

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

<p>In re</p> <p>PERSONAL COMMUNICATIONS DEVICES, LLC, <i>et al.</i>,¹</p> <p style="text-align: center;">Debtors.</p>	<p>Chapter 11</p> <p>Case No. 13-74303 (AST) 13-74304 (AST) (Jointly Administered)</p>
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**CORRECTED ORDER CONFIRMING FIRST AMENDED PLAN OF LIQUIDATION UNDER
CHAPTER 11 OF THE UNITED STATES BANKRUPTCY CODE PROPOSED
BY THE DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

Personal Communications Devices, LLC (“Devices”) and Personal Communications Devices Holdings, LLC (“Holdings”), as debtors and debtors in possession (each a “Debtor” and, collectively, the “Debtors”) and the Official Committee of Unsecured Creditors of the Debtors (the “Committee”, and together with the Debtors, the “Plan Proponents”), having filed on February 11, 2014 the First Amended Plan of Liquidation Under Chapter 11 of the United States Bankruptcy Code Proposed by the Debtors and the Official Committee of Unsecured Creditors (the “Plan”)² in accordance with section 1121 of title 11 of the United States Code (the “Bankruptcy Code”) (Docket No. 319), and having filed on February 11, 2014 the Disclosure Statement with Respect to the First Amended Plan of Liquidation Under Chapter 11 of the United States Bankruptcy Code Proposed By The Debtors And The Official Committee of Unsecured Creditors (the “Disclosure Statement”) (Docket No. 320); and the Bankruptcy Court by its order dated February 24, 2014 (together with exhibits, the “Disclosure Statement Order”) (Docket No. 337), having approved (i) the Disclosure Statement for dissemination and voting,

¹ The Debtors in these chapter 11 cases, along with the last four (4) digits of each Debtor’s federal tax identification number, are: Personal Communications Devices, LLC, a Delaware limited liability company (4171) and Personal Communications Devices Holdings, LLC, a Delaware limited liability company (4096).

² All capitalized terms used by not defined herein shall have the meaning ascribed to such terms in the Plan.

(ii) procedures for the solicitation and tabulation of votes to accept or reject the Plan, (iii) deadlines for voting on, and objecting to, the Plan, and (iv) April 9, 2014 as the date for commencement of the hearing, pursuant to section 1129 of the Bankruptcy Code, to consider Confirmation of the Plan (the “Confirmation Hearing”); and the claims agent, Epiq Bankruptcy Solutions, LLC, having caused the transmittal of materials to holders of Claims against and Interests in the Debtors, of, *inter alia*, that certain Notice of (1) Approval Of Disclosure Statement; (2) Record Date; (3) Voting Deadline For Receipt Of Ballots; (4) Hearing On Confirmation Of Plan; (5) Deadline And Procedures For Filing Objections To Confirmation Of Plan; (6) Treatment Of Certain Unliquidated Or Disputed Claims For Notice, Voting, And Distribution Purposes; (7) Deadline And Procedures For Temporary Allowance Of Certain Claims For Voting Purposes; And (8) Proposed Release, Injunction And Exculpation In The Plan (the “Confirmation Hearing Notice”) as more particularly set forth in the Affidavit Of Service Of Solicitation Materials filed on March 11, 2014 (the “Disclosure Statement Materials Affidavit of Service”) (Docket No. 358); and the Plan Supplement (as defined in the Plan) having been filed with the Bankruptcy Court by the Plan Proponents on or about March 31, 2014 (the “Plan Supplement”) (Docket No. 396); and all objections to the Confirmation of the Plan having been withdrawn, settled or otherwise overruled by the Court; and the Confirmation Hearing having been held on April 9, 2014, at which time the Court considered Confirmation of the Plan, and notice of the Confirmation Hearing and the filing of the Plan Supplement being deemed good and sufficient notice of any modifications made to the Plan; and upon the entire record of the Debtors’ bankruptcy cases (the “Chapter 11 Cases”), including, without limitation, the record made at the Confirmation Hearing (including, without limitation, the Declaration of Raymond F. Kunzmann in Support of Confirmation of the Plan (Docket No. 404) , hereinafter the “Plan

Confirmation Proffer”); and after finding that due, sufficient and adequate notice of the Confirmation Hearing has been given to holders of Claims against and Interests in the Debtors and to all other parties-in-interest herein; and after due deliberation, the Bankruptcy Court makes the following findings of fact and conclusions of law (this “Confirmation Order”):

FINDINGS OF FACT AND CONCLUSIONS OF LAW

A. The Bankruptcy Court has jurisdiction over the Bankruptcy Case pursuant to 28 U.S.C. §§ 157(a) and 1334(a). The Chapter 11 Cases were originally filed as cases under chapter 11 of the Bankruptcy Code on August 19, 2013. Venue of these proceedings and the Bankruptcy Case in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409. Confirmation of the Plan is a core proceeding pursuant to 28 U.S.C. § 157(b), and thus this Bankruptcy Court has jurisdiction to enter a final order with respect thereto.

B. Due, timely, sufficient and adequate notice of the Plan, any modifications of the Plan, the Confirmation Hearing, and the deadlines for voting on, and filing objections to, the Plan has been given to all known holders of Claims against and Interests in the Debtors in accordance with the procedures established by the Disclosure Statement Order, the Bankruptcy Code, the Bankruptcy Rules, the local rules of this Bankruptcy Court and all other applicable laws, rules and regulations.

C. The solicitation by the Plan Proponents of votes to accept or reject the Plan was proposed and conducted in good faith and complied with sections 1125 and 1126 of the Bankruptcy Code, Bankruptcy Rules 3017 and 3018, the Disclosure Statement Order and all other applicable provisions of the Bankruptcy Code and all other applicable laws, rules and regulations.

D. The procedures by which the ballots were distributed to holders of Claims entitled to vote on the Plan (Classes 3, 4a and 4b) and tabulated were fair and properly conducted in

accordance with the Bankruptcy Code, the Bankruptcy Rules, the local rules of this Bankruptcy Court, the Disclosure Statement Order and all other applicable laws, rules and regulations.

E. As evidenced by the *Declaration Of Stephenie Kjontvedt As To Balloting on First Amended Plan of Liquidation Under Chapter 11 of the United States Bankruptcy Code Proposed by the Debtors and the Official Committee of Unsecured Creditors*, dated April 4, 2014 (Docket No. 402) (the “Plan Vote Certification”), certifying the method and results of the ballot tabulation, the Creditors in Classes 3 and 4a have accepted the Plan. Class 4b has rejected the Plan, and the Plan Proponents are requesting that the Court confirm the Plan pursuant to the “cramdown” procedures set forth in section 1129(b) of the Bankruptcy Code. Acceptances were not solicited from (i) Classes 1 and 2 as those Classes are unimpaired under the Plan and thus conclusively presumed to have accepted the Plan pursuant to 11 U.S.C. § 1126(f) or (ii) Classes 5, 6a or 6b as those Classes are conclusively presumed to have rejected the Plan pursuant to 11 U.S.C. § 1126(g) because they are to receive no distribution under the Plan.

F. The classification scheme of Claims and Interests under the Plan is reasonable and complies with the requirements of sections 1122 and 1123 of the Bankruptcy Code. Claims or Interests in each particular Class are substantially similar to other Claims contained in such Class.

G. As required by and in compliance with sections 1123(a)(1), (a)(2) and (a)(3) of the Bankruptcy Code, the Plan (i) identifies the Classes of Claims against the Debtors, (ii) specifies the Classes of Claims that are not impaired under the Plan as well as those that are impaired under the Plan, and (iii) specifies the treatment of each Class of Claims under the Plan.

H. Consistent with section 1123(a)(4) of the Bankruptcy Code, the Plan provides the same treatment for each Claim in a particular Class, unless a holder of a Claim has agreed with

the Plan Proponents to a less favorable treatment. In particular, each Holder of an Allowed Claim in Class 4a or 4b is to receive that Holder's Pro Rata share of Available Cash to be distributed to holders of Allowed General Unsecured Claims against the corresponding Debtor, and the Liquidating Trustee shall, using commercially reasonable efforts, segregate each Debtor's assets and make payments under the Plan to each Class of Claimants corresponding to each Debtor in accordance with the priorities set forth in the Bankruptcy Code.

I. As required by section 1123(a)(5) of the Bankruptcy Code, the Plan contemplates adequate means for its execution and implementation including, but not limited to: (i) appointment of the Liquidating Trust Oversight Committee; (ii) entry into and implementation of the Liquidating Trust Agreement, including without limitation appointment of the Liquidating Trustee; (iii) the payment of Available Cash to Holders of Allowed Claims in Classes 1 and 2 on the Distribution Date; (iv) the accumulation of sufficient Available Cash as of the Distribution Date to enable the Debtors to pay all Allowed Administrative and Priority Tax Claims within the time periods provided in Sections 2.1 and 2.3 of the Plan; (v) rejection of all of the Debtors' executory contracts and unexpired leases pursuant to Section 10.1 of the Plan, except as otherwise provided as set forth in Section 10.1 of the Plan; (vi) the negotiation, drafting and filing of the Plan Supplement, which includes the Liquidating Trust Agreement and the Designation By Official Committee Of Unsecured Creditors Of Liquidating Trust Oversight Committee Pursuant To First Amended Plan Of Liquidation (the "Designation") (the Designation having been filed as Exhibit B to the Plan Supplement) and (vii) the transfer by the Plan Proponents of all of their right, title, and interest (whether legal, beneficial, or otherwise) in and to the Liquidating Trust Assets (as defined in the Liquidating Trust Agreement) free and clear of any lien, claim, encumbrance, or interest in such property of any other person or entity

(except as provided in the Liquidating Trust Agreement) in trust to and for the benefit of the Beneficiaries (as defined in the Liquidating Trust Agreement) for the uses and purposes stated in the Liquidating Trust Agreement and in the Plan.

J. Consistent with sections 1123(b)(1) and (b)(2) of the Bankruptcy Code, the Plan impairs or leaves unimpaired, as the case may be, each Class of Claims, and provides for the rejection of each of the Debtor's executory contracts and unexpired leases which have not been previously assumed or rejected pursuant to section 365 of the Bankruptcy Code by prior order of the Bankruptcy Court.

K. Consistent with section 1123(b)(3) of the Bankruptcy Code, the Plan provides that the Plan Proponents shall transfer to the Liquidating Trustee all causes of action against third parties, including, without limitation, claims arising under Sections 544, 547, 548, 549 and 550 of the Bankruptcy Code (other than as against the Debtors, the Committee and their Professionals, which are being released pursuant to Section 12.2 of the Plan).

L. As required by section 1129(a)(1) of the Bankruptcy Code, the Plan complies with all applicable provisions of the Bankruptcy Code.

M. As required by section 1129(a)(2), the Plan Proponents have complied with all of the applicable provisions of the Bankruptcy Code, including, without limitation, the disclosure and solicitation requirements of sections 1125 and 1126 of the Bankruptcy Code. Except as provided for in the Disclosure Statement Order, the Plan Proponents caused to be transmitted the Confirmation Hearing Notice (including ballots to the holders of Claims in Classes entitled to vote on the Plan), only after the Bankruptcy Court approved the Disclosure Statement as containing adequate information. Such materials were distributed in compliance with the requirements of the Disclosure Statement Order, the Bankruptcy Code and the Bankruptcy Rules.

Further, the Committee is authorized to be a proponent of the Plan because the exclusive period in effect under 11 U.S.C. §1121 terminated as of the date of the filing of the Plan.

N. As required by section 1129(a)(3), the Plan has been proposed in good faith and not by any means forbidden by law. The Plan Proponents' objectives in proposing the Plan were for the valid business purpose of effectuating the liquidation and distribution of the property of the Debtors' estates, causes of action and all other Liquidating Trust Assets (as defined in the Liquidating Trust Agreement), resolving disputes among various Classes of Creditors and, to the extent commercially feasible, maximizing distributions on account of the debts of the Debtors.

O. As required by section 1129(a)(4) of the Bankruptcy Code, any payment made or to be made by the Debtors for services or for costs and expenses in connection with this Bankruptcy Case, or in connection with the Plan, other than those incurred in the ordinary course of business, has been approved by this Bankruptcy Court or is subject to the approval by this Bankruptcy Court as reasonable.

P. Section 1129(a)(5) is inapplicable because the Plan provides for the dissolution of the Debtors and the liquidation of the Liquidating Trust Assets by the Liquidating Trustee. To the extent that Section 1129(a)(5) is applicable, that section is satisfied by reason of the Designation's designation of the members of the Liquidating Trust Oversight Committee and the identification in the Liquidating Trust Agreement (as part of the Plan Supplement) of Wilmington Trust as the initial Liquidating Trustee under the Liquidating Trust Agreement.

Q. Section 1129(a)(6) of the Bankruptcy Code is inapplicable because there is no governmental regulatory commission with jurisdiction over any rates charged by the Debtors and further because the Plan provides for the dissolution of the Debtors, necessarily precluding the continuation of operations by the Debtors after the Effective Date that otherwise might have

required approval from some governmental regulatory commission with jurisdiction over any rates charged by the Debtors.

R. As required by section 1129(a)(7) of the Bankruptcy Code, with respect to each Impaired Class, each holder of a Claim of such Class will receive or retain under the Plan on account of such Claim property of a value, as of the Effective Date, that is not less than the amount such holder would receive or retain if the Debtors were liquidated on the Effective Date under Chapter 7 of the Bankruptcy Code.

S. The requirements of section 1129(a)(8) of the Bankruptcy Code are satisfied with respect to Classes 3 and 4a in that those Classes have accepted the Plan.

T. Class 4b consists of Claims of General Unsecured Claims Against Holdings. Two creditors holding claims in the aggregate amount of \$2,778.00 have cast ballots, one accepting the Plan and one rejecting. The one rejection ballot was cast by a former employee of Devices who cast ballots in both Classes 4a and 4b. The Debtors have established that this former employee was an employee of Devices and not of Holdings. To avoid the delay and expense of a motion to reclassify such creditor's claim, and given that no holder of any Claim or Interest junior to the Claims of Class 4b is receiving any distribution on account of such junior Class's Claim or Interest under the Plan, and given that the rejection ballot cast in Class 4b is of a *de minimus* dollar amount relative to the dollar amount represented by votes cast by the Debtors' creditors overall, the Plan Proponents are requesting that the Court confirm the Plan notwithstanding the rejection by Class 4b. The Court finds that the Plan is fair and equitable with respect to the Claims in Class 4b in that there is no class junior in priority to Class 4b that is receiving any distribution on account of such junior Class's Claim or Interest under the Plan.

U. Class 5 consists of Intercompany Claims by the Debtors. Subject to the occurrence of the Effective Date, the Plan provides that all Intercompany Claims shall be deemed eliminated, cancelled and/or extinguished and the holders of Class 5 Claims shall not be entitled to, and shall not receive or retain any property or interest in property on account of such Claims. Class 5 is deemed to have rejected the Plan and, therefore, holders of Class 5 Claims are not entitled to vote to accept or reject the Plan. The Plan is fair and equitable with respect to these Claims in that there is no class junior in priority to Class 5 that is receiving any distribution on account of such junior Class's Claim or Interest under the Plan.

V. Classes 6a and 6b consist of the holders of Interests in each of the Debtors. Subject to the occurrence of the Effective Date, the Plan provides that all of the Interests are to be cancelled and each holder thereof shall not be entitled to, and shall not receive or retain any property or interest in property on account of, such Interests. Class 6a and Class 6b are deemed to have rejected the Plan and, therefore, holders of Interests in Class 6a and 6b are not entitled to vote to accept or reject the Plan. The Plan is fair and equitable with respect to these Interests in that there is no class junior in priority to Class 6a or 6b and therefore there is no class junior in priority to Class 6a or 6b that is receiving any distribution on account of such junior Class's Claim or Interest under the Plan.

W. The Plan provides for the treatment of Allowed Administrative Claims pursuant to sections 503(b) and 507(a) of the Bankruptcy Code, in accordance with section 1129(a)(9) of the Bankruptcy Code, except to the extent that the holder of a particular Claim has agreed in writing to a different treatment.

X. As required by section 1129(a)(10) of the Bankruptcy Code, and as demonstrated by the Plan Vote Certification, Classes 3 and 4a, which are impaired Classes of Claims under the

Plan, have accepted the Plan, determined without including any acceptance of the Plan by an insider.

Y. The Plan is feasible. The Plan Proponents have demonstrated that, on and after the Effective Date, the Debtors will have the ability to meet the financial obligations under the Plan and liquidate the Debtors' remaining assets as provided under the Plan, including without limitation through the establishment of the Liquidating Trust pursuant to the Liquidating Trust Agreement. As required by section 1129(a)(11) of the Bankruptcy Code, the Plan expressly contemplates liquidation of the Debtors through the Liquidation Trust.

Z. As required by section 1129(a)(12) of the Bankruptcy Code, the Plan provides for the payment of all fees payable pursuant to 28 U.S.C. § 1930, as determined by the Bankruptcy Court at the Confirmation Hearing, with such amounts then due and payable to be paid on or before the Effective Date.

AA. Sections 1129(a)(13), (14), (15), and (16) are not applicable to the Debtor's Bankruptcy Case.

BB. The Plan is the only plan of reorganization for the Debtors pending before this or any other court.

CC. The primary purpose of the Plan is not the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933, as amended (15 U.S.C. § 77e).

DD. The modifications of the Plan, if any, proposed by the Plan Proponents prior to, at or in connection with the Confirmation Hearing (the "Plan Modifications"), as set forth in this Confirmation Order, have been reviewed by and are not objected to by any party in interest, or else any such objections have been withdrawn or overruled. The Plan Modifications do not adversely change the treatment of the holders of Claims against or Interests in the Debtor.

Without derogating from the foregoing, to the extent that any Plan Supplement document constitutes a Plan Modification, each said Plan Supplement document shall be and hereby is approved in its entirety and any objection thereto shall be and hereby is overruled.

EE. Finding that the Plan is confirmable based upon, *inter alia*, all of the foregoing Findings of Fact and Conclusions of Law, the Bankruptcy Court HEREBY ORDERS AND DIRECTS that:

CONFIRMATION OF PLAN

1. Confirmation of Plan. The Plan, a copy of which is attached hereto as Exhibit A, and each of its provisions are hereby confirmed in accordance with sections 1129(a) and (b) of the Bankruptcy Code with respect to each of the Debtors.

2. Plan Modifications Approved. In accordance with section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, the Plan as amended by each Plan Modification and this Confirmation Order is deemed accepted by each holder of a Claim against the Debtors that voted to accept the Plan, without the need to re-solicit the votes of such creditors on the Plan as amended, and is deemed accepted by each holder of an unimpaired claim deemed to have accepted the Plan in accordance with section 1126(f) of the Bankruptcy Code.

IMPLEMENTATION OF THE PLAN

3. Appointment of Liquidating Trust Oversight Committee. Pursuant to the Designation, which is hereby approved in its entirety, the Liquidating Trust Oversight Committee shall consist of the following three members: (i) HTC America, Inc. (for itself and on behalf of HTC Corporation, “HTC”); (ii) TCT Mobile International Ltd.; and (iii) Huawei Technologies Co., Ltd. The Liquidating Trust Oversight Committee shall serve as provided in the Plan and the Liquidating Trust Agreement.

4. Liquidating Trust Agreement Approved. The Plan Proponents, the Liquidating Trust Oversight Committee members and the Liquidating Trustee shall be, and hereby are, authorized to enter into, execute, deliver and perform their respective obligations under the Liquidating Trust Agreement. The transfer, assignment, conveyance and delivery of the Liquidating Trust Assets to the Liquidating Trust as provided in Section 1.1(c) of the Liquidating Trust Agreement shall be, and hereby is, approved and further is deemed to have been effectuated without the need for further notice, order or instrument (other than execution of the Liquidating Trust Agreement). The appointment of Wilmington Trust as the Liquidating Trustee as set forth in the Liquidating Trust Agreement shall be and hereby is approved. In addition to the powers granted to the Liquidating Trustee under the Liquidating Trust Agreement, the Liquidating Trustee shall have all of the powers of a trustee under 11 U.S.C. §1104.

5. Timing and Manner of Payment of Claims. Claims will be paid in U.S. funds by the Liquidating Trust by and through the Liquidating Trustee, in the case of Allowed Administrative, Priority Tax and Allowed Class 1, 2 and 3 Claims, in the time frames as provided in the Plan, and in the case of Allowed Claims in Classes 4a and 4b, from Available Cash on the Distribution Date, as determined by the Liquidating Trustee pursuant to the Plan and the Liquidating Trust Agreement.

6. Retention of Jurisdiction Regarding Settlement Motions. The Court shall, and hereby does, retain jurisdiction to consider any motion to approve any settlement of any claim or cause of action or other disposition of any Liquidating Trust Asset; *provided*, however, that the Liquidating Trustee shall not be required to file any such motion for approval of any such settlement unless so instructed by the Liquidating Trust Oversight Committee, and in any event the Liquidating Trust Oversight Committee shall not be required to instruct the Liquidating

Trustee to file any such motion unless the claim, cause of action or other Asset has a Face Amount of \$1,000,000.00 or more. Without derogating from the foregoing, Section 11.1 of the Plan shall apply to the Liquidating Trustee's settlement of any claim or cause of action.

7. Operations Between the Confirmation Date and the Effective Date. During the period from the Confirmation Date through and until the Effective Date, the Debtors shall continue to operate their business as debtors-in-possession, subject to the Bankruptcy Code, the Bankruptcy Rules, and all orders of the Bankruptcy Court that are then in full force and effect. All actions taken by the Debtors during the period from the Confirmation Date through the Effective Date shall be, and shall be taken in a manner, consistent in all material respects with the Confirmation Order, the Plan and the Liquidating Trust Agreement.

8. Delivery of Documents; Alternative Signatory. Without derogating from any authority granted to the Committee, the Liquidating Trust Oversight Committee or the Liquidating Trustee under the Plan or any Plan Supplement, each Debtor is authorized to execute and deliver all documents to which said Debtor shall be a party pursuant to the Plan. Without derogating from the Plan, the Court may appoint an agent to execute and deliver on behalf of any party any document that is an exhibit to the Plan with full force and effect as if such party had executed and delivered such document, in the event such party does not execute and deliver such exhibit after request by either the Debtors or the Committee.

9. Dissolution of Debtors. In accordance with the terms of the Plan, upon the Effective Date, each of the Debtors shall be dissolved (and shall be deemed dissolved) for all purposes without the necessity for any other or further actions to be taken by or on behalf of the Debtors or payments to be made in connection therewith. The dissolution of the Debtors shall not have any effect, in any manner, on the Liquidating Trust Assets, including any causes of

action that the Liquidating Trustee may assert in accordance with the Plan and the Liquidating Trust Agreement.

10. Directors and Officers. Upon the Effective Date, all then-serving directors, officers and members of the board of managers of the Debtors shall be deemed to have resigned as of the Effective Date and shall have no duties or obligations with respect to the Debtors from and after the Effective Date.

11. Cancellation of Existing Securities and Agreements. Pursuant to the Plan, on the Effective Date, except to the extent otherwise provided in the Plan, all notes, securities, instruments, debentures, certificates and other documents evidencing Claims against or Interests in a Debtor or the Debtors shall, with respect to the Debtors, be canceled and deemed rejected and terminated; *provided*, for the avoidance of doubt, that the foregoing shall have no effect on the rights or obligations of non-Debtors with respect to other non-Debtors (other than the Liquidating Trust) in connection with such notes, securities, instruments, debentures, certificates and other documents.

12. Cancellation of Liens. Except as otherwise provided in the Plan or this Confirmation Order, on the Effective Date, any lien securing any Secured Claim shall be deemed released, and the Person holding such Secured Claim shall be authorized and directed, at the expense of the Liquidating Trustee, to release any collateral or other property of the Debtors held by such Person and to take such actions, at the expense of the Liquidating Trustee, and as may be requested by the Liquidating Trustee, to evidence the release of such lien, including, without limitation, the execution, delivery and filing or recording of such releases as may be requested by the Liquidating Trustee at the sole expense of the Liquidating Trustee. The lack of recording of

such release instrument shall not derogate from the release of any such lien as provided in the first sentence of this paragraph.

13. Satisfaction of Claims. Except as otherwise provided in the Plan or this Confirmation Order, the rights afforded in the Plan and the treatment of all Claims and Interests under the Plan shall be in exchange for and in complete satisfaction, discharge and release of all Claims and Interests of any nature whatsoever, including any accrued postpetition interest, against the Debtors', or their Estates', assets, properties or interests in property. Except as otherwise provided in the Plan or this Confirmation Order, all Persons shall be precluded and forever barred from asserting against the Liquidating Trust, the Liquidating Trustee, the Plan Proponents, their respective successors or assigns, or their respective Estates, affiliates, assets, properties or interests in property any event, occurrence, condition, thing or other or further Claims, Interests or causes of action based upon any act, omission, transaction or other activity of any kind or nature that occurred or came into existence prior to the Effective Date, whether or not the facts of or legal bases therefore were known or existed prior to the Effective Date.

14. Plan Binding on All. Pursuant to section 1141(a) of the Bankruptcy Code, except as provided in section 1141(d)(3), from and after the Confirmation Date, the Plan shall be binding upon the Debtors, the Committee, all holders of Claims against and Interests in the Debtors or any of them and any other party-in-interest in these Chapter 11 Cases and their respective successors and assigns, regardless of whether the Claims or Interests of such Holders or obligations of any party-in-interest (i) are in a Class that is impaired under the Plan, (ii) have accepted the Plan, or (iii) have filed a Proof of Claim in these Chapter 11 Cases.

CAUSES OF ACTION

15. Retention of Causes of Action by Liquidating Trustee. Without derogating from the foregoing, the Liquidating Trustee shall retain all causes of action against third parties,

including, without limitation, claims arising under sections 544, 547, 548, 549 and 550 of the Bankruptcy Code (other than as against the Debtors and the Committee, which are being released pursuant to Section 12.2 of this Plan).

16. Post-Effective Date Fees and Expenses. From and after the Effective Date, the Liquidating Trustee shall, in accordance with the Liquidating Trust Agreement, but without the necessity for any approval by the Court, pay the reasonable fees and expenses of the professional Persons thereafter incurred by the Liquidating Trustee related to the implementation and consummation of the Plan (i.e., fees and expenses that are not Administrative Claims), including any fees and expenses incurred by the Liquidating Trustee or its professionals on account of work performed prior to the Effective Date to effectuate the transition of administration of the Liquidating Trust Assets from the Debtors or any other Person to the Liquidating Trust.

RELEASES AND INJUNCTIONS

17. Releases to Debtors, Committee and Released Parties. In consideration for the classification, distributions, releases, and other benefits provided pursuant to the Plan, on the Effective Date, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims, Interests, and controversies resolved pursuant to the Plan or relating to the contractual, legal, and subordination rights that a holder of a Claim or Interest may have with respect to any Claim or Interest, or any Distribution to be made on account of such Claim or Interest. The entry of this Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests, and controversies, as well as a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of each Debtor, its Estate, and holders of Claims and Interests and is fair, equitable, and reasonable.

18. Injunctions Against Released Parties. Pursuant to Section 12.2 of the Plan, in consideration of the treatment provided under the Plan, all holders of Claims hereby release,

remise and forever discharge the Committee and their respective attorneys, accountants, financial advisors, agents and other professionals, and the Debtors' respective attorneys, accountants, financial advisors, other professionals and their officers, directors and employees (together, the "Released Parties"), from any and all Claims, liabilities, causes of action, rights, damages, costs and obligations, whether known or unknown, matured or contingent, liquidated or unliquidated, existing, arising or accruing, whether or not yet due in any manner arising between the Petition Date and the Effective Date and related to the administration of the Chapter 11 Cases or the formulation, negotiation, prosecution or implementation of this Plan, and such claims by any Holders against any of the Released Parties shall be deemed fully waived, barred, released and discharged in all respects, except as to rights, obligations, duties, claims and responsibilities preserved, created or established by terms of this Plan.

19. Plan As Sole Source of Dealing With Claims and Interests. The Court confirms that this Plan is the sole means for resolving, paying or otherwise dealing with Claims and Interests. To that end, except as expressly provided herein, at all times on and after the Effective Date, through and including the date of entry of a Final Decree closing the Chapter 11 Cases, all Persons who have been, are, or may be holders of Claims against or Interests in the Debtors arising prior to the Effective Date, shall be enjoined from taking any of the following actions against or affecting the Liquidating Trustee, the Debtors, the Committee (but not the Committee's members), the Liquidating Trust, their estates, or their property, including the Assets, with respect to such Claims or Interests (other than actions brought to enforce any rights or obligations under this Plan):

- (a) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind against the Debtors,

their Estates, the Liquidating Trust or their property (including, without limitation, all suits, actions, and proceedings that are pending as of the Effective Date);

(b) enforcing, levying, attaching, collecting, or otherwise recovering by any manner or means whether directly or indirectly any judgment, award, decree, or order against the Debtors, their Estates, the Liquidating Trust or their Assets;

(c) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Lien against the Debtors, their Estates, the Liquidating Trust or their Assets;

(d) asserting any right of subrogation, or recoupment of any kind, directly or indirectly against any obligation due the Debtors, their Estates, the Liquidating Trust or their Assets; and

(e) proceeding in any manner in any place whatsoever against the Debtors, their Estates, or their Assets that does not conform to or comply with the provisions of this Plan.

20. Notwithstanding the provisions of this Confirmation Order, including paragraph 19 above, or of the Plan, nothing herein shall be construed to, or shall in fact, limit or affect in any way the rights of The Goldie Group, LLC (the "Goldie Group") or Phillip Christopher ("Christopher") to assert any claims, counterclaims, offsets, defenses, or rights of recoupment against any non-Debtor party, including Q1W Newco, LLC and Quality One Wireless, LLC, or against the Debtors in any timely filed proof of claim; *provided, however*, that for the avoidance of doubt, the treatment of any Claims asserted against the Debtors by the Goldie Group or Christopher shall be pursuant to the Plan.

21. Limitations as to Non-Debtors as Against United States. Nothing in the Confirmation Order or the Plan shall release or exculpate any non-Debtor from any liability to the United States of America, its agencies, departments or agents, including but not limited to any liabilities arising under the Internal Revenue Code, the environmental laws, or the criminal laws against the non-Debtor, nor shall anything in this Confirmation Order or the Plan enjoin the United States from bringing any claim, suit, action or other proceeding against the non-Debtor for any liability whatsoever.

ADDITIONAL IMPLEMENTATION MEANS

22. Corporate Authority. Upon the Effective Date, all corporate actions contemplated by the Plan shall be deemed authorized and approved in all respects, regardless of whether such actions occur before or after the Effective Date. Without derogating from the foregoing, and notwithstanding the occurrence of the Effective Date, Mr. Raymond F. Kunzmann shall be expressly authorized to execute any documents necessary to effectuate the transactions contemplated by the Plan or this Confirmation Order on behalf of the Debtors.

23. Governmental Approvals Not Required. This Confirmation Order shall constitute all approvals and consents required, if any, by the laws, rules or regulations of any State or any other governmental authority with respect to the implementation or consummation of the Plan, the Plan Documents, and any other documents, instruments, or agreements, and any amendments or modifications thereto, and any other acts referred to in or contemplated by the Plan, the Disclosure Statement, the Plan Documents, and any other documents, instruments, or agreements, and any amendments or modifications thereto.

24. Exemption from Certain Taxes. Pursuant to Bankruptcy Code Section 1146(a), the issuance, transfer or exchange of any security or the making or delivery of any instrument of

transfer under the Plan may not be taxed under any law imposing a stamp tax, use tax, sales tax or similar tax. Any sale of any Asset of the Debtors, the Committee or the Liquidating Trust occurring after or upon the Effective Date shall be deemed to be in furtherance of the Plan. Bankruptcy Code Section 346 shall apply to any taxes that may potentially result from, or may be related to, the events, transactions and occurrences of the Chapter 11 Cases and, in particular, pursuant to Bankruptcy Code Section 346, no state or local tax imposed on, or measured by, income shall be imposed on the Debtors, including, but not limited to, franchise taxes to the extent that any such franchise taxes are measured by book or taxable income of the Debtors as a result of the forgiveness or discharge of indebtedness of the Debtors arising from the confirmation and consummation of the Plan, including, but not limited to, undertaking the transactions contemplated by the Plan, or any provision of the Plan or this Confirmation Order.

25. Applicable Non-Bankruptcy Law. Pursuant to Bankruptcy Code Sections 1123(a) and 1142(a), the provisions of this Confirmation Order, the Plan, or any other amendments or modifications thereto shall apply and be enforceable notwithstanding any otherwise applicable non-bankruptcy law.

EXECUTORY CONTRACTS

26. Rejection. Pursuant to Section 10.1 of the Plan, all executory contracts and unexpired leases of the Debtors shall be and hereby are rejected as of the Confirmation Date.

27. Rejection Damages Bar Date. Pursuant to Section 10.2 of the Plan, if the rejection of an executory contract or unexpired lease by the Debtors pursuant to Section 10.1 of the Plan results in damages to the counterparty to such contract or lease, then a Claim for damages or any other amounts related in any way to such contract or lease shall be forever barred and shall not be enforceable against the Debtors, their successors and assigns (including the Liquidating Trust) or their property, unless a proof of claim is filed with the Court or Epiq

and served on the Liquidating Trustee within thirty (30) days after the service of notice of the Effective Date, which notice shall prominently state that such executory contracts and unexpired leases have been rejected; provided, however, that the rejection claim bar date for unexpired leases and executory contracts rejected prior to the Confirmation Date shall be the date set forth in the applicable order rejecting such lease or contract.

ADMINISTRATIVE CLAIMS

28. Treatment. On, or as soon as reasonably practicable after, the earlier of (a) the Distribution Date immediately following the date an Administrative Claim becomes an Allowed Administrative Claim or (b) the date that is ninety (90) days after the date on which such Administrative Claim becomes an Allowed Administrative Claim, a holder of an Allowed Administrative Claim shall receive, to be paid out of the Liquidating Trust, in full and final satisfaction, settlement and release of and in exchange for such Allowed Administrative Claim, (x) Cash equal to the unpaid portion of such Allowed Administrative Claim or (y) such other treatment as to which such holder and the Debtors and/or the Liquidating Trustee shall have agreed upon in writing; provided, however, that Allowed Administrative Claims with respect to liabilities incurred by a Debtor in the ordinary course of business during the Chapter 11 Cases may be paid in the ordinary course of business in accordance with the terms and conditions of any agreements relating thereto (i) prior to the Effective Date, by the Debtors and (ii) subsequent to the Effective Date, by the Liquidating Trustee. Administrative Claimholders will be paid in full on account of their Claims and are not entitled to vote on the Plan.

29. Administrative Claims Bar Date. Except as provided in Sections 2.1.2 and 2.1.3 of the Plan for (i) U.S. Trustee Fees and (ii) Professionals requesting compensation or reimbursement for Professional Fee Claims, respectively, requests for payment of Administrative Claims, including requests for payment of Administrative Claims under section 503(b)(9), must

be filed no later than forty-five (45) days after notice of entry of the Confirmation Order is filed with the Bankruptcy Court or such later date as may be established by order of the Bankruptcy Court. **Holders of Administrative Claims who are required to file a request for payment of such Claims and who do not file such requests by the Administrative Claim Bar Date, shall be forever barred from asserting such Claims against the Debtors, their property, the Liquidating Trust, or the Liquidating Trust's property, and the holder thereof shall be enjoined from commencing or continuing any action, employment of process or act to collect, offset, or recover such Administrative Claim.** Administrative Claims may be filed with Epiq.

EFFECT OF CONFIRMATION

30. Binding Character of Confirmation of Plan. On the Effective Date, all provisions of the Plan, including all Exhibits attached thereto and all Plan Supplement Documents, shall be binding upon the Debtors, the Committee, all Claimants and Equity Holders of the Debtors, and all other Persons and entities who are affected in any manner by the Plan. All Exhibits attached thereto and Plan Supplement documents shall be in full force and effect, and shall be binding on the parties thereto, as of the Effective Date whether or not such Exhibits or Plan Supplement Documents shall actually have been executed, issued or delivered on the Effective Date or thereafter.

31. Automatic Stay Remains in Effect. The automatic stay of 11 U.S.C. §362 shall remain in effect until the Effective Date, other than as previously modified by order of the Bankruptcy Court.

RETENTION OF JURISDICTION

32. As Provided in Article 13 of the Plan. Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, and without derogating from any

retention of jurisdiction as otherwise provided in this Confirmation Order, the Bankruptcy Court shall retain jurisdiction over all matters arising in, arising under or related to the Chapter 11 Cases to the full extent as provided in Article 13 of the Plan.

33. Specific Jurisdiction Retained. The retention of jurisdiction shall include, without limitation, the following retention of jurisdiction:

(a) To hear and determine pending applications for the assumption or rejection of executory contracts or unexpired leases, if any are pending, and the allowance of Claims resulting therefrom;

(b) To determine any and all adversary proceedings, applications and contested matters, whether filed or commenced before or after the Effective Date;

(c) To hear and determine any objection to, or request for estimation of, any Administrative Claim or Claim;

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

(e) To issue orders in aid of execution and consummation of this Plan, to the extent authorized by section 1142 of the Bankruptcy Code;

(f) To consider any amendments to or modifications of this Plan, to cure any defect or omission, or reconcile any inconsistency in any order of the Court, including, without limitation, the Confirmation Order;

(g) To hear and determine all applications for compensation and reimbursement of expenses of Professionals under sections 330, 331 and 503(b) of the Bankruptcy Code and this Plan;

(h) To hear and determine disputes arising in connection with the interpretation, implementation or enforcement of the Sale Order, this Plan, the Confirmation Order, any transactions or payments contemplated by the Asset Purchase Agreement, this Plan, any agreement, instrument, or other document governing or relating to any of the foregoing or any settlement approved by the Bankruptcy Court;

(i) To issue injunctions and effect any other actions that may be necessary or appropriate to restrain interference by any person or entity with the consummation, implementation or enforcement of this Plan, the Confirmation Order or any other order of the Bankruptcy Court;

(j) To recover all Assets of the Debtors, wherever located;

(k) To hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code (including, without limitation, any request by the Debtors or the Liquidating Trust for an expedited determination of tax under section 505(b) of the Bankruptcy Code);

(l) To hear and determine any applications for the assumption and assignment or rejection of executory contracts and leases that may be designated by the Debtors prior to the Confirmation Hearing, and assumed and assigned or rejected thereafter, and the allowance of Claims resulting therefrom;

(m) To hear and determine all disputes involving the existence, scope and nature of the discharges granted under this Plan, the Confirmation Order or the Bankruptcy Code;

(n) To resolve any disputes among the Plan Proponents regarding the Plan;

(o) To enter a final decree closing the Chapter 11 Cases;

(p) To hear and determine all Causes of Action on behalf of the Estates and the Liquidating Trustee pursuant to the Liquidating Trust Agreement and Claims against the Debtors or the Liquidating Trust; *provided*, notwithstanding the foregoing or any other provision of this Confirmation Order, the Plan or Disclosure Statement, nothing in this Confirmation Order, the Plan or Disclosure Statement shall modify or affect in any way (a) whether the Bankruptcy Court has jurisdiction to hear and/or determine any Cause of Action in the adversary proceeding against the Second Lien Lenders, captioned *Official Committee of Unsecured Creditors v. PineBridge Vantage Capital, L.P., et al. (In re Personal Communications Devices, LLC)*, Adv. Pro. No. 13-8174 (AST) or (b) any motion to withdraw the reference with respect to any Cause of Action in the adversary proceeding against the Second Lien Lenders, captioned *Official Committee of Unsecured Creditors v. PineBridge Vantage Capital, L.P., et al. (In re Personal Communications Devices, LLC)*, Adv. Pro. No. 13-8174 (AST); and

(q) To hear any other matter not inconsistent with the Bankruptcy Code.

GENERAL PROVISIONS

34. Preservation of Privileges. In connection with the transfer of the Liquidating Trust Assets to the Liquidating Trust, including claims and Causes of Action, any attorney-client privilege, work-product privilege, or other privilege or immunity attaching to any documents or communications (whether written or oral) transferred to the Liquidating Trust shall be preserved and shall vest in the Liquidating Trust and its representatives, and the Debtors and their representatives are authorized to take all necessary actions to effectuate the transfer of such privileges.

35. Incorporation of Plan. The Plan is incorporated in full herein. Failure specifically to include or refer to particular sections or provisions of the Plan or any related agreement in this

Confirmation Order shall not diminish or impair the effectiveness of such sections or provisions, it being the intent of the Bankruptcy Court that the Plan be confirmed and such related agreements be approved in their entirety.

36. Non-Severable and Mutually Dependent. The provisions of this Confirmation Order are non-severable and mutually dependent.

37. Effect of Reversal. If any or all of the provisions of this Confirmation Order are hereafter reversed, modified, or vacated by subsequent order of the Court or any other court, in the absence of a stay of this Confirmation Order, such reversal, modification, or vacatur shall not affect the validity of the acts or obligations incurred or undertaken in good faith under or in connection with the Plan prior to the Debtors' receipt of written notice of entry of any such order. Notwithstanding any such reversal, modification, or vacatur of this Confirmation Order, in the absence of a stay of this Confirmation Order, any such act or obligation incurred or undertaken in good faith pursuant to, and in reliance on, this Confirmation Order prior to the effective date of such reversal, modification, or vacatur shall be governed in all respects by the provisions of this Confirmation Order and the Plan or any amendments or modifications thereto.

38. Payment of Statutory Fees. With respect to the period prior to the Effective Date, all fees ("Statutory Fees") pursuant to 28 U.S.C. § 1930(a)(6) shall be paid by the Debtors on the Effective Date or other required payment date. With respect to the period after the Effective Date, the Liquidating Trustee shall be responsible for paying Statutory Fees to the Office of the United States Trustee and such obligation shall continue until such time as a particular Chapter 11 Case is closed, dismissed, or converted.

39. Setoff Rights. In the event that the Debtors have a Claim of any nature whatsoever against the holder of a Claim against the Debtors, then the Debtors and the

Liquidating Trustee, as the case may be, are authorized, but not required to, set off against the Claim (and any payments or other Plan distributions to be made in respect of such Claim under the Plan) the respective Debtor's Claim against such holder, subject to the provisions of Bankruptcy Code Sections 553, 556 and 560. Neither the failure to set off nor the allowance of any Claim under the Plan shall constitute a waiver or release of any Claims that the Debtors may have against the holder of any Claim. Such setoff rights shall inure to the benefit of the Liquidating Trust and any successors thereto.

40. Final Order; Authorization to Consummate Plan. This Confirmation Order is a Final Order and the period in which an appeal must be filed shall commence upon the entry hereof. Notwithstanding Bankruptcy Rule 3020(e), this Confirmation Order shall take effect immediately upon its entry and the Debtors are authorized to consummate the Plan immediately after entry of this Confirmation Order and the satisfaction or waiver of all other conditions to the Effective Date of the Plan, in accordance with the terms of the Plan. The Plan Proponents are authorized to consummate the Plan after entry of this Confirmation Order subject to satisfaction of the conditions precedent to the occurrence of the Effective Date set forth in the Plan, or waiver of such conditions pursuant to the Plan. The Plan Proponents and the Liquidating Trustee are authorized and directed to execute, acknowledge and deliver such deeds, assignments, conveyances, and other assurances, documents, instruments of transfer, Uniform Commercial Code financing statements, trust agreements, mortgages, indentures, security agreements and bills of sale and to take such other actions as may be reasonably necessary to perform the terms and provisions of the Plan, all transactions contemplated by the Plan, the Plan Documents and all other agreements related thereto.

41. Substantial Consummation. The substantial consummation of the Plan, within the meaning of Bankruptcy Code Section 1127, is deemed to occur on the first date, on or after the Effective Date, on which distributions are made in accordance with the terms of the Plan to holders of any Allowed Claims.

42. Post-Confirmation Modification of the Plan. Section 15.4 of the Plan shall govern any post-confirmation Plan modifications.

43. Filing and Recording. This Confirmation Order (a) is and shall be effective as a determination that, on the Effective Date, all Claims and Interests existing prior to such date have been unconditionally released, discharged and terminated, and (b) is and shall be binding upon and shall govern the acts of all entities including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state and local officials and all other Persons and entities who may be required, by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any document or instruments. Each and every federal, state and local government agency is hereby directed to accept any and all documents and instruments necessary, useful or appropriate (including Uniform Commercial Code financing statements) to effectuate, implement and consummate the transactions contemplated by the Plan and this Confirmation Order without payment of any recording tax, stamp tax, transfer tax or similar tax imposed by state or local law.

44. Post-Effective Date Effect of Evidences of Claims or Interests. Except as otherwise provided for in the Plan, notes, bonds, stock certificates and other evidences of Claims against or Equity Interests in the Debtors shall, effective upon the Effective Date, be of no

further force or effect and shall represent only the right to participate in distributions contemplated by the Plan.

45. Notice of Entry of Confirmation Order. No later than five business days following the date of entry of this Confirmation Order, the Debtors or the Liquidating Trustee shall serve notice of the entry of this Confirmation Order pursuant to Bankruptcy Rules 2002 and 3020(c) on all holders of Claims and Interests, the U.S. Trustee, and the parties named on the master service list maintained in these Chapter 11 Cases, by causing notice to be delivered to such parties by first-class mail, postage prepaid.


46. Notice of Effective Date. Within five business days following the occurrence of the Effective Date, the Liquidating Trustee shall file notice of the Effective Date with the Court. Notice of the Effective Date may be given simultaneously with notice of entry of this Confirmation Order so long as such notice is timely under the foregoing provisions.

47. Judicial Notice. The Court takes judicial notice of the docket of this Chapter 11 Case maintained by the clerk of the Court and/or its duly appointed agent (the “Docket”) including, without limitation, all pleadings and other documents on file, all orders entered and all evidence and arguments made, proffered or adduced at the hearings held before the Court during the pendency of the Chapter 11 Case.

48. Confirmation Order Controls. To the extent of any inconsistency between the terms of the Plan and this Confirmation Order, the terms of this Confirmation Order shall govern.

Dated: April 29, 2014
Central Islip, New York





Alan S. Trust
United States Bankruptcy Judge