prior to the Effective Date.

Summary of Classification and Treatment of Claims and Equity Interests

<u>Class</u>	<u>Claim</u>	<u>Status</u>	<u>Voting Right</u>
1	Priority Non-Tax Claims	Unimpaired	Deemed to accept
2A	ProtoStar Ltd. CS Facility Claims	Impaired	Entitled to vote
2B	ProtoStar Ltd. Noteholder Claims	Impaired	Entitled to vote
3	ProtoStar Ltd. Unsecured Claims	Impaired	Entitled to vote

<u>Class</u>	<u>Claim</u>	<u>Status</u>	<u>Voting Right</u>
<u>42</u>	PS I Secured Claims	Impaired	Entitled to vote
<u>53</u>	PS I Unsecured Claims	Impaired	Entitled to vote
6	PS II Secured Claims	Impaired	Entitled to vote
7	PS II Unsecured Claims	Impaired	Entitled to vote
8	PSS Secured Claims	Impaired	Entitled to vote
9	PSS Unsecured Claims	Impaired	Entitled to vote
10	PSA Unsecured Claims	Impaired	Entitled to vote
11	PSD Secured Claims	Impaired	Entitled to vote
12	PSD Unsecured Claims	Impaired	Entitled to vote
134	Equity Interests	Impaired	Deemed to reject <u>accept</u>
14	Interecompany Claims	Impaired	Deemed to accept

B. *Classification, Treatment and Voting*

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

(A) *Classification:* Class 1 is comprised of the Priority Non-Tax Claims against ~~ProtoStar~~PS I.

(B) *Treatment:* The Plan will not alter any of the legal, equitable and contractual rights of the Holders of Allowed Priority Non-Tax Claims. Each Holder of an Allowed Priority Non-Tax Claim shall, in full and final satisfaction of such Priority Non-Tax Claim, be paid in full, in cash, on or as soon as practicable following the Effective Date, unless the Holder consents to other treatment.

(C) *Voting:* Class 1 is Unimpaired and the Holders of Class 1 Claims are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Claims in Class 1 are not entitled to vote to accept or reject the Plan.

2. **~~Class 2A – ProtoStar Ltd. CS Facility – PS I Secured~~ Claims**

(A) *Classification:* ~~Class 2A comprises the CS Facility Claims against ProtoStar Ltd.~~

~~(B) *Treatment:* Each Holder of an Allowed ProtoStar Ltd. CS Facility Claim shall, in full and final satisfaction of such Allowed ProtoStar Ltd. CS Facility Claim, receive its Pro Rata share of (i) any cash on hand in the PS II DIP Account remaining after repayment of the PS II DIP Claims and (ii) ProtoStar Ltd. Trust A Interests.~~

~~(C) Voting: Class 2 is Impaired and the Holders of Class 2 Claims are entitled to vote to accept or reject the Plan.~~

~~3. Class 2B ProtoStar Ltd. Noteholder Claims~~

~~(A) Classification: Class 2B comprises the Noteholder Guarantee Claims against ProtoStar Ltd.~~

~~(B) Treatment: Each Holder of an Allowed Noteholder Guarantee Claim shall, in full and final satisfaction of such Allowed Noteholder Guarantee Claim, receive its Pro Rata share of (i) any cash on hand in the PS I DIP Account remaining after repayment of the PS I DIP Claims and (ii) Trust B Interests (solely with respect to the Equity Interests of PS I).~~

~~(C) Voting: Class 2B is Impaired and the Holders of Class 2B Claims are entitled to vote to accept or reject the Plan.~~

~~4. Class 3 ProtoStar Ltd. Unsecured Claims~~

~~(A) Classification: Class 3 is comprised of the ProtoStar Ltd. Unsecured Claims against ProtoStar Ltd., including deficiency Claims of the Noteholders (on account of Noteholder Guarantee Claims) and the CS Facility Lenders, if any.~~

~~(B) Treatment: Each Holder of an Allowed ProtoStar Ltd. Unsecured Claim shall receive, in full and final satisfaction of such Allowed ProtoStar Ltd. Unsecured Claim, its Pro Rata share of (i) Unsecured Liquidating Trust Interests in the Unsecured Liquidating Trust, (ii) PS I Net Sale Proceeds, if any, remaining after payment in full of the PS I Secured Claims and the PS I Unsecured Claims and (iii) PS II Net Sale Proceeds, if any, remaining after payment in full of the PS II Secured Claims, the PS II Unsecured Claims, the PS I DIP Claims on account of Junior Priority DIP Collateral and the Adequate Protection Obligations (each as defined in the PS I Final DIP Order).~~

~~(C) Voting: Class 3 is Impaired and the Holders of Class 3 Claims are entitled to vote to accept or reject the Plan.~~

~~5. Class 4 PS I Secured Claims~~

~~(A) Classification: Class 4 comprises the Noteholder Claims against PS I.~~

~~(B) Treatment: Each Holder of an Allowed PS I Secured Claim shall, in full and final satisfaction of such Allowed PS I Secured Claim, receive its Pro Rata share of (i) the PS I Net Sale Proceeds and (ii) Lender Liquidating Trust ~~B~~ Interests.~~

~~(C) Voting: Class 42 is Impaired and the Holders of Class 42 Claims are entitled to vote to accept or reject the Plan.~~

3. ~~6.~~ **Class 53** – PS I Unsecured Claims

(A) *Classification:* Class 53 is comprised of the ~~PS I~~ Unsecured Claims against PS I, including ~~deficiency Claims of the Noteholders (on account of Noteholder Claims),~~ if any, and Intercompany Claims.

(B) *Treatment:* Each Holder of an Allowed PS I Unsecured Claim shall receive, in full and final satisfaction of such Allowed PS I Unsecured Claim, its Pro Rata share of ~~(i) Unsecured Liquidating Trust Interests and (ii) any remaining PS I Net Sale Proceeds after payment in full of the Allowed PS I Secured Claims.~~

~~(C) *Voting:* Class 5 is Impaired and the Holders of Class 5 Claims are entitled to vote to accept or reject the Plan.~~

~~7.~~ ~~Class 6~~ – PS II Secured Claims

~~(A) *Classification:* Class 6 is comprised of the CS Facility PS II Guarantee Claims against PS II.~~

~~(B) *Treatment:* Each Holder of an Allowed PS II Secured Claim shall receive, in full and final satisfaction of such Allowed PS II Secured Claim, its Pro Rata share of (i) the PS II Net Sale Proceeds and (ii) PS II Trust-A Interests.~~

~~(C) *Voting:* Class 6 is Impaired and the Holders of Class 6 Claims are entitled to vote to accept or reject the Plan.~~ 3 is Impaired and the Holders of Class 3 Claims are entitled to vote to accept or reject the Plan.

~~8.~~ ~~Class 7~~ – PS II Unsecured Claims

4. **Class 4** – Equity Interests

(A) *Classification:* Class 74 is comprised of the ~~PS II Unsecured Claims~~ against PS II, including ~~deficiency Claims of the CS Facility Lenders, if any~~ Equity Interests in PS I.

(B) *Treatment:* ~~Each ProtoStar Ltd., as the sole~~ Holder of ~~an Allowed PS II Unsecured Claim~~ Equity Interests in PS I shall receive, in full and final satisfaction of such Allowed PS II Unsecured Claim, its Pro Rata share of ~~(i) Unsecured Liquidating Trust Interests and (ii) any remaining PS II Net Sale Proceeds after payment in full of the PS II Secured Claims.~~

~~(C) *Voting:* Class 7 is Impaired and the Holders of Class 7 Claims are entitled to vote to accept or reject the Plan.~~

~~9.~~ ~~Class 8~~ – PSS Secured Claims

~~(A) *Classification:* Class 8 is comprised of the CS Facility PSS Guarantee Claims against PSS.~~

~~(B) Treatment: Each Holder of an Allowed PSS Secured Claim shall receive, in full and final satisfaction of such Allowed PSS Secured Claim, its Pro Rata share of PSS Trust A Interests.~~

~~(C) Voting: Class 8 is Impaired and the Holders of Class 8 Claims are entitled to vote to accept or reject the Plan.~~

~~10. Class 9 PSS Unsecured Claims~~

~~(A) Classification: Class 9 is comprised of the PSS Unsecured Claims against PSS, including deficiency Claims of the CS Facility Lenders, if any.~~

~~(B) Treatment: Each Holder of an Allowed PSS Unsecured Claim shall receive, in full and final satisfaction of such Allowed PSS Unsecured Claim, its Pro Rata share of Unsecured Liquidating Trust Interests.~~

~~(C) Voting: Class 9 is Impaired and the Holders of Class 9 Claims are entitled to vote to accept or reject the Plan.~~

~~11. Class 10 PSA Unsecured Claims~~

~~(A) Classification: Class 10 is comprised of the PSA Unsecured Claims against PSA.~~

~~(B) Treatment: Each Holder of an Allowed PSA Unsecured Claim shall receive, in full and final satisfaction of such Allowed PSA Unsecured Claim, its Pro Rata share of Unsecured Liquidating Trust Interests.~~

~~(C) Voting: Class 10 is Impaired and the Holders of Class 10 Claims are entitled to vote to accept or reject the Plan.~~

~~12. Class 11 PSD Secured Claims~~

~~(A) Classification: Class 11 is comprised of the CS Facility PSD Guarantee Claims against PSD.~~

~~(B) Treatment: Each Holder of an Allowed PSD Secured Claim shall receive, in full and final satisfaction of such Allowed PSD Secured Claim, its Pro Rata share of PSD Trust A Interests.~~

~~(C) Voting: Class 11 is Impaired and the Holders of Class 11 Claims are entitled to vote to accept or reject the Plan.~~

~~13. Class 12 PSD Unsecured Claims~~

~~(A) Classification: Class 12 is comprised of the PSD Unsecured Claims against PSD, including deficiency Claims of the CS Facility Lenders, if any.~~

~~(B) Treatment: Each Holder of an Allowed PSD Unsecured Claim shall receive, in full and final satisfaction of such Allowed PSD Unsecured Claim, its Pro Rata share of Unsecured Liquidating Trust Interests.~~

~~(C) Voting: Class 12 is Impaired and the Holders of Class 12 Claims are entitled to vote to accept or reject the Plan.~~

~~14. Class 13 Equity Interests~~

~~(A) Classification: Class 13 is comprised of the Equity Interests in any of the ProtoStar entities.~~

~~(B) Treatment: Equity Interests, Unsecured Liquidating Trust B Interests. On the Effective Date, all Equity Interests of the ProtoStar entities in PS I (which shall include any and all Claims subordinated pursuant to section 510(b) of the Bankruptcy Code that are in any way arising from, of or in connection with the Equity Interests) shall be deemed cancelled and of no further force and effect, whether surrendered for cancellation or otherwise. ~~Holders of Equity Interests of the ProtoStar entities shall not receive or retain any property under the Plan on account of such Equity Interests.~~~~

~~(C) Voting: Class 13 is Impaired and the Holders of Class 13 Equity Interests are deemed to reject the Plan.~~

~~15. Class 14 Intercompany Claims~~

~~(A) Classification: Class 14 is comprised of the Intercompany Claims against any of the ProtoStar entities.~~

~~(B) Treatment: On the Effective Date, distributions will be made on account of secured or unsecured Intercompany Claims from the proceeds of the appropriate Debtor obligor and/or collateral, as applicable, and consistent with Claims of equivalent priority in Classes 2A-12.~~

~~(C) Voting: Class 144 is Impaired and but the HoldersHolder of Class 14 Claims are4 Equity Interests is deemed to accept the Plan as proponentsa proponent of the Plan.~~

ARTICLE IV

ACCEPTANCE OR REJECTION OF PLAN

A. Voting Classes

Holders of Claims in each Impaired Class of Claims are entitled to vote as a Class to accept or reject the Plan. Each Holder of a Class ~~2A Claim, Class 2B Claim, Class 3 Claim, Class 4 Claim, Class 5 Claim, Class 6 Claim, Class 7 Claim, Class 8 Claim, Class 9 Claim, Class 10 Claim, Class 11 Claim and Class 12~~ and Class 3 Claim shall be entitled to vote to accept or reject the Plan. ~~Class 13 is deemed to reject the Plan because the Holders of Class 13 Equity Interests will receive no distribution on account of their Equity Interests. Class 144 is presumed~~

to accept the Plan because the ~~Holders~~Holder of Class ~~14 Intercompany Claims are proponents~~4 Equity Interests is a proponent of the Plan.

B. *Acceptance by Impaired Classes*

An Impaired Class of Claims shall be deemed to have accepted the Plan if (a) Holders (other than any Holder designated pursuant to section 1126(e) of the Bankruptcy Code) of at least two-thirds in amount of the Claims actually voting in such Class have voted to accept the Plan and (b) Holders (other than any Holder designated pursuant to section 1126(e) of the Bankruptcy Code) of more than one-half in number of the Claims actually voting in such Class have voted to accept the Plan.

C. *Presumed Acceptance of Plan*

Class 1 is Unimpaired under the Plan, and, therefore, is presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Class 4 is also presumed to have accepted the Plan.

D. *Non-Consensual Confirmation*

To the extent that any Impaired Class rejects the Plan ~~or is deemed to have rejected the Plan, ProtoStar, PS I~~ will request confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code. ~~ProtoStar~~PS I reserves the right to alter, amend, modify, revoke or withdraw this Plan or any document in the Plan Supplement, including to amend or modify it to satisfy the requirements of section 1129(b) of the Bankruptcy Code, if necessary.

ARTICLE V

PROVISIONS FOR IMPLEMENTATION OF PLAN

A. *Sale of Substantially All of ~~ProtoStar~~PS I's Assets*

~~1. PS I Sale~~

On ~~or before the Effective Date, ProtoStar~~December 4, 2009, PS I and the PS I Purchaser ~~shall take all steps necessary to consummate~~consummated the PS I Sale in accordance with the PS I Sale Order and this Plan (such date referred to herein as the “PS I Closing Date”). On the PS I Closing Date, pursuant to the PS I APA, PS I ~~shall transfer~~transferred the PS I Satellite Assets to the PS I Purchaser for the aggregate cash consideration of \$210 million (the “PS I Purchase Price”) plus the assumption by the PS I Purchaser of the Assumed PS I Liabilities. ~~As set forth in the PS I Final DIP Order,~~Distributions of the PS I Net Sale Proceeds to the Noteholders on account of PS I Secured Claims shall be ~~directly and indefeasibly paid immediately upon consummation of the PS I Sale to the agent of the PS I DIP Lenders for distribution in accordance with Paragraph 14(a)(vi) of the PS I Final DIP Order.~~ in accordance with the priorities set forth in and the other provisions of the Plan, including without limitation pursuant to Articles VII.A.1 and VII.B herein, as well as any subsequent Order(s) of the Court with respect to the distribution of such amounts, including without limitation the PS I Sale Proceeds Distribution Order and any PS I Reserve Distribution Order(s).

Upon consummation of the PS I Sale, the Assumed PS I Liabilities ~~shall be~~became obligations of the PS I Purchaser and, from and after the PS I Closing Date, ~~shall no longer be obligations of ProtoStar or its Estates, and any Holder of any Claim with respect thereto shall have no recourse on account of such Claim against ProtoStar or its Estates.~~

~~2. PS II Sale~~

~~On or before the Effective Date, ProtoStar and the PS II Purchaser shall take all steps necessary to consummate the PS II Sale in accordance with the PS II Sale Order and this Plan (such date referred to herein as the “PS II Closing Date”). On the PS II Closing Date, pursuant to the PS II APA, PS II shall transfer the PS II Satellite Assets to the PS II Purchaser for the aggregate consideration of the PS II Purchase Price plus the assumption by the PS II Purchaser of the Assumed PS II Liabilities. As set forth in the PS II Final DIP Order, the PS II Net Sale Proceeds shall be directly and indefeasibly paid immediately upon consummation of the PS II Sale to the agent of the PS II DIP Lenders for distribution in accordance with Paragraph 42 of the PS II Final DIP Order including without limitation, the proviso in subsection (iv) of Paragraph 42 of the PS II Final DIP Order. The descriptions of the distributions with respect to the PS II Net Sale Proceeds contained herein, and the treatment provided for the CS Facility Claims, are subject to, and qualified by, the CS Facility Lenders’ right to credit bid pursuant to section 363(k) of the Bankruptcy Code and the PS II Bidding Procedures Order. Upon consummation of the PS II Sale, the Assumed PS II Liabilities shall be obligations of the PS II Purchaser and, from and after the PS II Closing Date, shall no longer be obligations of ProtoStar~~are no longer obligations of PS I or its Estates~~the PS I Estate~~, and any Holder of any Claim with respect thereto shall have no recourse on account of such Claim against ~~ProtoStar~~PS I or ~~its Estates~~the PS I Estate.

B. *Sale-Related Incentive* ~~Plans~~Plan

1. PS I Sale-Related Incentive Plan

~~On October 30, 2009, ProtoStar filed the PS I MIP Motion seeking~~PS I intends to seek Bankruptcy Court approval of ~~the~~a revised PS I MIP. ~~The~~Any PS I MIP Payments, to the extent earned and payable, will be made in accordance with ~~any~~the PS I MIP Order (~~which order shall be acceptable to counsel for the Noteholders) from funds that would have otherwise been payable to the Noteholders.~~

~~2. PS II Sale-Related Incentive Plan~~ProtoStar intends to seek Bankruptcy Court approval of ~~a~~a management incentive plan related to the PS II Sale. Any payments, to the extent earned and payable, under this management incentive plan will be made in accordance with an order entered by the Court (~~which order shall be acceptable to counsel for the CS Facility Lenders) and the priorities set forth in the Plan~~entered by the Court from funds otherwise payable to the ~~CS Facility Lenders~~Noteholders.

C. *Liquidating Trusts*

1. Lender Liquidating Trust

(A) *Establishment of Lender Liquidating Trust*

On the Effective Date, ~~ProtoStar~~PS I and the Lender Liquidating Trustee shall execute the Lender Liquidating Trust Agreement and shall take all other steps necessary to establish the Lender Liquidating Trust for the benefit of the Lender Liquidating Trust Beneficiaries in accordance with the Plan.

(B) *Funding of Lender Liquidating Trust*

The Lender Liquidating Trust shall be irrevocably funded with the Lender Liquidating Trust Assets; on the Effective Date of the Plan for the benefit of the Lender Liquidating Trust Beneficiaries. Such funding shall be exempt from any stamp real estate transfer, mortgage reporting, sales, use or other similar tax.

(C) *Appointment of Lender Liquidating Trustee*

The identity of the Lender Liquidating Trustee, and the structure and governance of the Lender Liquidating Trust shall be determined by the ~~Prepetition Secured Lenders~~Noteholders (in consultation with, solely with respect to funding and distributions of amounts on account of the winding down of ~~the Bermuda Entities~~PS I in the Bermuda Proceeding, the Provisional Liquidator) and ~~will~~shall be ~~set forth~~named in the Lender Liquidating Trust Agreement included in the Plan Supplement. In the event the Lender Liquidating Trustee is no longer willing or able to serve as trustee, then the successor shall be appointed by the Holders of Lender Liquidating Trust Interests, or as otherwise determined by the Bankruptcy Court, and notice of the appointment of such Lender Liquidating Trustee shall be filed with the Bankruptcy Court.

2. Unsecured Liquidating Trust

(A) *Establishment of Unsecured Liquidating Trust*

On the Effective Date, ~~ProtoStar~~PS I and the Unsecured Liquidating Trustee shall execute the Unsecured Liquidating Trust Agreement and shall take all other steps necessary to establish the Unsecured Liquidating Trust for the benefit of the Unsecured Liquidating Trust Beneficiaries in accordance with the Plan.

(B) *Funding of Unsecured Liquidating Trust*

The Unsecured Liquidating Trust will be irrevocably funded with the Unsecured Liquidating Trust Assets; on the Effective Date of the Plan for the benefit of the Unsecured Liquidating Trust Beneficiaries. Such funding shall be exempt from any stamp real estate transfer, mortgage reporting, sales, use or other similar tax.

(C) *Appointment of Unsecured Liquidating Trustee*

The identity of the Unsecured Liquidating Trustee, and the structure and governance of the Unsecured Liquidating Trust, shall be determined by the ~~Prepetition Secured Lenders, the Creditors' Committee and the Provisional Liquidator~~ ~~and will be set forth.~~ The Unsecured Liquidating Trustee shall be named in the Unsecured Liquidating Trust Agreement included in the Plan Supplement; provided, however, that the Unsecured Liquidating Trust Agreement shall provide that immediately following any PS I Trust Asset Transfer, the majority holders of Unsecured Liquidating Trust Interests shall be entitled to appoint a replacement Unsecured Liquidating Trustee with or without cause. In the event the Unsecured Liquidating Trustee is no longer willing or able to serve as trustee, then the successor shall be appointed by the Holders of Unsecured Liquidating Trust Interests, or as otherwise determined by the Bankruptcy Court, and notice of the appointment of such Unsecured Liquidating Trustee shall be filed with the Bankruptcy Court.

3. Provisions Applicable to Liquidating Trusts

(A) *Transfer and Vesting of Liquidating Trust Assets in Liquidating Trusts*

Notwithstanding any prohibition of assignability under applicable non-bankruptcy law, on the Effective Date and periodically thereafter if additional Liquidating Trust Assets become available, ~~ProtoStar~~ PS I shall be deemed to have automatically transferred to the applicable Liquidating Trust all of ~~their~~ its right, title and interest in and to all of such additional Liquidating Trust Assets, and in accordance with section 1141 of the Bankruptcy Code, all such assets shall automatically irrevocably vest in the applicable Liquidating Trust free and clear of all Claims and Liens, subject only to the Allowed Claims of the applicable Liquidating Trust Beneficiaries, as set forth in the Plan, and the reasonable fees and expenses of administering the applicable Liquidating Trust, including, without limitation, the reasonable fees and expenses of its Liquidating Trustee, as provided in the applicable Liquidating Trust Agreement; ~~provided, however, that the automatic vesting in the applicable Liquidating Trust of any Liquidating Trust Asset that is a cause of action of ProtoStar (whether a Chapter 5 Cause of Action, an Other Cause of Action or otherwise, but not including any Excluded Action) pursuant to the provisions hereof shall only occur to the extent that the vesting of such cause of action in a Liquidating Trust will not materially impair the applicable Liquidating Trustee's ability under applicable law (notwithstanding the operation of section 1141 of the Bankruptcy Code) to assert such cause of action for the benefit of the applicable Liquidating Trust Beneficiaries; provided further that, in the event any cause of action does not automatically vest in a Liquidating Trust in accordance with the foregoing proviso, such Liquidating Trust Asset shall be liquidated, monetized or otherwise disposed of by ProtoStar or the Liquidating Trustee for the applicable Liquidating Trust in which such cause of action would otherwise have vested in consultation with and at the expense of the applicable Liquidating Trust Beneficiaries. Thereupon, ProtoStar.~~ Thereupon, PS I or any entity other than the Liquidating Trust Beneficiaries shall have no interest in or with respect to such Liquidating Trust Assets or any additional assets thereafter transferred or the Liquidating Trusts. In connection with the vesting and transfer of the Liquidating Trust Assets, including rights and, with respect to the Unsecured Liquidating Trust, the PS I Chapter 5 Causes of Action and the PS I Lien Avoidance Action, and with respect to the Lender Liquidating Trust, the Other Causes of Action, any attorney-client privilege, work-product protection or other

privilege or immunity attaching to any documents or communications (whether written or oral) transferred to the Liquidating Trusts (or otherwise held or disposed of as provided herein) shall vest in the applicable Liquidating Trust or alternative transferee. ~~ProtoStar~~PS I and the Liquidating Trustees are authorized to take all necessary actions to effectuate the transfer of such privileges, protections and immunities.

Within five (5) Business Days of entry of a Final Order invalidating the Liens held by the Noteholders and WC Lenders with respect to the PS I Collateral, the Lender Liquidating Trustee shall make a PS I Trust Asset Transfer, and such assets shall become Unsecured Liquidating Trust Assets. Concurrent with such transfer, the Unsecured Liquidating Trustee shall distribute to the Noteholders and WC Lenders Unsecured Liquidating Trust A Interests representing Pro Rata interests in the Unsecured Liquidating Trust.

(B) *Preservation of Confidences and Attorney-Client Privilege*

To effectively investigate, defend or pursue the Liquidating Trust Assets, including, with respect to the Unsecured Liquidating Trust, the PS I Chapter 5 Causes of Action and PS I Lien Avoidance Action, and with respect to the Lender ~~Litigation~~Liquidating Trust, the Other Causes of Action, ~~ProtoStar~~PS I and, as the case may be, (i) the Lender Liquidating Trust, Lender Liquidating Trustee and all counsel thereto or (ii) the Unsecured Liquidating Trust, Unsecured Liquidating Trustee and all counsel thereto, must be able to exchange information with each other on a confidential basis and cooperate in common interest efforts without waiving any applicable privilege. Given the common interests of the parties and the Liquidating Trusts' position as successors to the Liquidating Trust Assets, including, with respect to the Unsecured Liquidating Trust, the PS I Chapter 5 Causes of Action and PS I Lien Avoidance Action, and with respect to the Lender ~~Litigation~~Liquidating Trust, the Other Causes of Action, sharing such information ~~in~~amongst the ~~manner~~parties described in the previous sentence, shall not waive or limit any applicable privilege or exemption from disclosure or discovery related to such information.

(C) *Treatment of Liquidating Trusts for Federal Income Tax Purposes; No Successor-in-Interest*

Each Liquidating Trust shall be established for the primary purpose of liquidating its assets, in accordance with Treasury Regulations § 301.7701-4(d), with no objective to continue or engage in the conduct of a trade or business, except to the extent reasonably necessary to, and consistent with, the liquidating purpose of each Liquidating Trust. Accordingly, each Liquidating Trustee shall in an expeditious but orderly manner, liquidate and convert to cash the Liquidating Trust Assets, including, with respect to the Unsecured Liquidating Trust, the PS I Chapter 5 Causes of Action and PS I Lien Avoidance Action, and with respect to the Lender ~~Litigation~~Liquidating Trust, the Other Causes of Action, make timely distributions at least annually of the proceeds therefrom to the Lender Liquidating Trust Beneficiaries or the Unsecured Liquidating Trust Beneficiaries, as the case may be, and not unduly prolong their duration. Neither Liquidating Trust shall be deemed a successor-in-interest of ~~ProtoStar~~PS I for any purpose other than as specifically set forth herein or in the applicable Liquidating Trust Agreement.

Each Liquidating Trust is intended to qualify as a “grantor trust” for federal income tax purposes with the ~~applicable~~ Liquidating Trust Beneficiaries treated as grantors and owners of the ~~applicable~~ Liquidating Trust Trusts. For all federal income tax purposes, all parties (including, without limitation, ProtoStar PS I, the Liquidating Trustees, and the Liquidating Trust Beneficiaries) shall treat the transfer of the Liquidating Trust Assets by ProtoStar PS I to the Liquidating Trusts, as set forth in the applicable Liquidating Trust Agreement, as a transfer of such assets by ProtoStar PS I to the applicable Liquidating Trust Beneficiaries entitled to distributions from the Liquidating Trust Assets, followed by a transfer by such beneficiaries to the applicable Liquidating Trust. Thus, the Liquidating Trust Beneficiaries shall be treated as the grantors and owners of a grantor trust for federal income tax purposes.

Consequently, the Liquidating Trust Beneficiaries may be required to identify themselves to the Liquidating Trustees in order to receive distributions and allocable tax information from the Liquidating Trustees.

As soon as practicable after the Effective Date, each Liquidating Trustee shall value the Liquidating Trust Assets in the Liquidating Trust for which he or she serves as Liquidating Trustee, based on the good faith determination of the such Liquidating Trust, and shall apprise ~~his or her respective~~ the Liquidating Trust Beneficiaries of such ~~valuation~~ valuations. The ~~valuation~~ valuations shall be used consistently by all parties (including ProtoStar PS I, the Liquidating Trustee, and the Liquidating Trust Beneficiaries) for all federal income tax purposes. The Bankruptcy Court shall resolve any dispute regarding the valuation of the Liquidating Trust Assets.

The right and power of each Liquidating Trustee to invest the Liquidating Trust Assets transferred to each respective Liquidating Trust, the proceeds thereof, or any income earned by the each Liquidating Trust, shall be limited to the right and power to (i) invest such Liquidating Trust Assets (pending distributions in accordance with the Plan) in (a) short-term direct obligations of, or obligations guaranteed by, the United States of America, (b) short-term obligations of any agency or corporation which is or may hereafter be created by or pursuant to an act of the Congress of the United States as an agency or instrumentality thereof or (c) such other investments as the Bankruptcy Court may approve from time to time; or (ii) deposit such assets in demand deposits or certificates of deposit at any bank or trust company, which has, at the time of the deposit, a capital stock and surplus aggregating at least \$1,000,000,000 (collectively, the “Permissible Investments”); *provided, however*, that the scope of any such Permissible Investments shall be limited to include only those investments that a liquidating trust, within the meaning of Treasury Regulations § 301.7701-4(d), may be permitted to hold, pursuant to the Treasury Regulations, or any modification in the IRS guidelines, whether set forth in IRS rulings, other IRS pronouncements or otherwise.

Subject to the provisions of this Article V, each Liquidating Trustee shall distribute to their respective Liquidating Trust Beneficiaries all net cash income plus all net cash proceeds from the liquidation of the respective Liquidating Trust Assets (including as cash for this purpose, all cash equivalents) at such time intervals as decided by each Liquidating Trustee in his or her discretion, pursuant to the terms of the Plan. Each Liquidating Trust shall make distributions no less frequently than once per twelve-month period, such period to be measured from the Effective Date; *provided, however*, that each Liquidating Trustee may, in his or her sole

discretion, cause the Liquidating Trust to retain an amount of net cash proceeds or net cash income reasonably necessary to maintain the value of its assets or to meet Claims and contingent liabilities (including Disputed Claims). Each Liquidating Trustee may also determine that in a given period or on the anniversary of the Effective Date, there are insufficient assets to make a distribution.

Each Liquidating Trustee shall require any Liquidating Trust Beneficiary or other distributee to furnish to the Liquidating Trustee in writing his or its Employer or Taxpayer Identification Number as assigned by the IRS and each Liquidating Trustee may condition any distribution to any Liquidating Trust Beneficiary or other distributee upon receipt of such identification number.

Each Liquidating Trustee shall file returns for the relevant Liquidating Trust as a grantor trust pursuant to Treasury Regulations § 1.671-4(a) and in accordance with the Plan. Each Liquidating Trustee shall also annually send to each ~~holder of a beneficial interest~~person treated as a grantor of such Trust a separate statement setting forth the ~~holder~~person's share of items of income, gain, loss, deduction or credit and will instruct all such ~~holders~~persons to report such items on their federal income tax returns or to forward the appropriate information to the ~~beneficial holders~~persons with instructions to report such items on their federal income tax returns. Each Liquidating Trustee shall also file (or cause to be filed) any other statements, returns or disclosures relating to the relevant Liquidating Trust that are required by any governmental unit. Each Liquidating Trust's taxable income, gain, loss deduction or credit will be allocated to the Liquidating Trust Beneficiaries in accordance with their relative beneficial interests in the relevant Liquidating Trust. Each Liquidating Trustee shall be responsible for payments, out of the relevant Liquidating Trust Assets, of any taxes imposed on the trust or its assets. Each Liquidating Trustee may request an expedited, determination of taxes of the Liquidating Trust under section 505(b) of the Bankruptcy Code for all returns filed for, or on behalf of, the relevant Liquidating Trust for all taxable periods through the dissolution of the relevant Liquidating Trust.

(D) *Liquidating Trustees' Authority and Duties*

From and after the Effective Date, each Liquidating Trustee shall serve as trustee of each Liquidating Trust, respectively, and shall have all powers, rights and duties of a trustee, as set forth in each Liquidating Trust Agreement. Among other things, each Liquidating Trustee shall: (i) hold and administer the Liquidating Trust Assets, including, with respect to the Unsecured Liquidating Trust, the PS I Chapter 5 Causes of Action and PS I Lien Avoidance Action, and with respect to the Lender ~~Litigation~~Liquidation Trust, the Other Causes of Action, (ii) with respect to the Unsecured Liquidating Trust, have the sole authority and discretion on behalf of the Unsecured Liquidating Trust to evaluate and determine strategy with respect to the PS I Chapter 5 Causes of Action and the PS I Lien Avoidance Action, and to litigate, settle, transfer, release or abandon and/or compromise in any manner any and all such PS I Chapter 5 Causes of Action or PS I Lien Avoidance Action on behalf of the Unsecured Liquidating Trust on any terms and conditions as it may determine in good faith based on the best interests of the Unsecured Liquidating Trust Beneficiaries, (iii) have the power and authority to retain, as an expense of each respective Liquidating Trust, attorneys, advisors, other professionals and employees as may be appropriate to perform the duties required of each Liquidating Trustee

hereunder or in the applicable Liquidating Trust Agreement, (iv) make distributions to the respective Liquidating Trust Beneficiaries as provided in the applicable Liquidating Trust Agreement and the Plan, (v) have the right to receive reasonable compensation for performing services as a Liquidating Trustee and to pay the reasonable fees, costs and expenses of any counsel, professionals, advisors or employees as may be necessary to assist a Liquidating Trustee in performing the duties and responsibilities required under the Plan and the applicable Liquidating Trust Agreement, (vi) file, litigate, settle, compromise or withdraw objections to Claims as set forth in Article VIII.A herein; and (vii) have the right to provide periodic reports and updates to its respective Liquidating Trust Beneficiaries regarding the status of the administration of the Liquidating Trust Assets, including, with respect to the Unsecured Liquidating Trust, the [PS I Chapter 5 Causes of Action](#) and the PS I Lien Avoidance Action, and with respect to the Lender ~~Litigation~~[Liquidating](#) Trust, the Other Causes of Action, and the assets, liabilities and transfers of each Liquidating Trust.

(E) *Termination of Liquidating Trust*

Each Liquidating Trust will terminate as soon as practicable, but in no event later than the fifth (5th) anniversary of the Effective Date; *provided, however*, that, on or prior to the date of such termination, the Bankruptcy Court, upon motion within the six (6) month period prior to the fifth (5th) anniversary of the Effective Date by a party-in-interest, may extend the term of either Liquidating Trust for a finite period, if such an extension is necessary to liquidate such trust's Liquidating Trust Assets or for other good cause. Notwithstanding the foregoing, multiple extensions may be obtained so long as Bankruptcy Court approval is obtained within the six (6) month period prior to the expiration of each extended term; *provided further, however*, that the Liquidating Trustee receives an opinion of counsel or a favorable ruling from the IRS that any further extension would not adversely affect the status of the Liquidating Trust as a grantor trust for federal income tax purposes.

(F) *Termination of Liquidating Trustee*

The duties, responsibilities and powers of either Liquidating Trustee shall terminate in accordance with the terms of each respective Liquidating Trust Agreement.

(G) *Exculpation; Indemnification*

Each Liquidating Trustee, and its respective professionals, shall be exculpated and indemnified pursuant to and in accordance with the terms of the applicable Liquidating Trust Agreement.

(H) *Preservation of Records and Documents*

~~ProtoStar~~[PS I](#), each Liquidating Trustee and the Purchasers, as applicable, shall: (i) take commercially reasonable efforts to preserve all records and documents (including any electronic records or documents) related to the Liquidating Trust Assets, the [PS I Chapter 5 Causes of Action](#), and the Other Causes of Action, as applicable, for a period of five (5) years from the Effective Date or, if actions with respect to any applicable [PS I Chapter 5 Causes of Action](#) or Other Causes of Action are then pending, until the respective Liquidating Trustee notifies their respective Liquidating Trust Beneficiaries such records are no longer required to be preserved;

and (ii) provide each Liquidating Trust, the Liquidating Trust Beneficiaries and their respective counsel, agents and advisors, with reasonable access to such records and documents.

(I) *Discovery*

Each Liquidating Trust shall be authorized to employ Bankruptcy Rule 2004 and any other bankruptcy tools of discovery as such are available prior to the Effective Date to the ~~Estates~~PS I Estate.

D. *Dismissal of Officers and Directors and Dissolution of ~~ProtoStar~~PS I and Board*

~~1. Upon the Effective Date, (i) the existing board of directors of PSS and PSA and any remaining officer of PSS and PSA shall be dismissed, each in accordance with the law of the applicable jurisdiction of incorporation, and (ii) each of PSS and PSA shall be deemed dissolved without any further action required on the part of PSS and PSA and its shareholders and officers and directors, each in accordance with the law of the applicable jurisdiction of incorporation.~~

~~2. As soon as practicable after the Effective Date (i) the Bermuda Entities~~PS I shall seek the entry of a winding up order by the Supreme Court of Bermuda and (ii) thereafter the existing board of directors and officers of ~~the Bermuda Entities~~PS I shall resign.

E. *Binding Effect*

Except as otherwise expressly provided in the Plan, on and after the Effective Date, the Plan shall bind the Creditors' Committee and all Holders of Claims and Equity Interests.

F. *Corporate Action*

Each of the matters provided for under the Plan involving any corporate action to be taken or required by ~~ProtoStar~~PS I shall, ~~as of on~~ the Effective Date, ~~and in the case of the Bermuda Entities, or~~ as soon as practicable ~~after the Effective Date~~thereafter, be deemed to have occurred and be effective as provided herein, and shall be authorized and approved without any requirement of further action by ~~the ProtoStar entities, their~~PS I, its shareholders or ~~their boards~~its board of directors.

Without limiting the foregoing, ~~the ProtoStar entities~~PS I (and ~~their boards~~its board of directors) ~~are~~is hereby authorized in ~~their~~its sole discretion, to take such steps as deemed necessary in accordance with applicable laws of ~~the jurisdiction of incorporation of such entities, as the case may be,~~Bermuda to dissolve or otherwise terminate on the Effective Date or as soon as practicable thereafter (i) ~~their~~its corporate existence by taking such steps as are necessary under the laws of ~~the applicable jurisdiction of incorporation including, without limitation, in the case of PSS, by filing a certificate of dissolution and a copy of the Confirmation Order with the Secretary of State of Delaware~~Bermuda, (ii) the existence of wholly-owned non-~~Debtor~~debtor subsidiaries; or (iii) any remaining health, welfare or benefit plans.

G. *Indemnification of Directors and Officers*

As of the Effective Date, ~~ProtoStar~~PS I will purchase and maintain continuing director and officer insurance coverage for a tail period of six (6) years, as may be agreed upon by ~~ProtoStar, PS I and~~ counsel for the Noteholder Supporting Creditors ~~and counsel for the CS Facility Lenders.~~

H. *Cancellation of Notes, Instruments, Debentures and Equity Securities*

On the Effective Date, except to the extent provided otherwise in the Plan, any agreement, note, instrument, certificate or other document evidencing or creating any Claim ~~against~~ or Equity Interest in ~~or against any of the ProtoStar entities~~PS I shall be automatically cancelled and terminated and of no further force and effect, without any further act or action and deemed surrendered without further act or action under any applicable agreement, law, regulation, order or rule and the obligations of ~~ProtoStar~~PS I under the agreements, notes, instruments, certificates or other documents governing such Claims and Equity Interests shall be discharged; provided, however, that the Senior Secured Notes Indenture shall no longer be effective as to ~~ProtoStar~~PS I but shall remain in effect solely with respect to provisions governing distributions by BNYM to the Noteholders.

ARTICLE VI

EXECUTORY CONTRACTS AND UNEXPIRED LEASES

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

Any executory contracts or unexpired leases that have not expired by their own terms on or prior to the Effective Date, (i) which ~~ProtoStar~~PS I has not assumed and assigned or rejected with the approval of the Bankruptcy Court (whether as part of the ~~Sales~~PS I Sale or otherwise), or (ii) that are not the subject of a motion to assume the same pending as of the Effective Date, shall be deemed rejected by ~~ProtoStar~~PS I on the Effective Date, and the entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such rejections pursuant to sections 365(a) and 1123 of the Bankruptcy Code, except to the extent that ~~ProtoStar~~PS I identifies any executory contracts or unexpired leases on a list included in the Plan Supplement which ~~ProtoStar~~PS I does not intend to reject, which list shall be satisfactory to counsel for the Noteholder Supporting Creditors ~~and counsel for the CS Facility Lenders.~~

B. *Rejection Claims; Cure of Defaults*

If the rejection of an executory contract or unexpired lease results in damages to the other party or parties to such contract or lease, any Claim for such damages, if not heretofore evidenced by a Proof of Claim that has been timely Filed, shall be forever barred and shall not be enforceable against ~~ProtoStar~~PS I, the Liquidating Trusts, or their properties, successors or assigns, unless a Proof of Claim is timely Filed with the Claims Agent and served upon (i) the Liquidating Trustees, and (ii) any counsel for the Liquidating Trustees, on or before (x) thirty (30) days after the later to occur of (i) the Effective Date and (ii) the date of entry of an order by the Bankruptcy Court authorizing rejection of a particular executory contract or unexpired lease, or (y) such other date as may be ordered by the Bankruptcy Court.

ARTICLE VII

PROVISIONS REGARDING DISTRIBUTIONS

A. *Time and Method of Distributions*

1. PS I Sale Distributions

On the Effective Date, PS I shall distribute to the PS I DIP Agent, in accordance with the PS I Reserve Distribution Order, an amount necessary to pay those PS I DIP Claims related to the refinancing of the WC Agreement, a portion of which distribution shall reduce distributions otherwise payable to the Senior Secured Notes Trustee for the Noteholders (to the extent a Final Order is entered invalidating the Liens held by the Noteholders and WC Lenders with respect to the PS I Collateral) in accordance with the Intercreditor Agreement.

~~Distributions of the~~ PS I Net Sale Proceeds neither placed in the PS I Claim Reserve nor distributed to the PS I Agent shall be distributed to the Noteholders on account of PS I Secured Claims ~~shall be in accordance with the PS I Final DIP Order, including without limitation pursuant to paragraph 14(a)(vi) thereof, and,~~ in accordance with the priorities set forth in and the other provisions of the Plan, including without limitation Article VII.B herein, as well as any subsequent Order(s) of the Court with respect to the distribution of such amounts. ~~Distributions shall be made to BNYM, which shall,~~ including the PS I Sale Proceeds Distribution Order and any PS I Reserve Distribution Order(s). Such distributions shall be made to Senior Secured Notes Trustee, which shall, after payment of the Senior Secured Notes Trustee's reasonable fees and reasonable out-of-pocket expense in accordance with the terms of the Senior Secured Notes Indenture, make distributions to the Noteholders through such Noteholders' respective DTC participants in accordance with the Senior Secured Notes Indenture. In connection therewith, the Senior Secured Notes Trustee may fix a record and payable date for any distribution. Whenever any distribution to be made in accordance with the foregoing is due on a day other than a Business Day, such distribution shall be made, without interest, on the immediately succeeding Business Day, but any such distribution shall have been deemed to have been made on the date due.

~~2. PS II Sale Distributions~~

~~Subject to the CS Facility Lenders' right to credit bid pursuant to the PS II Bidding Procedures Order in accordance with section 363(k) of the Bankruptcy Code, distributions of the PS II Net Sale Proceeds to the CS Facility Lenders shall be in accordance with the PS II Final DIP Order, including without limitation pursuant to paragraph 42 thereof, and in accordance with the priorities set forth in and the other provisions of the Plan. Whenever any distribution to be made in accordance with the foregoing is due on a day other than a Business Day, such distribution shall be made, without interest, on the immediately succeeding Business Day, but any such distribution will have been deemed to have been made on the date due.~~

2. ~~3.~~ Liquidating Trusts Distributions

a. Lender Liquidating Trust Distributions

The Lender Liquidating Trustee, on behalf of the Lender Liquidating Trust, or such other Entity as may be designated in accordance with the Lender Liquidating Trust Agreement, will make the distributions to Lender Liquidating Trust Beneficiaries required under the Plan in accordance with the Lender Liquidating Trust Agreement and the priorities set forth therein and in this Plan. Whenever any distribution to be made under the Plan or the Lender Liquidating Trust Agreement is due on a day other than a Business Day, such distribution shall be made, without interest, on the immediately succeeding Business Day, but any such distribution will have been deemed to have been made on the date due. The Lender Liquidating Trustee shall have the authority to make distributions as provided for under the Plan, administer and liquidate any ~~assets of the Estates (other than that portion of the assets that are used to satisfy in full all Administrative Expense Claims (including Professional Fee Claims), Priority Claims and the Unsecured of the Lender~~ Liquidating Trust Assets), remaining as of the Effective Date ~~and otherwise wind down the Estates~~. To the extent the Senior Secured Notes Trustee, one or more of the PS I Prepetition Agents or other paying agents provides services at the request of the Lender Liquidating Trustee related to distributions under this Plan, the Lender Liquidating Trustee may, without further approval of the Bankruptcy Court, provide the Senior Secured Notes Trustee, the PS I Prepetition Agents or other paying agents, as the case may be, with reasonable compensation for such services and reimbursement of reasonable out-of-pocket expenses incurred in connection with such services.

In connection therewith, the Senior Secured Notes Trustee or other paying agent may fix a record and payable date for any distribution of Lender Liquidating Trust Assets to Holders of Lender Liquidating Trust-B Interests. Noteholders may be required to identify themselves to the Lender Liquidating Trustee in order to receive distributions and allocable tax information from the Lender Liquidating Trust.

The Lender Liquidating Trust Assets, including all proceeds from the liquidation thereof, shall be distributed by the Lender Liquidating Trustee in the following order of priority:

- (i) First, to satisfy the expenses of administering the Lender Liquidating Trust, including, without limitation, reasonable fees and expenses of any attorneys, advisors, other professionals and employees employed by the Lender Liquidating Trustee;
 - (ii) ~~The Lender Liquidating Trust Assets, including all proceeds from the liquidation thereof, shall be distributed~~Second, to the Lender Liquidating Trust Beneficiaries by the Liquidating Trustee in accordance with the Lender Liquidating Trust Agreement and the priorities set forth therein and in this Plan, until the Allowed PS I Secured Claims shall have been paid in full; and
 - (iii) Third, to the Unsecured Liquidating Trust.
- b. Unsecured Liquidating Trust Distributions

The Unsecured Liquidating Trustee, on behalf of the Unsecured Liquidating Trust, or such other Entity as may be designated in accordance with the Unsecured Liquidating Trust Agreement, shall have authority to ~~object to and resolve Claims,~~ make the distributions to Unsecured Liquidating Trust Beneficiaries required under the Plan in accordance with the Unsecured Liquidating Trust Agreement and in accordance with the priorities set forth in and the other provisions of the Plan, and administer and liquidate any assets in the Unsecured Liquidating Trust and otherwise wind down the ~~Estates~~PS I Estate, including, without limitation, the following which shall be funded with the Unsecured Liquidating Trust Assets: (a) general administration costs (e.g., trustee/trust fees, etc.), (b) access to and review of information for any and all potential ~~Claims~~PS I Chapter 5 Causes of Action (excluding Other Causes of Action), (c) analysis and assessment related to ~~objection to, and resolution of, Claims~~PS I Chapter 5 Causes of Action (excluding Other Causes of Action), (d) preparation of ~~objections to, and resolution of, Claims,~~ (e) ~~access to and review of information for any and all potential Chapter 5 Causes of Action (excluding Other Causes of Action),~~ (f) ~~analysis and assessment related to Chapter 5 Causes of Action (excluding Other Causes of Action),~~ (g) ~~preparation of Chapter 5 Causes of Action (excluding Other Causes of Action) and~~ PS I Chapter 5 Causes of Action (excluding Other Causes of Action) and (e) distribution of proceeds (e.g., claims agent, etc.). Whenever any distribution to be made under the Plan or the Unsecured Liquidating Trust Agreement is due on a day other than a Business Day, such distribution shall be made, without interest, on the immediately succeeding Business Day, but any such distribution will have been deemed to have been made on the date due.

The Unsecured Liquidating Trust Assets, including all proceeds from the liquidation thereof, shall be distributed ~~to the Unsecured Liquidating Trust Beneficiaries~~ by the Unsecured Liquidating Trustee in the following order of priority:

- ~~(i)~~ ~~(i)~~—First, to satisfy the expenses of administering the Unsecured Liquidating Trust, including, without limitation, reasonable fees and expenses of any attorneys, advisors, other professionals and employees employed by the Unsecured Liquidating Trustee; ~~and~~
- ~~(ii)~~ ~~Second, to the Holders of Unsecured Liquidating Trust~~
- (ii) Second, to the Lender Liquidating Trust for the benefit of the Holders of Lender Liquidating Trust Interests to repay the Unsecured Liquidating Trust Cash transferred to the Unsecured Liquidating Trust on the Effective Date out of proceeds of the PS I Sale;
- (iii) Third, to the Holders of Unsecured Liquidating Trust A Interests in accordance with the ~~liquidation priorities set forth in the~~ Unsecured Liquidating Trust Agreement; ~~provided however, that the Unsecured Liquidating Trust Agreement shall provide that the proceeds of any Chapter 5 Causes of Action of:~~
- ~~(A)~~ ~~PS I shall be allocated first to those Holders of Unsecured Liquidating Trust Interests that received such interests on account of PS I Unsecured Claims until such~~ until the Allowed PS I

~~Unsecured Claims shall have been paid in full and, second, to those Holders of Unsecured Liquidating Trust Interests that received such interests on account of ProtoStar Ltd. Unsecured Claims.~~

~~(B) PS II shall be allocated first to those Holders of Unsecured Liquidating Trust Interests that received such interests on account of PS II Unsecured Claims until such PS II Unsecured Claims shall have been paid in full and, second, to those Holders of Unsecured Liquidating Trust Interests that received such interests on account of ProtoStar Ltd. Unsecured Claims.~~

~~(C) PSA shall be allocated first to those Holders of Unsecured Liquidating Trust Interests that received such interests on account of PSA Unsecured Claims until such PSA Unsecured Claims shall have been paid in full and, second, to those Holders of Unsecured Liquidating Trust Interests that received such interests on account of ProtoStar Ltd. Unsecured Claims.~~

~~(D) PSD shall be allocated first to those Holders of Unsecured Liquidating Trust Interests that received such interests on account of PSD Unsecured Claims until such PSD Unsecured Claims shall have been paid in full and, second, to those Holders of Unsecured Liquidating Trust Interests that received such interests on account of ProtoStar Ltd. Unsecured Claims.~~

~~(E) PSS shall be allocated first to those Holders of Unsecured Liquidating Trust Interests that received such interests on account of PSS Unsecured Claims until such PSS Unsecured Claims shall have been paid in full and, second, to those Holders of Unsecured Liquidating Trust Interests that received such interests on account of ProtoStar Ltd. Unsecured Claims.~~

~~(F) ProtoStar Ltd. shall be allocated to those Holders of Unsecured Liquidating Trust Interests that received such interests on account of ProtoStar Ltd. Unsecured Claims. _____; and~~

(iv) Fourth, to the Holders of Unsecured Liquidating Trust B Interests.

B. Reserve for Administrative Costs and Expenses

On the Effective Date, PS I shall fund, and thereafter the Lender Liquidating Trustee or, after any PS I Trust Asset Transfer, the Unsecured Liquidating Trustee shall maintain, the PS I Administrative Reserve, until such time as both (a) all PS I Administrative Expense Claims are paid in full or otherwise satisfied and discharged in accordance with Article II.A.2 herein and (b) the ProtoStar Affiliate Administrative Expenses up to the amount set forth in the ProtoStar Affiliate Administrative Budget are satisfied in full.

Funds held in the PS I Administrative Reserve shall be distributed as follows:

- (i) First, to pay PS I Administrative Expense Claims as provided for in Article II.A.2 herein;
- (ii) Second, to pay the ProtoStar Affiliate Administrative Expenses, pursuant to the ProtoStar Affiliate Administrative Budget and any PS I Reserve Distribution Order; and
- (iii) Third, to the Lender Liquidating Trust Beneficiaries or after any PS I Trust Asset Transfer, to the Unsecured Liquidating Trust.

C. Reserve for PS I Lien Avoidance Complaint

On the Effective Date, PS I shall fund, and thereafter the Lender Liquidating Trustee shall maintain, the PS I Claim Reserve, pending resolution, by Final Order of the Bankruptcy Court, of the PS I Lien Avoidance Complaint. Until such time as the PS I Lien Avoidance Action is resolved by Final Order of the Bankruptcy Court, all amounts held in the PS I Claim Reserve shall be considered the Noteholders' collateral.

Funds held in the PS I Claim Reserve shall be distributed as follows: (a) following entry of a Final Order determining the Liens held by the Noteholders and WC Lenders with respect to the PS I Collateral to be valid, the funds shall be distributed to Lender Liquidating Trust Beneficiaries in accordance with the Lender Liquidating Trust Agreement and Article VII.A.2.a herein, (b) within five (5) Business Days of entry of a Final Order invalidating the Liens held by the Noteholders and WC Lenders with respect to the PS I Collateral, the funds shall be transferred as part of a PS I Trust Asset Transfer for distribution to Holders of Class 3 Claims (PS I Unsecured Claims), and any residual amounts held in the PS I Claim Reserve after such Holders receive the same proportionate recovery as the Holders of Class 2 Claims (PS I Secured Claims) shall be distributed Pro Rata to the Holders of Class 2 and Class 3 Claims (subject to the reserve for Disputed Claims), (c) pursuant to any stipulation approved by the Bankruptcy Court among (i) the Creditors' Committee or the Unsecured Liquidating Trustee, (ii) the Noteholder Supporting Creditors or the Lender Liquidating Trustee and, (iii) to the extent still in existence as of the date of such stipulation, PS I, (d) in accordance with the PS I Reserve Distribution Order or (e) pursuant to any other Order of the Bankruptcy Court, including to the extent the Bankruptcy Court finds the amount of the PS I Claim Reserve exceeds the maximum amount recoverable by all Holders of Allowed Class 3 Claims and Holders of Disputed Class 3 Claims.

D. ~~B.~~ Reserve for Disputed Claims

From the Effective Date, and until such time as (i) all Disputed Claims have been compromised and settled or determined by Final Order or (ii) the Liens held by the Noteholders and WC Lenders with respect to the PS I Collateral are determined by Final Order to be valid, the Lender Liquidating Trustee or, after any PS I Trust Asset Transfer, the Unsecured Liquidating Trustee, shall reserve and maintain in the PS I Claim Reserve, for the benefit of each Holder of a Disputed Claim, an amount equal to the Pro Rata share of distributions which would have been made to the Holder of such Disputed Claim if it were an Allowed Claim in an amount equal to the lesser of (i) the Disputed Claim amount, (ii) the amount in which the Disputed Claim

shall be estimated by the Bankruptcy Court pursuant to section 502 of the Bankruptcy Code for purposes of allowance, which amount, unless otherwise ordered by the Bankruptcy Court, shall constitute and represent the maximum amount in which such Claim may ultimately become an Allowed Claim, or (iii) such other amount as may be agreed upon by the Holder of such Disputed Claim and the applicable Liquidating Trustee.

~~Each~~At such time as any Disputed Claim becomes Allowed by Final Order, in whole or in part, the applicable Liquidating Trustee ~~may separately maintain a reserve for any distributable amounts required to be set aside on account of Disputed Claims and shall distribute such amounts~~shall distribute to the Holder of such Claims any amount reserved on account of such Disputed Claim or portion thereof (net of any expenses, including any taxes relating thereto), as provided herein and in the applicable Liquidating Trust Agreement, as such Disputed Claims are resolved by Final Order, and such amounts shall be distributable in respect of such Disputed Claims as such amounts in the PS I Claim Reserve as provided herein, as would have been distributable had ~~the~~such Disputed Claims been Allowed ~~Claims~~ as of the Effective Date, provided, however, that no interest shall be distributable or accrue with respect thereto. After, and to the extent that, any Disputed Claim is determined by Final Order of the Bankruptcy Court to not be an Allowed Claim and is disallowed, expunged or otherwise determined to no longer be a Disputed Claim, the portion of the reserve attributable to such Disputed Claim shall be released from the PS I Claim Reserve and distributed pursuant to the terms of this Plan and any PS I Reserve Distribution Order(s).

After, and to the extent that, the Liens held by the Noteholders and WC Lenders with respect to the PS I Collateral are determined by Final Order to be invalid, any residual amounts remaining in the PS I Claim Reserve after resolution of all Disputed Claims shall be distributed Pro Rata to the Holders of Allowed Class 2 Claims (PS I Secured Claims) and the Holders of Allowed Class 3 Claims (PS I Unsecured Claims) pursuant to the terms of this Plan.

E. *Tax Treatment of PS I Claim Reserve*

Subject to the receipt of contrary guidance from the IRS or a court of competent jurisdiction (including the receipt by the applicable Liquidating Trustee of a private letter ruling requested by the applicable Liquidating Trustee, or the receipt of an adverse determination by the IRS upon audit if not contested by the applicable Liquidating Trustee, or a condition imposed by the IRS in connection with a private letter ruling requested by PS I), the applicable Liquidating Trustee shall (i) treat the PS I Claim Reserve as one or more discrete trusts (which may be composed of separate and independent shares) for federal income tax purposes in accordance with the trust provisions of the IRC (Sections 641 et seq.) and (ii) to the extent permitted by applicable law, report consistent with the foregoing for state and local income tax purposes.

F. ~~C~~-*Manner of Distribution under Plan and Liquidating Trusts*

Any distribution in cash to be issued under the Plan or either Liquidating Trust Agreement shall, at the election of the issuer, be made by check drawn on a domestic bank or by wire transfer from a domestic bank.

G. ~~D.~~ *Delivery of Distributions*

Subject to the provisions of Federal Rule of Bankruptcy Procedure 2002(g), and except as otherwise provided herein, distributions and deliveries to Holders of record of Allowed Claims shall be made at the address of each such Holder set forth on ~~ProtoStar~~PS I's books and records unless superseded by the address set forth on Proofs of Claim filed by any such Holders. By no later than the Effective Date, ~~ProtoStar~~PS I and/or the ~~Prepetition Secured Lenders~~Noteholders shall provide the Liquidating Trustees with the addresses and other books and records relating to the Liquidating Trust Beneficiaries, including, without limitation, all taxpayer identification information.

H. ~~E.~~ *Application of Distributions*

Any distributions under the Plan or either Liquidating Trust Agreement shall be applied first to repayment in full of principal and second to interest, if any.

I. ~~F.~~ *Undeliverable Distributions*

1. Holding of Undeliverable Distributions

If any distribution to the Holder of an Allowed Claim under the Plan or either Liquidating Trust Agreement is returned as undeliverable, no further distributions shall be made to such Holder unless and until the issuer of the distribution is notified in writing of such Holder's then-current address. Any Holder ultimately receiving a distribution that was returned as undeliverable shall not be entitled to any interest or other accruals of any kind on such distribution. Nothing contained in the Plan or either Liquidating Trust Agreement shall require the issuer of any distribution to attempt to locate any Holder of an Allowed Claim.

2. Failure to Claim Undeliverable Distributions

Any Holder of an Allowed Claim that does not assert its rights pursuant to the Plan or either Liquidating Trust Agreement to receive a distribution within three (3) months from and after the date such distribution is returned as undeliverable shall have such Holder's Claim for such undeliverable distribution discharged and shall be forever barred from asserting any such Claim against ~~ProtoStar~~PS I, either Liquidating Trust, the Liquidating Trustees and their respective professionals; or the Liquidating Trust Assets. In such case, any consideration held for distribution on account of such Claim shall belong to the applicable Liquidating Trust for distribution by its Liquidating Trustee to the applicable Liquidating Trust Beneficiaries in accordance with the terms of the Plan and applicable Liquidating Trust Agreement. After final distributions have been made in accordance with the terms of the Plan and either Liquidating Trust Agreement, if the amount of undeliverable cash remaining is less than \$10,000, the applicable Liquidating Trustee, in his or her sole discretion, may donate such amount to a charity.

J. ~~G.~~ *Compliance with Tax Requirements/Allocation*

The issuer of any distribution under the Plan or either Liquidating Trust shall comply with all applicable tax withholding and reporting requirements imposed by any Governmental

Unit, and all distributions pursuant to the Plan or either Liquidating Trust shall be subject to any such applicable withholding and reporting requirements. For tax purposes, distributions received in respect of Allowed Claims will be allocated first to the principal amount of such Claims, with any excess allocated to unpaid accrued interest, if any.

K. ~~H.~~ *Time Bar to Cash Payments*

Checks issued on account of Allowed Claims shall be null and void if not negotiated within ninety (90) days from and after the date of issuance thereof. Requests for reissuance of any check shall be made directly to the issuer of the check by the Holder of the Allowed Claim with respect to which such check originally was issued. Any claim in respect of such a voided check shall be made within six (6) months from and after the date of issuance of such check. After such date, all Claims in respect of voided checks shall be discharged and forever barred, and the issuing Liquidating Trust shall be entitled to retain all monies related thereto for distribution to the applicable Liquidating Trust Beneficiaries in accordance with the terms of the Plan and Liquidating Trust Agreement.

L. ~~I.~~ *Distributions After Effective Date*

Distributions made after the Effective Date to Holders of Claims that are not Allowed as of the Effective Date, but which later become Allowed, shall be deemed to have been made on the Effective Date. Except as otherwise specifically provided in the Plan or either Liquidating Trust Agreement, no interest shall be payable on account of any Allowed Claim not paid on the Effective Date.

M. ~~J.~~ *Fractional Dollars; De Minimis Distributions*

Notwithstanding anything contained herein to the contrary, payments of fractions of dollars will not be made. Whenever any payment of a fraction of a dollar under the Plan or either Liquidating Trust would otherwise be called for, the actual payment made will reflect a rounding of such fraction to the nearest dollar (up or down), with half dollars being rounded down. No payment shall be made on account of any distribution less than twenty-five dollars (\$25) with respect to any Allowed Claim unless a request therefor is made in writing to the issuer of such payment on or before ninety (90) days after the Effective Date; ~~provided, however, the Unsecured Liquidating Trustee may make a payment of any amount with respect to any Allowed Claim in its sole discretion.~~

N. ~~K.~~ *Setoffs/Recoupment*

Each Liquidating Trustee may, pursuant to sections 502(d) or 553 of the Bankruptcy Code or applicable nonbankruptcy law, setoff or exercise recoupment against any Allowed Claim, or, in the case of the Unsecured Liquidating Trustee, against any Allowed PS I Administrative Expense Claim, and the distributions to be made pursuant to either Liquidating Trust Agreement on account thereof (before any distribution is made on account of such Claim or PS I Administrative Expense Claim), the Claims, rights and causes of action of any nature that it may hold against the Holder of such Allowed Claim or Allowed PS I Administrative Expense Claim; *provided, however,* that neither the failure to effect such a setoff or recoupment nor the allowance of any Claim hereunder shall constitute a waiver or release of any such Claims, rights

and causes of action that the Liquidating Trust may possess against such Holder, *provided, further,* that the Lender Liquidating Trustee may ~~effect~~exercise any setoff or recoupment rights it may have or succeeded to against any Claims.

Q. ~~L.~~ *Preservation of Subordination Rights*

Except as otherwise provided herein, all subordination rights and claims relating to the subordination by ~~ProtoStar~~PS I or either Liquidating Trustee of any Allowed Claim shall remain valid, enforceable and unimpaired in accordance with section 510 of the Bankruptcy Code or otherwise.

P. ~~M.~~ *Waiver by Creditors of All Subordination Rights*

Subject to the terms of Article X, except as otherwise ordered by the Bankruptcy Court, each Holder of a Claim shall be deemed to have waived all contractual, legal and equitable subordination rights that they may have, whether arising under general principles of equitable subordination, section 510(c) of the Bankruptcy Code or otherwise, with respect to any and all distributions to be made under the Plan, and all such contractual, legal or equitable subordination rights that each Holder has individually and collectively with respect to any such distribution made pursuant to this Plan shall be discharged and terminated, and all actions related to the enforcement of such subordination rights will be permanently enjoined unless such rights have been asserted prior to the Effective Date in accordance with the terms of the PS I Final DIP Orders~~Order~~.

Q. ~~N.~~ *Compromise and Settlement of Claims*

The distributions provided for herein represent the compromise and settlement within the meaning of section 1123(b)(3) of the Bankruptcy Code and Bankruptcy Rule 9019, of any and all claims and issues that have been asserted, or may be asserted or that could have been asserted under any theory based on law or equity against the PS I Prepetition Secured Lenders, claims under section 506(c) of the Bankruptcy Code, claims with respect to the allocation or determination of values of any assets of the ~~Estates~~PS I Estate, and the validity, priority and extent of the PS I Prepetition Secured Lenders' Claims, including any Superpriority Claims and Liens, including any Adequate Protection Liens unless such rights have been asserted prior to the Effective Date in accordance with the terms of the PS I Final DIP Orders~~Order~~. Confirmation of the Plan shall constitute approval of such compromise and settlement in accordance with Bankruptcy Rule 9019, and, notwithstanding any claims or defenses that may have been asserted or may be asserted or that could have been asserted under any theory based on law or equity against the PS I Prepetition Secured Lenders in accordance with the provisions of ~~their respective~~the PS I Final DIP Orders~~Order~~ or otherwise, upon the Effective Date and without any further action or order of any court, any and all such claims shall forever be barred, released, dismissed, with prejudice, and discharged, unless such rights have been asserted prior to the Effective Date in accordance with the terms of the PS I Final DIP Orders~~Order~~, and the Confirmation Order shall so provide.

ARTICLE VIII

PROCEDURES FOR RESOLUTION OF DISPUTED, CONTINGENT AND UNLIQUIDATED CLAIMS

A. *Prosecution of Objections to Disputed Claims*

Upon the Effective Date, until entry of a Final Order invalidating the Liens held by the Noteholders, the Lender Liquidating Trustee, and following entry of a Final Order invalidating the Liens held by the Noteholders, the Unsecured Liquidating Trustee, shall be responsible for pursuing any objection to the allowance of all Disputed Claims; provided, however, that for the avoidance of doubt, the Lender Liquidating Trustee shall not have the right to settle or compromise the PS I Lien Avoidance Action on behalf of PS I or the Unsecured Liquidating Trust. Prior to the Effective Date, ~~ProtoStar~~PS I shall have the right to object to the allowance of such Claims with respect to which ~~they dispute~~it disputes liability or allowance in whole or in part.

~~The Unsecured~~Upon the Effective Date, the applicable Liquidating Trustee responsible for pursuing any objection to the Disputed Claims shall have the authority to file, settle, compromise or withdraw any objections to the same Disputed Claims (within any parameters as may be established by the Lender Liquidating Trust Agreement or the Unsecured Liquidating Trust Agreement, as applicable) without approval of the Bankruptcy Court. However, the Bankruptcy Court may approve any compromises and settlements in accordance with Bankruptcy Rule 9019.

Unless otherwise provided herein or ordered by the Bankruptcy Court, all objections to Disputed Claims shall be served and filed not later than one hundred eight (180) days after the Effective Date; provided, however, that this deadline may be extended upon motion by the ~~Unsecured~~applicable Liquidating Trustee, without notice to Holders of Disputed Claims.

B. *Estimation of Claims*

~~ProtoStar, prior~~Prior to the Effective Date, PS I, and thereafter, the ~~Unsecured~~applicable Liquidating Trustee ~~in accordance with the Unsecured Liquidating Trust Agreement~~responsible for pursuing any objection to the Disputed Claims, may at any time request that the Bankruptcy Court estimate any contingent or unliquidated Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether ~~ProtoStar~~PS I, the Lender Liquidating Trustee or the Unsecured Liquidating Trustee previously ~~have~~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 Claim at any time during litigation concerning any objection to any Claim, including, without limitation, during the pendency of any appeal relating to any such objection. Subject to the provisions of section 502(j) of the Bankruptcy Code, in the event that the Bankruptcy Court estimates any contingent or unliquidated Claim, the amount so estimated shall constitute the maximum allowed amount of such Claim. If the estimated amount constitutes a maximum limitation on the amount of such Claim, ~~ProtoStar~~PS I, the Lender Liquidating Trustee or the Unsecured Liquidating Trustee, as applicable, may pursue supplementary proceedings to object to the allowance of such Claim. All of the aforementioned objection, estimation and resolution procedures are intended to be cumulative and not necessarily exclusive of one another.

Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court.

C. *Controversy Concerning Impairment*

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

D. *Payments and Distributions on Disputed Claims*

1. Notwithstanding any provision hereof to the contrary, any issuer of a distribution hereunder may, in its discretion, pay the undisputed portion of a Disputed Claim. Notwithstanding the foregoing, the issuer of a distribution hereunder will set aside for each Holder of a Disputed Claim such portion of cash it believes solely in its discretion necessary to provide required distributions if that Claim were an Allowed Claim, either based upon the amount of the Claim as filed with the Bankruptcy Court or the amount of the Claim as estimated by the Bankruptcy Court.

2. At such time as a Disputed Claim becomes, in whole or in part, an Allowed Claim, the issuer of a distribution hereunder shall distribute to the Holder thereof the distributions, if any, to which such Holder is then entitled under the Plan or any of the Lender Liquidating Trust or Unsecured Liquidation Trust. Such distribution, if any, will be made as soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing such Disputed Claim becomes a Final Order. No interest will be paid on Disputed Claims that later become Allowed, or with respect to any distribution in satisfaction thereof to a Holder.

ARTICLE IX

CONDITIONS PRECEDENT TO CONFIRMATION AND EFFECTIVE DATE OF THE PLAN

A. *Conditions Precedent to Confirmation*

The following are conditions precedent to confirmation of this Plan that must be (i) satisfied or (ii) waived in accordance with Article IX.C below:

1. An Order approving the PS I Sale shall have been entered by the Bankruptcy Court.

~~2. An Order approving the PS II Sale shall have been entered by the Bankruptcy Court.~~

2. ~~3.~~ An Order finding that the Disclosure Statement contains adequate information pursuant to section 1125 of the Bankruptcy Code shall have been entered by the Bankruptcy Court.

3. ~~4.~~ The entry of the Confirmation Order in form and substance reasonably satisfactory to ~~ProtoStar, PS I and~~ PS I and counsel for the Noteholder Supporting Creditors ~~and counsel for the CS Facility Lenders.~~

4. ~~5.~~ The Plan Supplement and all of the schedules, documents, and exhibits contained therein shall have been filed in form and substance reasonably acceptable to ~~ProtoStar, PS I and~~ PS I and counsel for the Noteholder Supporting Creditors ~~and counsel for the CS Facility Lenders,~~ except as otherwise explicitly set forth herein.

5. One or more PS I Reserve Distribution Orders establishing the amounts of the PS I Administrative Reserve and PS I Claim Reserve shall have been entered by the Bankruptcy Court.

6. The occurrence of the Confirmation Date.

B. *Conditions Precedent to Effective Date of Plan*

The following are conditions precedent to the Effective Date of the Plan that must be (i) satisfied or (ii) waived in accordance with Article IX.C below:

1. Confirmation shall have occurred and the Confirmation Order shall have been entered by the Bankruptcy Court.

2. The Confirmation Order shall have become a Final Order.

3. The Closing Date shall have occurred.

4. There shall not be in effect on the Effective Date any (i) Order entered by a U.S. court, (ii) order, opinion, ruling or other decision entered by any other court or governmental entity or (iii) United States or other applicable law staying, restraining, enjoining or otherwise prohibiting or making illegal the consummation of any of the transactions contemplated by the Plan.

5. All other actions and documents necessary to implement the Plan shall have been effected or executed, including execution of the Liquidating Trust Agreements in form and substance satisfactory to ~~ProtoStar, PS I and~~ PS I and counsel for the Noteholder Supporting Creditors ~~and counsel for the CS Facility Lenders;~~ *provided, however,* that the Unsecured Liquidating Trust Agreement shall be in form and substance satisfactory solely to ~~ProtoStar~~ PS I, counsel for the Noteholder Supporting Creditors, ~~counsel for the CS Facility Lenders~~ and counsel for the Creditors' Committee ~~or Unsecured Liquidating Trustee, as applicable.~~

6. The Liquidating Trust Agreements shall have been fully executed and (i) the Lender Liquidating Trust Assets shall have been transferred to the Lender Liquidating Trust and

(ii) the Unsecured Liquidating Trust Assets shall have been transferred to the Unsecured Liquidating Trust.

C. *Waiver of Conditions Precedent*

Each of the conditions listed in this Article IX ~~of the Plan~~ may be waived by ProtoStar PS I (in consultation with and upon the consent of counsel for the Noteholder Supporting Creditors ~~and counsel for the CS Facility Lenders~~) in whole or in part without notice to parties in interest or the Bankruptcy Court and without a hearing, except that the conditions set forth in Article IX.B.3 and Article IX.B.6 ~~of the Plan~~ herein may only be waived in consultation with the Provisional Liquidator.

D. *Effect of Non-Occurrence of Effective Date*

If the Confirmation Order is vacated, this Plan shall be null and void in all respects and nothing contained in this Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any Claims by or against, or any Equity Interests in, ~~the ProtoStar entities PS I~~; (2) prejudice in any manner the rights of ProtoStar or any other party or (3) constitute an admission, acknowledgment, offer or undertaking by ProtoStar, or the Noteholder Supporting Creditors, ~~the CS Facility Lenders or CS~~ in any respect.

ARTICLE X

RELEASE, EXCULPATION, INJUNCTIVE AND RELATED PROVISIONS

A. *Mutual Release by Releasees*

“Releasees” means ~~ProtoStar, ProtoStar PS I, PS I’s~~ officers and directors serving as of May 18, 2009 and thereafter and ~~ProtoStar PS I’s~~ employees (and each of ~~ProtoStar PS I’s~~ attorneys, financial advisors, investment bankers, accountants, and other professionals retained by ~~ProtoStar PS I~~) as well as the Provisional Liquidator (and each of the Provisional Liquidator’s attorneys and other professionals retained by the Provisional Liquidator) and the respective agents, trustees and lenders with respect to the PS I DIP Credit Agreement, ~~the PS II DIP Credit Agreement~~, the WC Agreement, and the Senior Secured Notes Indenture ~~and the CS Facility~~, including but not limited to the PS I DIP Lenders, ~~the PS II DIP Lenders~~, and the Noteholders ~~and the CS Facility Lenders~~ (and each of their respective attorneys, financial advisors, investment bankers, accountants, and other professionals retained by such persons).

On and after the Effective Date, for good and valuable consideration, including the services of the Releasees to facilitate the expeditious restructuring of ProtoStar PS I and the implementation of the Plan, each of the Releasees shall be deemed to have unconditionally released one another from any and all Claims, obligations, rights, suits, damages, remedies and liabilities whatsoever, including any Claims that could be asserted on behalf of ProtoStar PS I, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that the Releasees or their subsidiaries would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Equity Interest or other Person or Entity, based in whole or in part upon any act or omission, transaction, agreement, event or other occurrence taking place on

or before the Effective Date; provided, however, that these releases will have no effect on the liability of any Releasee arising from any act, omission, transaction, agreement, event or other occurrence, constituting acts of fraud, gross negligence or willful misconduct. The Releases set forth in this paragraph shall be binding upon and shall inure to the benefit of the Liquidating Trustees and any chapter 7 trustee in the event the PS I Chapter 11 Cases are Case is converted to chapter 7.

B. Releases by Holders of Claims

On and after the Effective Date, for good and valuable consideration, each holder of a Claim that has affirmatively voted to accept the Plan shall be deemed to have unconditionally released the Releasees from any and all Claims, obligations, rights, suits, damages, remedies and liabilities whatsoever, including any Claims that could be asserted on behalf of ~~ProtoStar~~PS I, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, that such holder of a Claim would have been legally entitled to assert in its own right (whether individually or collectively), based in whole or in part upon any act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date, in any way relating or pertaining to (w) the purchase or sale, or the rescission of a purchase or sale, of any security of ~~a ProtoStar entity~~PS I, (x) ~~ProtoStar~~PS I, (y) the PS I Chapter 11 Cases Case or (z) the negotiation, formulation and preparation of the Plan, or any related agreements, instruments or other document including, without limitation, the Lender Liquidating Trust and Unsecured Liquidating Trust; provided, however, that these releases will have no effect on the liability of any Releasee arising from any act, omission, transaction, agreement, event or other occurrence, constituting fraud, gross negligence or willful misconduct; provided, further, however, the foregoing shall not constitute a waiver or release of any right of the Holder of an Allowed Claim to payment under this Plan on account of such Allowed Claim or any of the rights of any parties in respect of Assumed PS I Liabilities ~~and Assumed PS II Liabilities~~ under ~~any applicable~~the PS I Asset Purchase Agreement. The Releases set forth in this paragraph shall be binding upon and shall inure to the benefit of the Liquidating Trustees and any chapter 7 trustee in the event the PS I Chapter 11 Cases are Case is converted to chapter 7.

C. Injunction

Except as otherwise expressly provided in the Plan, all Holders of Claims and Equity Interests shall be permanently enjoined, from and after the Effective Date, from (i) commencing or continuing in any manner any action or other proceeding of any kind on any such Claim or Equity Interest against ~~ProtoStar, ProtoStar's Estates, ProtoStar~~PS I, PS I's directors and officers serving as of May 18, 2009 and thereafter, the PS I Estate, the Provisional Liquidator, the PS I DIP Lenders, the PS H-DIP Lenders, the I Prepetition Secured Lenders, BNYM, the Lender Liquidating Trust, the Lender Liquidating Trustee, the Unsecured Liquidating Trust and Unsecured Liquidating Trustee, unless a previous order modifying the stay provided under section 362 of the Bankruptcy Code was entered by the Court; (ii) enforcing, attaching, collecting or recovering by any manner or means of any judgment, award, decree or order against ~~ProtoStar, ProtoStar~~PS I, PS I's directors and officers serving as of May 18, 2009 and thereafter ~~their Estates, the PS I Estate, the Provisional Liquidator, the PS I DIP Lenders, the PS H-DIP Lenders, the I Prepetition~~

Secured Lenders, BNYM, the Lender Liquidating Trust, the Lender Liquidating Trustee, the Unsecured Liquidating Trust and the Unsecured Liquidating Trustee; and (iii) creating, perfecting, or enforcing any encumbrance of any kind against the property or interests in property of ~~ProtoStar, ProtoStar~~PS I, PS I's directors and officers serving as of May 18, 2009 and thereafter ~~their Estates, the PS I Estate,~~ the Provisional Liquidator, the PS I DIP Lenders, the PS ~~H-DIP Lenders, the~~I Prepetition Secured Lenders, BNYM, ~~the~~the Lender Liquidating Trust, the Lender Liquidating Trustee, the Unsecured Liquidating Trust and the Unsecured Liquidating Trustee, in each case in respect of any Claims arising prior to the Petition Date; provided, however, that nothing herein shall release any entity from any claims, obligations, rights, causes of action or liabilities arising out of such entity's fraud, gross negligence or willful misconduct.

D. Exculpation

~~ProtoStar~~PS I, the PS I DIP Lenders, the PS ~~H-DIP Lenders, the~~I Prepetition Secured Lenders, BNYM, the Provisional Liquidator and their respective successors, predecessors, control persons, members, agents and employees, and ~~ProtoStar~~PS I's officers and directors serving as of May 18, 2009 and thereafter (and each of their respective attorneys, financial advisors, investment bankers, accountants, and other professionals retained by such persons) shall neither have nor incur any liability to any Person or Entity (including any holder of a Claim or Equity Interest) for any prepetition or postpetition act taken or omitted to be taken in connection with or related to the formulation, negotiation, preparation, dissemination, implementation, administration, confirmation or occurrence of the Effective Date of 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 prepetition or postpetition act taken or omitted to be taken in connection with, or in contemplation of, restructuring of ~~ProtoStar~~PS I. Notwithstanding the foregoing, such exculpations provided for in Article X of the Plan shall not extend to any damages, losses or claims arising from acts of fraud, gross negligence or willful misconduct.

ARTICLE XI

RETENTION AND PRESERVATION OF CAUSES OF ACTION

A. *Retention of Causes of Action*

1. Retention of Other Causes of Action

Except as otherwise provided in the Plan, Other Causes of Action shall, on the Effective Date, automatically and irrevocably vest in the Lender Liquidating Trust free and clear of liens, claims, encumbrances and interests; provided, however, that, the automatic vesting in the Lender Liquidating Trust of any Other Cause of Action pursuant to the provisions hereof shall only occur to the extent that the vesting of such Other Cause of Action in the Lender Liquidating Trust will not materially impair the Lender Liquidating Trustee's ability under applicable law (notwithstanding the operation of section 1141 of the Bankruptcy Code) to assert such Other Cause of Action for the benefit of the Lender Liquidating Trust Beneficiaries; provided further that, in the event any Other Cause of Action does not automatically vest in the Lender

Liquidating Trust in accordance with the foregoing proviso, such Other Cause of Action shall be liquidated, monetized or otherwise disposed of by ~~ProtoStar~~PS I or the Lender Liquidating Trustee ~~for the Lender Liquidating Trust in which such Other Cause of Action would otherwise have vested~~ in consultation with and at the expense of the Holders of the Lender Liquidating Trust ~~A-Interests and the Holders of the Trust B Interests, as applicable~~. The Lender Liquidating Trustee, on behalf of the Lender Liquidating Trust, shall have the exclusive right, authority, and discretion to institute, commence, pursue, prosecute, abandon, settle, or compromise any and all such Other Causes of Action (under any theory of law, including, without limitation, the Bankruptcy Code, and in any court or other tribunal) without the consent or approval of any third party and without any further order of the Bankruptcy Court, except as otherwise provided herein or in the Lender Liquidating Trust Agreement. From and after the Effective Date, the Lender Liquidating Trustee, in accordance with section 1123(b)(3) of the Bankruptcy Code, and on behalf of the Lender Liquidating Trust, shall serve as a representative of ~~ProtoStar's Estates~~the PS I Estate and shall retain and possess the sole and exclusive right to commence, pursue, settle, compromise or abandon, as appropriate, any and all Other Causes of Action, whether arising before or after the Petition Date, in any court or other tribunal.

2. Retention of PS I Chapter 5 Causes of Action and PS I Lien Avoidance Action

Except as otherwise provided in the Plan, PS I Chapter 5 Causes of Action and the PS I Lien Avoidance Action shall, on the Effective Date, automatically and irrevocably vest in the Unsecured Liquidating Trust free and clear of liens, claims, encumbrances and interests; *provided, however*, that, the automatic vesting in the Unsecured Liquidating Trust of any PS I Chapter 5 Cause of Action or the PS I Lien Avoidance Action pursuant to the provisions hereof shall only occur to the extent that the vesting of such PS I Chapter 5 Cause of Action or the PS I Lien Avoidance Action in the Unsecured Liquidating Trust will not materially impair the Unsecured Liquidating Trustee's ability under applicable law (notwithstanding the operation of section 1141 of the Bankruptcy Code) to assert such PS I Chapter 5 Cause of Action or the PS I Lien Avoidance Action for the benefit of the Unsecured Liquidating Trust Beneficiaries; *provided further* that, in the event any PS I Chapter 5 Cause of Action does not automatically vest in the Unsecured Liquidating Trust in accordance with the foregoing proviso, such PS I Chapter 5 Cause of Action shall be liquidated, monetized or otherwise disposed of by ~~ProtoStar~~PS I or the Unsecured Liquidating Trustee ~~for the Unsecured Liquidating Trust in which such Chapter 5 Cause of Action would otherwise have vested~~ in consultation with and at the expense of the Unsecured Liquidating Trust Beneficiaries. The Unsecured Liquidating Trustee, on behalf of the Unsecured Liquidating Trust, shall have the exclusive right, authority, and discretion to institute, commence, pursue, prosecute, abandon, settle, or compromise any and all such PS I Chapter 5 Causes of Action and the PS I Lien Avoidance Action without the consent or approval of any third party and without any further order of the Bankruptcy Court, except as otherwise provided herein or in the Unsecured Liquidating Trust Agreement. From and after the Effective Date, the Unsecured Liquidating Trustee, in accordance with section 1123(b)(3) of the Bankruptcy Code, and on behalf of the Unsecured Liquidating Trust, shall serve as a representative of ~~ProtoStar's Estates~~the PS I Estate and shall retain and possess the sole and exclusive right to commence, pursue, settle, compromise or abandon, as appropriate, any and all PS I Chapter 5 Causes of Action and the PS I Lien Avoidance Action, whether arising before or after the Petition Date, in any court or other tribunal. For the avoidance of doubt, nothing in this Plan shall be construed as granting the Unsecured Liquidating Trust or the

Unsecured Liquidating Trustee any greater right or authority with respect to the PS I Lien Avoidance Action than held by the Creditors' Committee as of the Effective Date, to the extent such authority existed.

B. *Preservation of Other Causes of Action*

Except as otherwise provided in the Plan, ~~ProtoStar~~PS I and, after the Effective Date, the Lender Liquidating Trustee, on behalf of the Lender Liquidating Trust, reserve all rights to pursue any and all Other Causes of Action, and ~~ProtoStar~~PS I hereby reserves the rights of the Lender Liquidating Trust and the Lender Liquidating Trustee, on behalf of the Lender Liquidating Trust, to pursue, administer, settle, litigate, enforce and liquidate consistent with the terms and conditions of the Plan:

(a) Any Other Causes of Action, whether legal, equitable or statutory in nature and

(b) Any Other Causes of Action (excluding PS I Chapter 5 Causes of Action) that currently exist or may subsequently arise, including, but not limited to, Noteholder Collateral Actions, and which have not been otherwise set forth herein or in any schedule of Other Causes of Action, because the facts upon which such Other Causes of Action are based are not currently or fully known by ~~ProtoStar~~PS I, the Creditors' Committee ~~and/or~~ the ~~Prepetition—Secured—Lenders~~Noteholders (collectively, the “Unknown Other Causes of Action”). The failure to list or describe any such Unknown Other Cause of Action herein is not intended to limit the rights of the Lender Liquidating Trustee, on behalf of the Lender Liquidating Trust, to pursue any Unknown Other Causes of Action.

Except as otherwise provided in the Plan, ~~ProtoStar~~PS I (before the Effective Date) and the Lender Liquidating Trustee, on behalf of the Lender Liquidating Trust (upon and following the Effective Date), expressly reserve all Other Causes of Action (including Unknown Other Causes of Action) for later adjudication and therefore, no preclusion doctrine or other rule of law, including, without limitation, the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or *laches*, shall apply to such Other Causes of Action upon, after, or as a result of the confirmation or Effective Date of the Plan, or the Confirmation Order. In addition, ~~ProtoStar~~PS I and the Lender Liquidating Trustee, on behalf of the Lender Liquidating Trust, and any successors-in-interest thereto, expressly reserve the right to pursue or adopt any Other Causes of Action not so waived, relinquished, released, compromised or settled that are alleged in any lawsuit in which ~~ProtoStar~~PS I is a defendant or an interested party, against any Person or Entity including, without limitation, the plaintiffs and co-defendants in such lawsuits.

C. *Preservation of PS I Chapter 5 Causes of Action*

Except as otherwise provided in the Plan, ~~ProtoStar~~PS I and, after the Effective Date, the Unsecured Liquidating Trustee, on behalf of the Unsecured Liquidating Trust, reserve all rights to pursue any and all PS I Chapter 5 Causes of Action, and ~~ProtoStar~~PS I hereby reserves the rights of the Unsecured Liquidating Trust and the Unsecured Liquidating Trustee, on behalf of

the Unsecured Liquidating Trust, to pursue, administer, settle, litigate, enforce and liquidate consistent with the terms and conditions of the Plan any and all actions, except for Excluded Actions, arising under or actionable pursuant to the Bankruptcy Code, including, without limitation, sections 544, 545, 547 (except as provided below), 548, 549, 550, 551, 553(b) and/or 724(a) of the Bankruptcy Code.

Except as otherwise provided in the Plan, ~~ProtoStar~~PS I (before the Effective Date) and the Unsecured Liquidating Trustee, on behalf of the Unsecured Liquidating Trust (upon and following the Effective Date), expressly reserve all PS I Chapter 5 Causes of Action for later adjudication and therefore, no preclusion doctrine or other rule of law, including, without limitation, the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or *laches*, shall apply to such PS I Chapter 5 Causes of Action upon, after, or as a result of the confirmation or Effective Date of the Plan, or the Confirmation Order. In addition, ~~ProtoStar~~PS I and the Unsecured Liquidating Trustee, on behalf of the Unsecured Liquidating Trust and any successors-in-interest thereto, expressly reserve the right to pursue or adopt any PS I Chapter 5 Causes of Action not so waived, relinquished, released, compromised or settled that are alleged in any lawsuit in which ~~ProtoStar~~PS I is a defendant or an interested party, against any Person or Entity including, without limitation, the plaintiffs and co-defendants in such lawsuits.

ARTICLE XII

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 any matter arising under the Bankruptcy Code, or arising in or related to the PS I Chapter 11 ~~Cases~~Case or the Plan after Confirmation and after the Effective Date, and any other matter or proceeding that is within the Bankruptcy Court's jurisdiction pursuant to 28 U.S.C. § 1334 or 28 U.S.C. § 157 including, without limitation, jurisdiction to:

1. Allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Equity Interest, including the resolution of any request for payment of any PS I Administrative Expense Claim and the resolution of any and all objections to the allowance or priority of Claims;
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 and unexpired lease to which ~~a ProtoStar entity~~PS I is party or with respect to which ~~a ProtoStar entity~~PS I may be liable and to hear, determine and, if necessary, liquidate, any Claims arising therefrom;
4. Ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions hereof;

5. Decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters, including all Causes of Action and objections or estimations to Claims or Equity Interests, and grant or deny any applications involving ~~a ProtoStar entity~~ PS I that may be pending on the Effective Date or that, pursuant to the Plan, may be instituted by (i) either Liquidating Trustee or Liquidating Trust or (ii) any other Person or Entity after the Effective Date; *provided, however*, that the Lender Liquidating Trustee and the Lender Liquidating Trust shall reserve the right to prosecute the Other Causes of Action in all proper jurisdictions and that the Unsecured Liquidating Trustee and the Unsecured Liquidating Trust shall reserve the right to prosecute the PS I Chapter 5 Causes of Action in all proper jurisdictions;

6. Enter such orders as may be necessary or appropriate to implement or consummate the provisions hereof and of all contracts, instruments, releases, indentures and other agreements or documents created in connection with the Plan, the Disclosure Statement or the Liquidating Trust Agreements;

7. Resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation or enforcement of the Plan, the Liquidating Trust Agreements or any Person's or Entity's obligations incurred in connection with the Plan or Liquidating Trust Agreements including those relating to determining the scope and extent of the Liquidating Trust Assets;

8. Issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Person or Entity with consummation or enforcement of the Plan, except as otherwise provided herein;

9. Resolve any cases, controversies, suits or disputes with respect to the releases, injunctions and other provisions contained in Article X hereof and enter any orders that may be necessary or appropriate to implement such releases, injunctions and other provisions;

10. Enter and implement any orders that are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;

11. Determine any other matters that may arise in connection with or related to this Plan, the Disclosure Statement, the Confirmation Order, the Liquidating Trust Agreements or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, the Disclosure Statement or the Liquidating Trust Agreements;

12. Resolve any issues that arise in connection with the administration of and distributions from either Liquidating Trust; and

13. Enter an order and/or Final Decree concluding the PS I Chapter 11 ~~Cases~~ Case.

Notwithstanding any other provision in this article to the contrary, nothing herein shall prevent the Lender Liquidating Trustee and the Unsecured Liquidating Trustee from commencing and prosecuting any Other Causes of Action (including Unknown Other Causes of Action) and PS I Chapter 5 Causes of Action, respectively, before any other court or judicial body which would otherwise have appropriate jurisdiction over the matter and parties thereto,

and nothing herein shall restrict any such courts or judicial bodies from hearing and resolving such matters.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

A. *Plan Supplement*

The Plan Supplement may be inspected in the office of the Clerk of the Bankruptcy Court or its designee during normal business hours. Holders of Claims and Equity Interests may obtain a copy of the Plan Supplement by contacting the Notice and Balloting Agent, or by visiting <http://www.kccllc.net/ProtoStar>. The documents contained in the Plan Supplement are an integral part of the Plan and shall be approved by the Bankruptcy Court pursuant to the Confirmation Order.

B. *Dissolution of Creditors' Committee*

Upon the Effective Date, the Creditors' Committee shall be deemed dissolved with respect to PS I, except with respect to, and to the extent of any applications for Professional Fee Claims or Creditors' Committee Member Expenses, and the Creditors' Committee Members and the Professionals retained by the Creditors' Committee shall be relieved and discharged of all duties related to the PS I Chapter 11 ~~Cases~~Case.

C. *Payment of Statutory Fees*

All fees payable pursuant to section 1930(a) of Title 28 of the United States Code shall be paid on the earlier of when due or the Effective Date, or as soon thereafter as practicable. From and after the Effective Date, the Lender Liquidating Trustee shall be ~~jointly~~ liable for and shall pay the fees under 28 U.S.C. section 1930 until entry of an order converting, dismissing or closing the PS I Chapter 11 ~~Cases~~Case, whichever occurs first. In addition, the Lender Liquidating Trustee shall file post-confirmation quarterly reports in conformity with U.S. Trustee guidelines, until entry of an order closing or converting the PS I Chapter 11 ~~eases~~Case, whichever comes first.

D. *Modification of Plan*

Subject to the limitations contained in the Plan:

1. On notice to the Creditors' Committee or the Unsecured Liquidating Trustee, as applicable, the Plan may be amended or modified by ~~ProtoStar~~PS I (in consultation with and upon the consent of counsel for the Noteholder Supporting Creditors ~~and counsel for the CS Facility Lenders~~) (a) before the Confirmation Date, to the extent permitted by section 1127 of the Bankruptcy Code; (b) after the Confirmation Date and prior to substantial consummation of the Plan, as defined in section 1101(2) of the Bankruptcy Code, to the extent ~~ProtoStar~~PS I (in consultation with counsel for the Noteholder Supporting Creditors ~~and counsel for the CS Facility Lenders~~) institutes proceedings in the Bankruptcy Court, pursuant to section 1127(b) of the Bankruptcy Code, to remedy any defect or omission or reconcile any inconsistencies in the

Plan or the Confirmation Order or to accomplish such matters as may be necessary or appropriate to carry out the purposes and effects of the Plan; *provided, however*, that prior notice of such proceedings shall be served in accordance with the Bankruptcy Rules or Orders of the Bankruptcy Court; or (c) after the entry of the Confirmation Order, upon order of the Bankruptcy Court in accordance with section 1127(b) of the Bankruptcy Code.

2. ~~ProtoStar~~PS I reserves the right to modify or amend the Plan upon a determination by the Bankruptcy Court that the Plan is not confirmable pursuant to section 1129 of the Bankruptcy Code. To the extent permissible under section 1127 of the Bankruptcy Code without the need to resolicit acceptances, ~~ProtoStar~~PS I reserves the right to sever any provisions of the Plan that the Bankruptcy Court finds objectionable.

3. After the Effective Date, the Lender Liquidating Trustee may amend or modify, upon order of the Bankruptcy Court, the Plan in accordance with section 1127(b) of the Bankruptcy Code or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan other than the treatment provided under this Plan for Holders of PS I Unsecured Claims including without limitation with respect to the Unsecured Liquidating Trust Agreement, PS I Chapter 5 Causes of Actions, Creditors' Committee, Creditors' Committee's Professionals and Creditors' Committee's Members, without Creditors' Committee or Unsecured Liquidating Trustee, as applicable, consent.

Notwithstanding anything herein to the contrary, ~~ProtoStar~~PS I reserves the right (in consultation with counsel for the Noteholder Supporting Creditors ~~and counsel for the CS Facility Lenders~~) to seek confirmation of the Plan with respect to any one or more of the Debtors separately from any one or more of the other Debtors.

E. *Revocation of Plan*

~~ProtoStar~~PS I reserves the right (in consultation with counsel for the Noteholder Supporting Creditors ~~and counsel for the CS Facility Lenders~~) to revoke or withdraw the Plan prior to the Confirmation Date and to file subsequent plans of reorganization or liquidation. If ~~ProtoStar~~PS I revokes or withdraws the Plan, or if Confirmation or the Effective Date does not occur, then (i) the Plan shall be null and void in all respects, (ii) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain any Claim or Equity Interest or Class of Claims or Equity Interests), assumption or rejection of executory contracts or leases effected by the Plan, and any document or agreement executed pursuant hereto, shall be deemed null and void, and (iii) nothing contained in the Plan shall (a) constitute a waiver or release of any Claims by or against, or any Equity Interests in, any ProtoStar entity or any other Person, (b) prejudice in any manner the rights of such ProtoStar entity or any other Person, or (c) constitute an admission of any sort by any ProtoStar entity or any other Person.

F. *Successors and Assigns*

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

G. *Reservation of Rights*

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

H. *Section 1146 Exemption*

Pursuant to section 1146(a) of the Bankruptcy Code, under this Plan, (i) the issuance, distribution, transfer or exchange of any debt, equity security or other interest in ~~ProtoStar~~PS I; (ii) the creation, modification, consolidation or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means; (iii) the making, assignment or recording of any lease or sublease; or (iv) the making, delivery or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, this Plan, including any deeds, bills of sale, assignments or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to this Plan, including, but not limited to the ~~Sales of the Satellites~~PS I Sale, shall not be subject to any document recording tax, mortgage recording tax, stamp tax or similar government assessment, and the appropriate state or local government official or agent shall forego the collection of any such tax or government assessment and to accept for filing and recording any of the foregoing instruments or other documents without the payment of any such tax or government assessment.

All subsequent issuances, transfers or exchanges of securities, or the making or delivery of any instrument of transfer by ~~ProtoStar~~PS I in the PS I Chapter 11 ~~Cases~~Case, whether in connection with a sale pursuant to section 363 of the Bankruptcy Code, including the ~~Sales~~PS I Sale, or otherwise, shall be deemed to be or have been done in furtherance of this Plan.

I. *Further Assurances*

The Holders of Claims receiving distributions hereunder and all other parties in interest shall, from time to time, prepare, execute and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of this Plan, or the Liquidating Trust Agreements.

J. *Service of Documents*

Any pleading, notice or other document required by the Plan to be served on or delivered shall be sent by first class U.S. mail, postage prepaid, as follows:

To ~~ProtoStar~~PS I:

Milbank, Tweed, Hadley & McCloy LLP
1 Chase Manhattan Plaza
New York, New York 10005

Attn: Matthew S. Barr, Esq.
Peter K. Newman, Esq.

To the Noteholders:

Richards Kibbe & Orbe LLP
One World Financial Center
New York, New York 10281
Attn: Michael Friedman, Esq.
Keith N. Sambur, Esq.

Morris James LLP
500 Delaware Avenue, Suite 1500
P.O. Box 2306
Wilmington, Delaware 19899-2306
Attn: Stephen M. Miller, Esq.
Brett D. Fallon, Esq.

~~To CS, as Prepetition Agent to the CS Facility Lenders:~~

~~Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, New York 10153
Attn: Lori R. Fife, Esq.
Shai Y. Waisman, Esq.
Saima Majid, Esq.~~

~~Womble Carlyle Sandridge & Rice, PLLC
222 Delaware Avenue, Suite 1501
Wilmington, Delaware 19899
Attn: Steven K. Kortanek, Esq.~~

To the Creditors' Committee:

Lowenstein Sandler PC
65 Livingston Avenue
Roseland, New Jersey 07068
Attn.: Kenneth A. Rosen, Esq.
Jeffrey D. Prol, Esq.
Jason C. DiBattista, Esq.

Greenberg Traurig, LLP
The Nemours Building
1007 North Orange Street
Suite 1200
Wilmington, Delaware 19801
Attn.: Donald J. Detweiler, Esq.

Dennis A. Meloro, Esq.

To the Provisional Liquidator:

John C. McKenna
Finance & Risk Services Ltd.
P.O. Box HM 321
Hamilton HM BX
Bermuda

Shearman & Sterling LLP
599 Lexington Avenue
New York, New York 10022
Attn.: James L. Garrity Jr., Esq.
Ned S. Schodek, Esq.

K. *Transactions on Business Days*

If the date on which a transaction may occur under this Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day.

L. *Filing of Additional Documents*

On or before the Effective Date, ~~ProtoStar~~PS I may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and provisions hereof.

M. *Post-Effective Date Fees and Expenses*

From and after the Effective Date, each Liquidating Trustee, on behalf of their respective Liquidating Trust, shall, in the ordinary course of business and without the necessity for any approval by the Bankruptcy Court, pay the reasonable professional fees and expenses incurred by their respective Liquidating Trust, and any professionals retained by such Liquidating Trust, related to the consummation and to the implementation of this Plan, except as otherwise provided in the applicable Liquidating Trust Agreement.

N. *Severability*

The provisions of this Plan shall not be severable unless such severance is agreed to by ~~ProtoStar~~PS I (in consultation with and upon the consent of counsel for the Noteholder Supporting Creditors ~~and counsel for the CS Facility Lenders~~) or, if after the Effective Date by (a) the Lender Liquidating Trustee, on behalf of the Lender Liquidating Trust and (b) the Unsecured Liquidating Trustee, on behalf of the Unsecured Liquidating Trust, and such severance would constitute a permissible modification of this Plan pursuant to section 1127 of the Bankruptcy Code.

O. *Conflicts*

To the extent any provision of either Liquidating Trust Agreement, the Disclosure Statement or any document executed in connection therewith or any documents executed in connection with the Confirmation Order (or any exhibits, schedules, appendices, supplements or amendments to any of the foregoing) conflicts with, or is in any way inconsistent with, the terms of this Plan, the terms and provisions of the Confirmation Order shall govern and control.

P. *Term of Injunctions or Stays*

Unless otherwise provided herein or in the Confirmation Order, all injunctions or stays in effect in the [PS I Chapter 11 CasesCase](#) pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court and still extant on the Confirmation Date (excluding any injunctions or stays contained in this Plan or the Confirmation Order), shall remain in full force and effect until the closing of the [PS I Chapter 11 CasesCase](#) in accordance with Article XII.13 ~~of the Plan~~ [herein](#). All injunctions or stays contained in this Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

Q. *Entire Agreement*

This Plan and the Plan Supplement supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings and representations on such subjects, all of which have become merged and integrated into this Plan.

R. *Closing of [PS I Chapter 11 CasesCase](#)*

The Liquidating ~~Trustee~~ [Trustees](#) shall promptly, upon the full administration of the [PS I Chapter 11 CasesCase](#), file with the Bankruptcy Court all documents required by the Bankruptcy Rules and any applicable orders of the Bankruptcy Court to close the [PS I Chapter 11 CasesCase](#).

S. *Change of Control Provisions*

Any acceleration, vesting or similar change of control rights under any employment, benefit or other arrangements triggered by the consummation of the Plan shall be waived or otherwise cancelled under the Plan.

Dated: ~~November 11, 2009~~ January 26, 2010

PROTOSTAR LTD., on behalf of itself
and its affiliated debtors and debtors in
possession

By: Cynthia M. Pelini

Title: Chief Financial Officer
and Chief Restructuring Officer ~~and Chief Financial Officer~~