UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
MIG, LLC and ITC Cellular, LLC,[1]	)	Case No. 14-11605 (KG)
Debtors.	)	(Jointly Administered)

AMENDED DISCLOSURE STATEMENT FOR THE INDENTURE TRUSTEE'S AMENDED PLAN OF REORGANIZATION OF MIG, LLC AND ITC CELLULAR, LLC, PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

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DATED: October 20, 2016

[1] The Debtors in these chapter 11 cases, along with the last four (4) digits of each Debtor's federal tax identification number, are: MIG, LLC (5301) and ITC Cellular, LLC (4611).

PLEASE REVIEW THIS DOCUMENT FOR IMPORTANT INFORMATION REGARDING:

*** Description of the Debtors, their Estates, and Background of the Chapter 11 Cases**
*** Classification and Treatment of Claims and Interests**
*** Distributions to Holders of Allowed Claims**
*** Implementation and Execution of the Plan**
*** Treatment of Contracts and Leases and Procedures to Assert Rejection Claims**

AND IMPORTANT DATES:

*** Date to Determine Record Holders of Claims and Interests: October 13, 2016**
*** Deadline to Submit Ballots: November 22, 2016 at 4:00 p.m. (ET)**
*** Deadline to Object to Plan Confirmation: November 22, 2016 at 4:00 p.m. (ET)**
*** Hearing on Plan Confirmation: December 6, 2016 at 11:00 a.m. (ET)**

1. INTRODUCTION

1.1 Purpose of the Disclosure Statement. This disclosure statement (including all exhibits thereto, as may be amended, supplemented, or modified, the "**Disclosure Statement**") is being provided by the Indenture Trustee, as plan proponent (in such capacity, the "**Plan Proponent**"), to the Office of the United States Trustee and to Holders of Claims and Interests pursuant to section 1125(b) of title 11 of the United States Code for the purpose of soliciting acceptances of the *Amended Plan of Reorganization of MIG, LLC and ITC Cellular, LLC Pursuant to Chapter 11 of the Bankruptcy Code*, dated as of October 17, 2016 (including the Plan Supplement, as may be amended, supplemented, or modified, the "**Plan**"). The Plan has been Filed with the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**"), and the summaries of the Plan contained herein shall not be relied upon for any purpose other than to make a judgment with respect to, and determine how to vote on, the Plan. A copy of the Plan is attached hereto as **Exhibit 1**. All capitalized terms used within this Disclosure Statement which are not defined herein shall have the meanings set forth in the Plan.

Except as otherwise indicated, the Plan Proponent will File all documents and forms of documents, schedules and exhibits that comprise the Plan Supplement with the Bankruptcy Court no later than five (5) Business Days prior to the Voting Deadline, to the extent not Filed earlier; provided, however, that the document identifying, to the extent known, the identity of the directors, managers, officers, and other management for the Reorganized Debtors and the Confirmation Order Findings of Fact and Conclusions of Law will be Filed no later than five (5) Business Days prior to the Voting Deadline, to the extent not Filed earlier. All documents and forms of documents, schedules and exhibits that comprise the Plan Supplement will be made available on the Claims and Noticing Agent's website, https://cases.primeclerk.com/mig/, after they are Filed.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3016(c) AND NOT IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER RULES GOVERNING DISCLOSURE OUTSIDE THE CONTEXT OF CHAPTER 11. THIS DISCLOSURE STATEMENT HAS NEITHER BEEN APPROVED NOR

DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE "**SEC**"), NOR HAS THE SEC PASSED UPON ITS ACCURACY.

NO REPRESENTATION CONCERNING THE DEBTORS OR THE VALUE OF THE DEBTORS' ASSETS HAS BEEN AUTHORIZED BY THE BANKRUPTCY COURT OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT OR ANY OTHER DISCLOSURE STATEMENT APPROVED BY THE BANKRUPTCY COURT. THE PLAN PROPONENT IS NOT RESPONSIBLE FOR ANY INFORMATION, REPRESENTATION, OR INDUCEMENT MADE TO OBTAIN YOUR ACCEPTANCE, WHICH IS OTHER THAN, OR INCONSISTENT WITH, INFORMATION CONTAINED HEREIN AND IN THE PLAN.

YOU SHOULD NOT RELY UPON OR USE THE INFORMATION IN THIS DISCLOSURE STATEMENT FOR ANY PURPOSE OTHER THAN DETERMINING WHETHER TO VOTE TO ACCEPT OR REJECT THE PLAN. NO LEGAL OR TAX ADVICE IS PROVIDED TO YOU BY THIS DISCLOSURE STATEMENT. YOU ARE STRONGLY URGED TO CONSULT WITH YOUR FINANCIAL, LEGAL, AND TAX ADVISORS TO UNDERSTAND FULLY THE PLAN AND DISCLOSURE STATEMENT. THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS GIVEN AS OF THE DATE HEREOF, UNLESS OTHERWISE SPECIFIED. THE DELIVERY OF THIS DISCLOSURE STATEMENT DOES NOT, UNDER ANY CIRCUMSTANCE, IMPLY THAT THERE HAS BEEN NO CHANGE IN THE FACTS SET FORTH HEREIN SINCE SUCH DATE. THIS DISCLOSURE STATEMENT IS INTENDED, AMONG OTHER THINGS, TO SUMMARIZE THE PLAN AND MUST BE READ IN CONJUNCTION WITH THE PLAN, WHICH INCLUDES THE PLAN SUPPLEMENT. IF ANY CONFLICTS EXIST BETWEEN THE PLAN AND DISCLOSURE STATEMENT, THE TERMS OF THE PLAN SHALL CONTROL.

IF A HOLDER OF A CLAIM WISHES TO CHALLENGE THE ALLOWANCE OR DISALLOWANCE OF A CLAIM FOR VOTING PURPOSES UNDER THE TABULATION RULES SET FORTH IN THE SOLICITATION ORDER, SUCH ENTITY MUST FILE A MOTION, PURSUANT TO BANKRUPTCY RULE 3018(a), FOR AN ORDER TEMPORARILY ALLOWING SUCH CLAIM IN A DIFFERENT AMOUNT OR CLASSIFICATION FOR PURPOSES OF VOTING TO ACCEPT OR REJECT THE PLAN AND SERVE SUCH MOTION ON THE UNDERSIGNED COUNSEL TO THE PLAN PROPONENT SO THAT IT IS RECEIVED NO LATER THAN **4:00 P.M., PREVAILING EASTERN TIME, ON OCTOBER 31, 2016**. TO THE EXTENT NOT CONSENSUALLY RESOLVED, SUCH MOTIONS SHALL BE HEARD AT SUCH TIME AS THE BANKRUPTCY COURT MAKES AVAILABLE PRIOR TO THE CONFIRMATION HEARING. UNLESS THE BANKRUPTCY COURT ORDERS OTHERWISE, SUCH CLAIM WILL NOT BE COUNTED FOR VOTING PURPOSES IN EXCESS OF THE AMOUNT DETERMINED IN ACCORDANCE WITH THE TABULATION RULES.

1.2 Overview of the Plan. The Plan contemplates the complete deleveraging of the Debtors through the conversion of all Notes Secured Claims on account of the Senior Secured Notes and the Prepetition Indenture, and all General Unsecured Claims (including the Notes Deficiency Claim), to new equity in MIG Holdings, a new Republic of the Marshall Islands limited liability company, to be formed by the Debtors prior to the Effective Date. On the Effective Date MIG Holdings will become the sole member of, and holder of 100% of the

Interests in, Reorganized MIG. All assets, including the Cash and all litigation claims shall vest in Reorganized MIG for the benefit of all holders of the New MIG Interests.

Holders of Notes Secured Claims that (a) are not "accredited investors" (as defined in Rule 501 of Regulation D promulgated under the Securities Act) or "qualified institutional buyers" (as defined in Rule 144A(a)(1) under the Securities Act) or (b) are beneficial owners (as defined in Rule 13d-3 under the Exchange Act) of Notes Secured Claims in an aggregate amount, including all Notes Secured Claims beneficially owned by Affiliates of such Holder, that is not more than $750,000, will receive New MIG Interests that are issued through DTC. All other Holders of Notes Secured Claims will receive New MIG Interests that are issued in uncertificated book-entry form. The New MIG Interests will not be "restricted securities" (as defined in rule 144(a)(3) under the Securities Act) and will be freely tradable and transferable (except that New MIG Interests that are not New MIG DTC Interests will be subject to the restrictions on transfer set forth in the MIG Holdings LLC Agreement) by any initial recipient thereof that (x) is not an "affiliate" of the Reorganized Debtors (as defined in Rule 144(a)(1) under the Securities Act), (y) has not been such an "affiliate" within 90 days of such transfer, and (z) is not an entity that is an "underwriter" as defined in section 1145(b) of the Bankruptcy Code.

The Plan also provides for the distribution of Sale Transaction Proceeds and the Wind Down of the Debtors' estates in lieu of the distribution of the New MIG Interests in the event that Debtors sell substantially all of their assets pursuant to an order of the Bankruptcy Court prior to or in connection with confirmation of the Plan.

The Plan is supported by a majority of the Holders of the Senior Secured Notes, which Holders have directed the Plan Proponent to cause the filing of the Plan and Disclosure Statement and to take all such actions as are required pursuant to the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and all other applicable law, or are otherwise necessary or appropriate, to cause the approval of the Disclosure Statement and the confirmation and effectiveness of the Plan.

THE PLAN PROPONENT RECOMMENDS THAT THE HOLDERS OF CLAIMS IN ALL VOTING CLASSES VOTE TO ACCEPT THE PLAN.

A letter from the Creditors' Committee (the "Committee's Letter") is being distributed with the Disclosure Statement recommending rejection of the Plan. The Committee's Letter reflects the views of the Creditors' Committee and not the Plan Proponent.

1.3 Confirmation of the Plan.

1.3.1 Requirements. The requirements for Confirmation of the Plan are set forth in section 1129 of the Bankruptcy Code.

1.3.2 Confirmation Hearing. To confirm the Plan, the Bankruptcy Court must hold the Confirmation Hearing to determine whether the Plan meets the requirements of section 1129 of the Bankruptcy Code. The Bankruptcy Court has set **December 6, 2016, at 11:00 a.m. (Eastern Time)**, for the Confirmation Hearing.

1.3.3 Deadline to Object to Confirmation of the Plan. The Bankruptcy Court has set **November 22, 2016, at 4:00 p.m. (Eastern Time)**, as the deadline for Filing and serving objections to Confirmation of the Plan. Objections to Confirmation must be electronically Filed with the Bankruptcy Court and served on counsel to the Debtors.

1.3.4 Effect of Confirmation. Upon entry of the Confirmation Order, the Bankruptcy Court shall be deemed to have made and issued pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014, the Confirmation Order Findings of Fact and Conclusions of Law. Upon entry of the Confirmation Order, the Confirmation Order shall constitute findings of fact even if they are stated as conclusions of law, and any and all conclusions of law in the Plan shall constitute conclusions of law even if they are stated as findings of fact. Confirmation of the Plan serves to make the Plan binding upon the Debtors, all Creditors, Holders of Interests, and other parties-in-interest, regardless of whether they vote to accept or reject the Plan.

1.4 Voting on the Plan.

1.4.1 Impaired Claims or Interests. Pursuant to section 1126 of the Bankruptcy Code, only the Holders of Claims and Interests in Classes that are Impaired by the Plan and will receive a payment or distribution under the Plan may vote on the Plan. Pursuant to section 1124 of the Bankruptcy Code, a Class of Claims or Interests may be Impaired if the Plan alters the legal, equitable, or contractual rights of the Holders of such Claims or Interests treated in such Class. The Holders of Claims in Class 1 are Unimpaired by the Plan, are deemed to accept the Plan, and do not have the right to vote on the Plan. Holders of Claims in Classes 2 and 3 are Impaired and entitled to vote on the Plan. Holders of Section 510 Claims in Class 4 and Holders of MIG Interests in Class 5 will not receive any payment or distribution or retain any property pursuant to the Plan, are deemed to reject the Plan, and do not have the right to vote.

1.4.2 Eligibility to Vote on the Plan. Unless otherwise ordered by the Bankruptcy Court, only Holders of Claims in Classes 2 and 3 may vote on the Plan unless expressly prohibited from voting under the terms of the Solicitation Order or any other Order of the Bankruptcy Court.

1.4.3 Voting Procedure and Ballot Deadline. If you are a Holder of a Claim in Class 2 or 3 (which Holders are entitled to vote on the Plan), to ensure your vote is counted you must (i) complete the ballot enclosed with the copy of the Disclosure Statement and Plan that is delivered to you (the "**Ballot**") in accordance with the instructions set forth therein, (ii) indicate your decision either to accept or reject the Plan in the boxes indicated in the Ballot, and (iii) sign and return the Ballot to the address set forth on the Ballot or otherwise in accordance with the voting instructions accompanying such Ballot. ABSENT PRIOR CONSENT OF THE PLAN PROPONENT, BALLOTS SENT BY FACSIMILE OR ELECTRONIC TRANSMISSION ARE NOT ALLOWED AND WILL NOT BE COUNTED.

Pursuant to Bankruptcy Rule 3017, the Bankruptcy Court has ordered that original Ballots for the acceptance or rejection of the Plan must actually be received by the Claims and Noticing Agent on or before **November 22, 2016 at 4:00 p.m. (Eastern Time)**.

1.4.4 Acceptance of the Plan. For the Plan to be accepted by an Impaired Class of Claims, a majority in number and two-thirds in dollar amount of the Claims voting (of each Impaired Class of Claims) must vote to accept the Plan, or the Plan must qualify for cramdown of any non-accepting Class of Claims pursuant to section 1129(b) of the Bankruptcy Code. In any case, at least one Impaired Class of Claims, excluding the votes of insiders, must actually vote to accept the Plan. IF YOU ARE A HOLDER OF A CLAIM IN CLASS 2 OR 3 (WHICH HOLDERS ARE ENTITLED TO VOTE ON THE PLAN), YOU ARE URGED TO COMPLETE, DATE, SIGN, AND PROMPTLY RETURN THE BALLOT TO THE CLAIMS AND NOTICING AGENT OR OTHERWISE IN ACCORDANCE WITH THE VOTING INSTRUCTIONS ACCOMPANYING SUCH BALLOT. PLEASE BE SURE TO COMPLETE THE BALLOT PROPERLY AND ENSURE THAT THE EXACT AMOUNT OF YOUR CLAIM AND THE NAME OF THE HOLDER OF THE CLAIM IS CORRECTLY IDENTIFIED IN THE BALLOT.

2. THE DEBTORS AND KEY EVENTS LEADING TO THE FILING OF THE CHAPTER 11 CASES

2.1 Description of Debtors. Debtor MIG is a limited liability company organized under the laws of the State of Delaware. MIG owns 100% of the membership interests in Debtor ITC Cellular, a Delaware limited liability company. Formerly known as MIG, Inc., MIG was a debtor in a previous case captioned *In re MIG, Inc.*, Case No. 09-12118 (KG) (Bankr. D. Del.) (the "**2009 Chapter 11 Case**"). On November 19, 2010, the Court confirmed the *Modified Joint Second Amended Plan of Reorganization for MIG* (the "**2010 Plan**") [Case No. 09-12118 ECF No. 1209]. The effective date of the 2010 occurred on December 31, 2010. Pursuant to the 2010 Plan, MIG was converted to a Delaware limited liability company. The 2009 Chapter 11 Case was closed on July 27, 2011 [Case No. 09-12118, D.I. 1501].

2.2 The Debtors' Principal Assets

2.2.1 International Telcell and Magticom Interests. Debtor ITC Cellular owns 46% of the membership interests of non-debtor International Telcell Cellular, LLC ("**International Telcell**"). International Telcell, directly and indirectly through its wholly owned non-debtor subsidiary Telcell Wireless, LLC, owns all the issued and outstanding equity interests of non-debtor Magticom Ltd. ("**Magticom**"), the leading mobile telephony company in the Republic of Georgia. The remaining ownership stake of International Telcell is held 51% by Dr. George Jokhtaberidze, a Georgian national who founded Magticom, and 3% by Gemstone Management Ltd., an entity formed by certain former management of Magticom.

Pursuant to section 5.5 of the Second Amended and Restated Limited Liability Company Agreement of International Telcell Cellular, LLC (the "ITCL LLC Agreement"), the Debtors are required to keep confidential all information obtained from International Telcell that is not otherwise publicly available and may only grant access to such information to a person who is willing to agree in writing to maintain the confidentiality of such information. Creditors seeking access to confidential financial information of the Debtors may obtain such access by contacting the Debtors' representatives, whose contact is available at http://www.migllc-group.com/investors.html, provided that such information will only be made available to any such requesting party after (a) the Debtors have verified that such requesting party is in fact a

creditor of the Debtors and (b) the creditor has entered into an appropriate confidentiality agreement with the Debtors.

Shenton Park has previously made offers to purchase the Debtors' assets and has stated that it remains interested in acquiring those assets. The Plan contemplates the possibility of a Sale Transaction. To the extent that Shenton Park makes further offers, the Plan Proponent will consider those offers.

2.2.2 MIG Litigation and Causes of Action. As described in Section 2.2.3 herein, the Plan provides that all Causes of Action, including, among others, the MIG Litigation and Causes of Action, shall vest in the Reorganized Debtors. Throughout the negotiations, discovery, and litigation leading up to the Bankruptcy Court's Memorandum Opinion described in Section 3.7 herein, it became evident that the Debtors may have significant causes of actions against various parties. During this litigation, substantial evidence was uncovered, demonstrating a concerted effort by certain parties to cause an "ITC Cellular Change of Control" as defined in the ITCL LLC Agreement (an "**ITC Cellular Change of Control**") in order to remove control rights put in place for the benefit of the Debtors as part of the 2009 Chapter 11 Case and thus reduce the value of the Debtors' key asset: ITC Cellular's interests in International Telcell.

As part of the 2010 Plan, the parties that received releases executed agreements (the "**Acknowledgement Agreements**") in which the executing parties covenanted to "not take any action directly or indirectly that would have the effect of triggering an ITC Cellular Change of Control." The parties executing the Acknowledgement Agreements included all of the entities identified in the provisions in the ITCL LLC Agreement governing an ITC Cellular Change of Control and certain individuals representing those entities in their personal capacities. Irakali Rukhadze ("**Mr. Rukhadze**"), advisor to Shenton Park Company Inc. ("**Shenton Park**"), a British Virgin Islands company and limited partner in CaucusCom, during most of the period relevant hereto, executed an Acknowledgement Agreement in his individual capacity, as well as in his capacity as an officer or director of several other entities.

The Plan Proponent and the Debtors believe that, since at least November 2012, despite Mr. Rukhadze having signed Acknowledgement Agreements, Shenton Park, Mr. Rukhadze, and other Shenton Park advisors began strategizing about how they could cause an ITC Cellular Change of Control. The Plan Proponent and the Debtors believe that Shenton Park, as a limited partner in CaucusCom, should have had no economic interest in causing a change of control, which would destroy any value remaining in the partnership (i.e., equity of Debtor ITC Cellular). Shenton Park, however, was also actively trying to acquire the Senior Secured Notes. The Plan Proponent and the Debtors believe that Shenton Park knew that an ITC Cellular Change of Control would devalue the Senior Secured Notes, potentially providing Shenton Park with an opportunity to buy the Notes at far below their face value. Shenton Park (both directly and through various third parties) made many offers to the Noteholders and the Debtors to purchase the assets of the Debtors for a fraction of their face value and consistently asserted that the reason for the discounted price was the occurrence of an ITC Cellular Change of Control.

During discovery relating to the ITC Cellular Change of Control Litigation, numerous documents, including emails from Shenton Park's advisors, were produced, a number of which suggest that Shenton Park and Mr. Rukhadze, among others, directly and indirectly planned for years to depress the value of the Senior Secured Notes through an ITC Cellular Change of Control, culminating in Shenton Park's refusal in 2014 to extend the partnership agreement for

CaucusCom Ventures, the sole equity holder of MIG, knowing this would trigger an ITC Cellular Change of Control.

Other documents produced in discovery similarly suggest that other parties were involved in attempts to depress the value of the Senior Secured Notes and the Debtor ITC Cellular's equity in International Telcell for their own benefit via an ITC Cellular Change of Control.

The conduct of these parties has given rise to potential Causes of Action that the Plan Proponent and the Debtors believe include, *inter alia*: tortious interference with a contract (as to the Acknowledgement Agreements and the ITCL LLC Agreement), breach of the implied contractual covenant of good faith and fair dealing (as to the ITCL LLC Agreement and the PSA), civil conspiracy between certain parties to tortuously interfere with the ITCL Agreement and the Acknowledgement Agreements, and breach of the Acknowledgement Agreements and the PSA.

Shenton Park has stated that it and its advisors deny all allegations in this Disclosure Statement that assert wrongdoing on their part.

2.2.3 State Bond Actions. The Plan provides all Causes of Action, including, among others, the State Bond Actions, shall vest in the Reorganized Debtors. Prior to the Chapter 11 Cases, MIG posted cash bonds (the "**Workers Compensation Bonds**") to obtain authorization to be a self-insured employer in the following states: New York, California, Arizona, Massachusetts, Missouri, Kentucky, Iowa and Minnesota (the "**Workers Compensation States**"). In connection with the Workers Compensation Bonds, the Debtors posted as collateral with various insurers (the "**Workers Compensation Insurers**"). As of the date hereof, the Plan Proponent, upon information provided by the Debtors, believes that approximately $2,356,000 in aggregate is still held by the Workers Compensation Insurers.

In connection with the confirmation of the Plan, there will be no outstanding workers' compensation claims owing against the Debtors in the Workers Compensation States, and therefore, the Reorganized Debtors will have the right to seek the return of the collateral amounts held by the Workers Compensation Insurers. The Plan vests in the Reorganized Debtors the right to bring the State Bond Actions, if necessary, against the Workers Compensation States in seeking judgments ordering the Workers Compensation States to release the Workers Compensation Bonds. Successful resolution of the State Bond Actions will result in the return of collateral held by the Workers Compensation Insurers to the Reorganized Debtors.

In the event of a Reorganization Transaction, the Plan Proponent expects that, following the Effective Date, the Reorganized Debtors' will pursue the return of the collateral held by the Workers Compensation Insurers, to the extent that the Debtors have not already begun to pursue its return prior to the Effective Date. In the event of a Sale Transaction, any proceeds from the sale of the Debtors' interests in such collateral will be distributed pursuant to the terms of the Plan.

2.3 Certain Prepetition Indebtedness. Under the 2010 Plan, MIG issued its Senior Secured Cash/PIK Notes Due 2016 (the "**Senior Secured Notes**"), pursuant to the Indenture, dated as of December 31, 2010 (the "**Indenture**"), among MIG, as Issuer, ITC Cellular, as Co-Obligor, and The Bank of New York Mellon, as Trustee, Collateral Agent, Registrar, Paying Agent and Note Accounts Bank. The Senior Secured Notes were secured by,

among other things, cash held in certain collateral accounts and pledges of the equity interests in MIG, MIG's equity interests in ITC Cellular, and ITC Cellular's rights to certain distributions from International Telcell.

The Debtors' capital structure is highly leveraged. The outstanding principal amount of the Senior Secured Notes as of June 30, 2014, the petition date in these Chapter 11 Cases, was approximately $252.4 million. In addition, on June 30, 2014, the Debtors became liable for the payment of over $11 million in cash interest that became due and payable, and the aggregate amount owed on account of the Senior Secured Notes was increased by another $13 million on account of MIG's obligation to pay in-kind interest, which would have converted to principal, but for the commencement of the Chapter 11 Cases. On or about August 12, 2015, a distribution of $13.8 million was made and ratably applied to outstanding principal and accrued interest on the Senior Secured Notes.

3. THE CHAPTER 11 CASES

3.1 Commencement of the Chapter 11 Cases. On June 30, 2014, the Debtors each filed a voluntary petition under chapter 11 of the Bankruptcy Code and continued in the management and possession of their business and property as a debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases.

3.2 First Day Relief. Concurrently with the filing of their chapter 11 petitions, the Debtors filed certain "first-day" motions (collectively, the "**First Day Pleadings**") with the Bankruptcy Court. The First Day Pleadings, as set forth more fully therein, were intended to minimize the adverse effects of the Chapter 11 Cases on the Debtors and were necessary to enable them to operate effectively as chapter 11 debtors in possession. Pursuant to the First Day Pleadings, the Debtors sought and obtained the approval of the Bankruptcy Court to, among other things: (i) jointly administer the Chapter 11 Cases for procedural purposes only [D.I. 3 and 21]; (ii) continue using their prepetition centralized cash management system and bank accounts and business forms [D.I. 12 and 40]. For additional information with respect to the First Day Pleadings and related relief sought by the Debtors at the beginning of the Chapter 11 Cases, please consult the *Declaration of Natalia Alexeeva in Support of Debtors' Chapter 11 Petitions and Request for First Day Relief* [D.I. 4].

3.3 Use of Cash Collateral. On May 6, 2015, the Debtors filed the *Motion of the Debtors for Entry of an Agreed Order (I) Authorizing the Use of Cash Collateral, and (II) Granting Adequate Protection Pursuant to 11 U.S.C. §§ 105, 361 and 363* [D.I. 21] (the "**Cash Collateral Motion**"). The Bankruptcy Court approved the relief requested in the Cash Collateral Motion by Order dated May 26, 2015 [D.I. 401]. Pursuant to this order, the Debtors were authorized to use Cash Collateral pursuant to an agreed budget, the Debtors stipulated to the liens granted to the Indenture Trustee and the Senior Secured Noteholders, providing first-priority security interests in and liens on substantially all of such Debtors' real and personal property and assets; and the Court provided additional replacement and security interests in all of the Debtors' prepetition assets to the Indenture Trustee and the Senior Secured Noteholders.

3.4 Retention of Professionals. The Debtors retained the following professionals in the Chapter 11 Cases: (i) Greenberg Traurig, LLP as bankruptcy counsel [D.I.

93]; (ii) Chipman Brown Cicero & Cole LLP as conflicts counsel [D.I. 92 and 148]; (iii) Evercore Group, L.L.C. as investment banker and financial advisor [D.I. 263]; (iv) Prime Clerk as administrative advisor [D.I. 80].

3.5 Appointment of Committee and Retention of Committee Professionals. On July 21, 2014, the U.S. Trustee appointed the Committee [D.I. 61]. The Committee retained McKenna Long & Aldridge LLP [D.I. 143] and Cole, Schotz, Meisel, Forman & Leonard, P.A. [D.I. 180] as bankruptcy and Delaware counsel, respectively.

3.6 Schedules, Statements of Financial Affairs Bar Date Order, and Claim Objections. On July 30, 2014, the Debtors Filed their Schedules of Assets and Liabilities and Statements of Financial Affairs [D.I. 96-99]. Upon the motion of the Debtors, the Bankruptcy Court entered the Bar Date Order on February 8, 2016 [D.I. 586]. Approximately 82 proofs of claim have been Filed by Creditors, which, together with claims of the Indenture Trustee with respect to the Senior Secured Notes, total approximately $513,741,540.75 in asserted liquidated Claims against the Debtors. The Reorganized Debtors will review and reconcile the Claims and may file objections to Claims to ensure that Claims are afforded the proper treatment under the Plan. Pursuant to the Bar Date Order, the Indenture Trustee and the Senior Secured Noteholders were not required to file proofs of claim with respect to the Senior Secured Notes or any claims arising under the Indenture.

3.7 ITC Cellular Change of Control Litigation. On August 19, 2015, the Debtors filed a *Complaint for Declaratory and Injunctive Relief* [Adv. Docket No. 1] against Shenton Park Company, Inc., initiating Adversary Proceeding No. 15- 51115 (KG) in the Bankruptcy Court. Certain of the facts and circumstances underlying such complaint are detailed in Section 2.2.2 of this Disclosure Statement. On the same date, the Debtors also filed their *Motion for (I) an Order Enforcing the Automatic Stay or, in the Alternative, Extending the Automatic Stay Pursuant to 11 U.S.C. Section 362; and (II) a Temporary Restraining Order and Preliminary Injunction Pursuant to 11 U.S.C. Section 105(a), Fed. R. Bankr. P. 7001(7) and 7065, and Fed. R. Civ. P. 65* [Adv. Docket No. 3].

On August 26, 2015, Shenton Park filed its *Answer, Affirmative Defenses, Counterclaims and Third Party Complaint of Shenton Park Company, Inc.* [Adv. Docket No. 15], which included counterclaims against the Debtors and third party claims against the Indenture Trustee.

The Debtors, the Indenture Trustee, and Shenton Park subsequently agreed to limit the initial issues before the Court with regard to Adversary Proceeding No. 15-51115 to (a) whether an ITC Cellular Change of Control has occurred and (b) whether the BVI Filing or appointment of a liquidator for Caucuscom violates or would violate the automatic stay and should be enjoined.

On December 16, 2015, the Bankruptcy Court issued its Memorandum Opinion [Adv. Docket No. 80] in which it held that an ITC Cellular Change of Control had occurred by virtue of the dissolution of CaucusCom. On December 22, 2015, the Bankruptcy Court entered its Order Granting Shenton Park Company, Inc.'s Motion for Summary Judgment [Adv. Docket No. 82].

4. SUMMARY OF THE PLAN

4.1 Classification of Claims and Interests under the Plan. All Allowed Claims and Interests, except Administrative Claims, Accrued Professional Compensation Claims, the DIP Claims, and Priority Tax Claims are placed in the Classes set forth in Article III of the Plan. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Accrued Professional Compensation Claims, and Priority Tax Claims have not been classified. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any remainder of the Claim or Interest qualifies within the description of such other Classes.

4.2 Treatment of Allowed Claims and Interests Under the Plan. THE FOLLOWING CHART IS A SUMMARY OF THE CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS AND THE POTENTIAL DISTRIBUTIONS UNDER THE PLAN. THE AMOUNTS SET FORTH BELOW ARE ESTIMATES ONLY. REFERENCE SHOULD BE MADE TO THE ENTIRE DISCLOSURE STATEMENT AND THE PLAN FOR A COMPLETE DESCRIPTION OF THE CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS. THE RECOVERIES SET FORTH BELOW ARE PROJECTED RECOVERIES AND ARE THEREFORE SUBJECT TO CHANGE. THE ALLOWANCE OF CLAIMS MAY BE SUBJECT TO LITIGATION OR OTHER ADJUSTMENTS, AND ACTUAL ALLOWED CLAIM AMOUNTS MAY DIFFER MATERIALLY FROM THESE ESTIMATED AMOUNTS.

Class	Type	Status Under Plan	Treatment	Estimated Aggregate Amount in Class ($)
1	Other Priority Claims	Unimpaired and Deemed to Accept	Subject to Article III.B.1 of the Plan, except to the extent that a Holder of an Allowed Claim in Class 1 agrees to a less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Claim in Class 1, each such Holder shall receive payment in full in Cash.	$120,910
2	Notes Secured Claims	Impaired and Entitled To Vote	Subject to Article III.B.2 of the Plan, except to the extent that a Holder of an Allowed Claim in Class 2 agrees to a less favorable treatment, in full and final satisfaction, settlement, release,	$125 million[1]

[1] The Plan Proponent has included $125 million as the estimated aggregate Allowed amount of Notes Secured Claims. The Plan Proponent has included this estimate in consultation with Senior Secured Noteholders holding over a majority of the outstanding Senior Secured Notes who determined that this represents a fair clearing price for a sale of ITC Cellular's 46% indirect equity stake in Magticom.

			and discharge of and in exchange for each Allowed Claim in Class 3, each such Holder thereof shall receive the Holder's Pro Rata share of the Class 2 Equity Distribution; provided, however, that if the Sale Transaction occurs, then each such Holder shall receive such Holder's Pro Rata share of the Sale Transaction Proceeds in lieu of the Class 2 Equity Distribution.	
3	General Unsecured Claims	Impaired and Entitled to Vote	Subject to Article III.B.3 of the Plan, except to the extent that a Holder of an Allowed Class 3 Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Class 3 Claims, each such Holder shall receive such Holder's Pro Rata share of the Class 3 Equity Distribution, provided, however, that if the Sale Transaction occurs, then each such Holder shall receive such Holder's Pro Rata share of the Net Cash Proceeds in lieu of the Class 3 Equity Distribution.	$138.8 million
4	Section 510 Claims	Impaired and Deemed to Reject	No property shall be distributed to or retained by the Holders of Section 510 Claims, and such Claims shall be extinguished on the Effective Date. Holders of Section 510 Claims shall not receive any distribution pursuant to the Plan.	N/A
5	MIG Interests	Impaired and Deemed to Reject	On the Effective Date or as soon as reasonably practicable thereafter, all MIG Interests shall be cancelled and extinguished. Holders of MIG Interests shall not receive any distribution pursuant to the Plan.	N/A

4.2.1 Unclassified Claims. Subject to Article II of the Plan, except to the extent otherwise agreed to by the Holder, each Holder of an Allowed Administrative Claim or Allowed Priority Tax Claim (other than an Accrued Professional Compensation Claims) shall be paid in Cash the full amount of such Claim. Allowed Accrued Professional Compensation Claims will be Allowed and paid in accordance with Article II.B of the Plan.

4.2.2 Source of Payment for Allowed Claims. The Reorganized Debtors shall fund distributions and satisfy applicable Allowed Claims under the Plan with respect to the Reorganization Transaction with Cash on hand, including Cash from operations, and the New

MIG Interests; provided, however, that if the Debtors shall have consummated on or prior to the Effective Date a Sale Transaction pursuant to a Final Order of the Bankruptcy Court obtained by motion on appropriate notice, then the Debtors shall distribute the Net Cash Proceeds and the Unsecured Asset Proceeds in lieu of the New MIG Interests pursuant to the terms hereof.

4.3 Implementation and Execution of the Plan.

4.3.1 Summary of Means for Implementation of the Plan. Article IV of the Plan sets forth the means by which the Plan shall be implemented and executed, including the Debtors' entry into the Restructuring Transactions, the vesting in each respective Reorganized Debtor of all property in each of the Debtors' Estates, all Causes of Action (unless otherwise released or discharged pursuant to the Plan), and any property acquired by any of the Debtors pursuant to the Plan, free and clear of all Liens, Claims, charges, or other encumbrances. Additionally, Article IV.L of the Plan provides that the Debtors shall pursue and implement the Reorganization Transaction, unless the Debtors shall have consummated the Sale Transaction.

4.3.1.a The Reorganization Transaction. The Reorganization Transaction means, collectively, (a) the issuance of the New MIG Interests; (b) the New Organizational Documents' becoming effective, including (as applicable) the execution and/or filing thereof; (c) the vesting of the Debtors' assets in the Reorganized Debtors, in each case in accordance with the Plan; (d) the wind down and liquidation of Tag Holdings; and (e) the other transactions that either (x) the Debtors and the Consenting Noteholders, or (y) the Reorganized Debtors, as applicable, determine are necessary or appropriate to implement the foregoing, in each case in accordance with the Plan.

4.3.1.b The Sale Transaction. The Sale Transaction means a sale of all or substantially all of the MIG's assets, including, without limitation, the ITC Equity, other than the Unsecured Assets, or substantially all of the MIG's assets, pursuant to a Final Order of the Bankruptcy Court pursuant to section 363 of the Bankruptcy Code.

4.4 Administrative Expense Claim Bar Date. The deadline for filing requests for payment of Administrative Claims shall be 30 days after the Effective Date.

4.5 Objections to Claims. The Plan provides that all objections to Claims and Interests must be filed on or prior to the date that is 180 days after of the Effective Date, which deadline may be extended by an order of the Bankruptcy Court.

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

4.7 Distributions of New MIG Interests. Article VI.I of the Plan sets forth certain processes for the Class 2 Distributions and Class 3 Distributions. In the event that a Sale Transaction has not occurred, on the Confirmation Date or as soon as reasonably practical thereafter, the Disbursing Agent shall send to all Holders of Senior Secured Notes, to the banks, brokers or other financial institutions that hold the Senior Secured Notes in "street name" in their accounts with DTC (the "**DTC Participating Nominees**") and/or their mailing agent(s), a package of materials (collectively, the "**Equity Distribution Package**") to be forwarded to the Holders of Notes Secured Claims within five (5) Business Days of receipt by the DTC Participating Nominees or the mailing agent(s), as applicable. The Equity Distribution Package shall contain: (i) the Member Certification Form; (ii) a counterpart signature page to the MIG Holdings LLC Agreement; and (iii) instructions regarding the foregoing. The form of the Equity Distribution Package shall be filed with the Plan Supplement. Each Holder of a General Unsecured Claim will be required to have a DTC Account in order to receive its distribution of New MIG DTC Interests. The Disbursing Agent shall send to each Holder of a General Unsecured Claim a letter requesting the account information for such Holder's DTC Account and (for any Holder that does not already have a DTC Account) providing instructions for setting up such an account.

The Reorganized Debtors shall make distributions of New MIG Interests to each Holder of an Allowed Notes Secured Claim and each Holder of an Allowed General Unsecured Claim, in each case subject to the terms and conditions described in the Plan and/or this Disclosure Statement. Distributions to Holders of Notes Secured Claims shall only be made to those Holders that have delivered to the Debtors or Reorganized Debtors (as applicable) (a) a properly completed and duly executed Member Certification Form and (solely for Holders receiving New MIG Book-Entry Interests) a duly executed counterpart signature page to the MIG Holdings LLC Agreement (the "**Initial Required Documentation**"), and (b) any additional documentation or information as the Debtors or Reorganized Debtors (as applicable) reasonably request within ten (10) Business Days after receiving such Holder's Member Certification Form to corroborate the certifications made therein (the "**Additional Required Documentation**" and, together with the Initial Required Documentation, the "**Required Documentation**"). A Holder of Notes Secured Claims shall not be permitted to exercise any rights in connection with the New MIG Interests unless and until it delivers all of the Required Documentation to the Debtors or Reorganized Debtors, as applicable. If such Holder does not deliver the Required Documentation to the Debtors or the Reorganized Debtors within 180 days of the Effective Date (the "**Equity Distribution Deadline**"), such Holder will be deemed to have waived its distribution and will no longer be entitled to any distribution on account of its Notes Secured Claims; provided, however, that if the Reorganized Debtors request any Additional Required Documentation from a Holder less than ten (10) Business Days prior to the Equity Distribution Deadline, the Equity Distribution Deadline shall automatically be extended, solely with respect to such Holder, to the date that is ten (10) Business Days after such request. A Holder that fails to deliver valid and complete Required Documentation in a timely fashion shall have its claim for such undeliverable distribution, and any subsequent distribution to which Holder may have been entitled, discharged and shall be forever barred from asserting any such claim against the Reorganized Debtors or their respective property, notwithstanding any federal or state escheat laws to the contrary.

The New MIG Book-Entry Interests will be issued in uncertificated book-entry form, and the distribution of such New MIG Interests pursuant to the Plan will be evidenced solely by entry

of such issuance in the Members Schedule in accordance with the MIG Holdings LLC Agreement. The New MIG DTC Interests will be evidenced by one or more global certificates issued to DTC, and all issued and outstanding New MIG DTC Interests will be reflected in the Members Schedule as being held by DTC or its nominee. The distribution of the New MIG DTC Interests under the Reorganization Plan to the beneficial holders thereof, and all subsequent sales and other transfers of such New MIG DTC Interests, will be reflected solely in the books and records maintained with respect to the New MIG DTC Interests by DTC and the banks, brokers and other financial institutions that hold the New MIG DTC Interests in "street name" in their accounts with DTC. None of the New MIG Book-Entry Interests (including any additional New MIG Interests issued in respect of any New MIG Book-Entry Interests) may be transferred or deposited to DTC, and any such transfer or deposit shall be null and void in all respects and shall not be given any effect. All subsequent issuances, sales or other transfers of New MIG Interests will be subject to the restrictions set forth in the MIG Holdings LLC Agreement and will be valid and recognized only if made in accordance with the terms and conditions set forth in the MIG Holdings LLC Agreement. The Plan Proponent does not anticipate that there will be material costs to the Debtors as a result of issuing the New MIG DTC Interests through DTC and that any such costs will not be disproportionately borne by the creditors receiving New MIG DTC Interests as compared to the creditors receiving New MIG Book-Entry Interests.

If it is determined by the Disbursing Agent that it can collect any of the aforementioned certifications and information using one or more of DTC's existing platforms, the Disbursing Agent shall be authorized to tailor these procedures accordingly.

4.8 Governance of MIG Holdings. MIG Holdings will be formed by the Debtors prior to the Effective Date, and as of the Effective Date will be governed by the MIG Holdings LLC Agreement. The MIG Holdings LLC Agreement will be in substantially the form to be included in the Plan Supplement. Following is a brief summary of certain provisions of the MIG Holdings LLC Agreement, which summary is qualified in its entirety by the actual provisions of such agreement:

- The business and affairs of MIG Holdings shall be managed by a board of directors comprised of up to three (3) directors (the "**New MIG Board**"). The initial directors that will be seated on the New MIG Board as of the Effective Date will be identified in the Plan Supplement, and the directors will subsequently be subject to removal and election by the holders of New MIG Interests (the "**Members**") as provided in the MIG Holdings LLC Agreement.

- MIG Holdings will elect to be taxed as a corporation for U.S. federal, state and local income tax purposes.

- MIG Holdings and its subsidiaries are prohibited from taking certain specified actions without the prior consent of Members holding at least 66 2/3% of the outstanding New MIG Interests.

- Transfers of New MIG Interests, other than New MIG DTC Interests, are subject to restrictions on transfer, including prior approval by the New MIG Board (not to be unreasonably withheld), and restrictions intended to ensure compliance with securities laws and that MIG Holdings will not be required to register under the

Securities Exchange Act of 1934, as amended, and the Investment Company Act of 1940, or as amended. Such restrictions are subject to customary "permitted transferee" exceptions for transfers to affiliates and related parties.

- Members that are "accredited investors" within the meaning of Rule 501 under the Securities Act have customary preemptive rights with respect to equity issuances (subject to a 3% ownership threshold) and certain debt financing (subject to a 5% ownership threshold) of MIG Holdings and its subsidiaries, and all Members are subject to a customary "drag-along" provision that can be used to compel the transfer of all New MIG Interests, or otherwise compel a sale of MIG Holdings or all or substantially all of its assets, to a third-party buyer.

- Members have customary information rights, including quarterly and annual financial statements and, subject to certain specified ownership thresholds, access to management and to the company's books and records.

- Any Member that becomes the beneficial owner of a number of New MIG Interests (including all New MIG Interests beneficially owned by affiliates of such Member) that exceeds certain specified percentage thresholds (beginning at 30%) will be required to make an offer to purchase all of their outstanding New MIG Interests held by the other Members, at a purchase price equal to the highest price at which the offering Member (or any of its affiliates) previously acquired any New MIG Interests.

- Members are subject to confidentiality restrictions with respect to confidential information of MIG Holdings and its subsidiaries, with customary exceptions including an exception allowing Members to provide information to prospective transferees of New MIG Interests that sign a confidentiality agreement in the form attached to the MIG Holdings LLC Agreement or that is otherwise acceptable to the New MIG Board.

- Amendments to the MIG Holdings LLC Agreement require approval by Members holding a majority of the outstanding New MIG Interests, except that amendments to certain specified provisions require approval by Members holding at least 66 2/3% of the outstanding New MIG Interests.

- A provision prohibiting the issuance of nonvoting equity securities, as required by section 1123(a)(6) of the Bankruptcy Code.

4.9 Conditions Precedent to the Effective Date. Article X.A of the Plan sets forth the conditions that must occur prior to the occurrence of the Effective Date. Article X.B also describes the ability to waive such conditions. Article X.C of the Plan provides that if Consummation does not occur on or prior to the one year anniversary of the Confirmation Date, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any claims by the Debtors, the Indenture Trustee (including in its capacity as Plan Proponent), Holders of Claims, or Holders of Interests or any Causes of Action; (2) prejudice in any manner the rights of the Debtors, any Holders, the Indenture Trustee (including in its capacity as Plan Proponent), or any other Entity; or (3)

constitute an admission, acknowledgment, offer, or undertaking by the Debtors, any Holders, the Indenture Trustee (including in its capacity as Plan Proponent), or any other Entity in any respect, including with respect to substantive consolidation and similar arguments.

4.10 Miscellaneous Provisions. Articles XII and XIII of the Plan contain several miscellaneous provisions, including: (i) the retention of jurisdiction by the Bankruptcy Court over certain matters following the Confirmation Date and the Effective Date; (ii) the payment of statutory fees pursuant to 28 U.S.C. § 1930; (iii) the dissolution of the Committee; and (iv) the issuance of a final decree and the closing of the Chapter 11 Cases.

4.11 Final Approval and Payment of Professional Fees. Article II.B of the Plan describes the deadline for Professionals to file final fee applications and the creation of a Professional Fee Account.

5. FEASIBILITY

5.1 Financial Feasibility Analysis.

5.1.1 Bankruptcy Code Standard. The Bankruptcy Code requires that, in order to confirm a plan, the Bankruptcy Court must find that confirmation of such plan is not likely to be followed by the liquidation or the need for further financial reorganization of the debtor(s) unless contemplated by the plan.

5.1.2 No Need for Further Reorganization of Debtors. The Plan provides for consummation of either the Reorganization Transaction or the Sale Transaction. Accordingly, the Plan Proponent believes that all Plan obligations will be satisfied without the need for further reorganization of the Debtors.

6. BEST INTERESTS OF CREDITORS AND ALTERNATIVES TO PLAN

6.1 Chapter 7 Liquidation.

6.1.1 Bankruptcy Code Standard. Section 1129(a)(7) of the Bankruptcy Code provides that, as to each Impaired Class of Claims, Confirmation of the Plan requires that each holder of an Allowed Claim in such Class either (i) accept the Plan or (ii) receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value such holder would receive or retain if the debtor were liquidated under chapter 7 of the Bankruptcy Code. This requirement is often colloquially referred to as the "**Best Interests Test**".

6.1.2 Plan is in the Best Interests of Creditors. Notwithstanding acceptance of the Plan by an Impaired Class, to confirm the Plan, the Bankruptcy Court must determine that the Plan is in the best interests of each Holder of a Claim in any such Impaired Class which has not voted to accept the Plan. Accordingly, if an Impaired Class does not vote unanimously to accept the Plan, the Best Interests Test requires the Bankruptcy Court to find that the Plan provides to each member of such Impaired Class a recovery on account of such member's Claim that has a value, as of the Effective Date, at least equal to the value of the recovery that such member would receive if the Debtor was liquidated under Chapter 7 on such date.

Under chapter 7 of the Bankruptcy Code, a debtor's estate is liquidated by a trustee appointed by the Bankruptcy Court. The Plan Proponent believes that this would result in a liquidation of the Debtors' assets at a distressed value. An additional layer of Administrative Expense Claims being asserted by a Chapter 7 trustee and its professionals would also increase the costs of administering the Debtors' estates. Such Administrative Expense Claims would have priority over all General Unsecured Claims pursuant to the Bankruptcy Code.

The Plan Proponent believes that the Plan satisfies the Best Interests Test, because, among other things, (a) in the event of a Reorganization Transaction, all of the Senior Secured Noteholders' Claims (i.e., all of the Debtors' prepetition debt) and other General Unsecured Claims will be converted to New MIG Interests, the value of which will necessarily reflect all of the intrinsic value of the Debtors' assets, and the New MIG Interests will be distributed pursuant to the Plan and (b) in the event of a Sale Transaction, all or substantially all of the Debtors' assets will be sold pursuant to section 363 of the Bankruptcy Code, and the proceeds of such Sale Transaction will be distributed pursuant to the Plan. Accordingly, the recoveries under the Plan expected to be available to Holders of Allowed Claims in Impaired Classes entitled to vote will be greater than the recoveries expected to be available in a Chapter 7 liquidation, which come with the increased overhead of a Chapter 7 trustee and result in a sale of the Debtors' assets at distressed prices less than either (a) the intrinsic value of the Debtors' assets or (b) the prices realized in a sale of all or substantially all of those assets pursuant to section 363.

6.2 Alternative Plan(s). The Plan Proponent does not believe that there are any alternative plans. The Plan Proponent believes that the Plan, as described herein, enables holders of Claims to realize the greatest possible value under the circumstances, and that, compared to any alternative plan, the Plan has the greatest chance to be confirmed and consummated.

7. SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS

7.1 Discharge of Claims and Termination of Interests. Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created pursuant to the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims, Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by employees of the Debtors prior to the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code. Any default by the Debtors or their Affiliates with respect to any Claim or Interest that existed immediately prior to or on account of the filing of the Chapter 11 Cases shall be deemed

cured on the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the Effective Date occurring.

7.2 Release of Liens. Except as otherwise provided in the Plan or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall vest in the Reorganized Debtors and their successors and assigns in accordance with the Plan.

7.3 Exculpation. Except as otherwise specifically provided in the Plan, each Exculpated Party is hereby released and exculpated from any Exculpated Claim, except to the extent such Exculpated Claim is finally determined by a court of competition jurisdiction to have resulted from the willful misconduct or gross negligence of such Exculpated Party. The MIG Litigation and Causes of Action shall not be included as Exculpated Claims.

7.4 Injunction. Except as otherwise expressly provided in the Plan or for obligations issued or required to be paid pursuant to the Plan (including any obligations under the Plan and documents and instruments related thereto), or Confirmation Order, all Entities who have held, hold, or may hold claims or interests that have been released, discharged or subject to exculpation pursuant to Article VIII.C of the Plan are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors or the Exculpated Parties: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such claims or interests; (3) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or the estates of such Entities on account of or in connection with or with respect to any such claims or interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such claims or interests unless such Entity has timely asserted such setoff right in a document Filed with the Bankruptcy Court explicitly preserving such setoff, and notwithstanding an indication of a claim or interest or otherwise that such Entity asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests released or settled pursuant to the Plan.

8. TAX CONSEQUENCES OF THE PLAN

A detailed discussion of the potential federal income tax consequences of the Plan can be found in the *Analysis of Certain Federal Income Tax Consequences of the Plan* annexed hereto as **Exhibit 2**.

9. APPLICABILITY OF CERTAIN FEDERAL AND STATE SECURITIES LAWS

A. New MIG Interests

The following is a discussion of the federal and state securities laws applicable to the issuance of securities pursuant to the Plan, including the New MIG Interests.

The Plan Proponent anticipates that no registration statement will be filed under the Securities Act or any state securities laws with respect to the offer and distribution under the Plan of the New MIG Interests. The Plan Proponent believes that the provisions of section 1145(a) of the Bankruptcy Code exempt the offer and distribution of such securities under the Plan from federal and state securities registration requirements as discussed below.

1. Initial Offer and Sale

Section 1145(a)(1) of the Bankruptcy Code exempts the offer and sale of securities under a plan of reorganization from registration under the Securities Act and state securities laws if three principal requirements are satisfied: (a) the securities must be offered and sold under a plan of reorganization and must be securities of the debtor, an affiliate participating in a joint plan with the debtor or a successor to the debtor under the plan; (b) the recipients of the securities must hold a claim against, interest in, or an administrative expense claim in the case concerning the debtor or such affiliate; and (c) the securities must be issued entirely in exchange for the recipient's claim against or interest in the debtor or such affiliate, or principally in such exchange and partly for cash or property. Section 1145(a)(2) of the Bankruptcy Code exempts the offer of a security through any warrant, option, right to purchase or conversion privilege that is sold in the manner specified in section 1145(a)(1) and the sale of a security upon the exercise of such a warrant, option, right or privilege.

The exemptions provided for in section 1145(a) do not apply to an entity that is deemed an "underwriter" as such term is defined in section 1145(b) of the Bankruptcy Code. Section 1145(b) provides that, with specified exemptions and except with respect to "ordinary trading transactions" of an entity that is not an "issuer," an entity is an "underwriter" if the entity:

- purchases a claim against, an interest in, or a claim for administrative expense against the debtor with a view to distributing any security received in exchange for such a claim or interest ("accumulators");
- offers to sell securities offered under a plan for the holders of such securities ("distributors");
- offers to buy securities under a plan from the holders of such securities, if the offer to buy is (a) with a view to distributing such securities and (b) made under a distribution agreement; and
- who is an "issuer" with respect to the securities, as the term "issuer" is defined in section 2(a)(11) of the Securities Act.

Under section 2(a)(11) of the Securities Act, an "issuer" includes any "affiliate" of the issuer, which means any person directly or indirectly controlling, controlled by or under common control with the issuer.

The Plan Proponent believes that the offer and sale of the New MIG Interests under the Plan in satisfaction of Claims satisfy the requirements of section 1145(a) of the Bankruptcy Code and, therefore, are exempt from registration under the Securities Act and state securities laws.

As described more fully below, persons who are not deemed "underwriters" may generally resell the securities they receive under section 1145(a)(1) without registration under the Securities Act or other applicable law. Persons deemed "underwriters" may sell such securities without registration only pursuant to exemptions from registration under the Securities Act and other applicable law. The Plan Proponent is not aware of any facts that would cause the Supporting Parties to be deemed to be "underwriters" under section 1145(b).

2. Subsequent Transfers Under Federal Securities Law

a. Non-Affiliates

Securities issued pursuant to section 1145(a) are deemed to have been issued in a public offering pursuant to section 1145(c) of the Bankruptcy Code, and are not "restricted securities" as defined in Rule 144 under the Securities Act. In general, therefore, resales of and subsequent transactions in such securities issued under the Plan will be exempt from registration under the Securities Act pursuant to section 4(a)(1) of the Securities Act, unless the holder thereof is deemed to be an "issuer," an "underwriter" or a "dealer" with respect to such securities. For these purposes, (a) an "issuer" includes any "affiliate" of the issuer, defined as a person directly or indirectly controlling, controlled by or under common control with the issuer, (b) "control," as defined in Rule 405 under the Securities Act, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise, (c) an "underwriter," as defined in section 2(a)(11) of the Securities Act, is a person who purchases from an issuer with a view to, or offers or sells for an issuer in connection with, the distribution of any security, or who participates or has a direct or indirect participation in any such undertaking or the underwriting thereof, but does not include a person whose interest is limited to a commission from an underwriter or dealer not in excess of the usual and customary distributors' or sellers' commission, and (d) a "dealer," as defined in section 2(a)(12) of the Securities Act, is any person who engages either for all or part of his or her time, directly or indirectly, as agent, broker or principal, in the business of offering, buying, selling or otherwise dealing or trading in securities issued by another person. Whether or not any particular person would be deemed to be an "affiliate" of MIG Holdings or an "underwriter" or a "dealer" with respect to any securities issued under the Plan will depend upon various facts and circumstances applicable to that person.

Notwithstanding the provisions of section 1145(b) of the Bankruptcy Code regarding accumulators and distributors, in connection with prior bankruptcy cases, the staff of the SEC has taken the position that resales of securities distributed under a plan of reorganization by accumulators or distributors of securities who are not "affiliates" of the issuer of such securities are exempt from registration under the Securities Act if effected in "ordinary trading transactions." The staff of the SEC has indicated in this context that a transaction by such non-"affiliates" may be considered an "ordinary trading transaction" if it is made on a national

securities exchange or in the over-the-counter market and does not involve any of the following factors:

- either (a) concerted action by the recipients of securities issued under a plan in connection with the sale of such securities or (b) concerted action by distributors on behalf of one or more such recipients in connection with such sales;
- the use of informational documents concerning the offering of the securities prepared or used to assist in the resale of such securities, other than a bankruptcy court-approved disclosure statement and supplements thereto and documents filed with the SEC pursuant to the Exchange Act; or
- the payment of special compensation to brokers and dealers in connection with the sale of such securities designed as a special incentive to the resale of such securities (other than the compensation that would be paid pursuant to arm's-length negotiations between a seller and a broker or dealer, each acting unilaterally, not greater than the compensation that would be paid for a routine similar-sized sale of similar securities of a similar issuer).

The staff of the SEC has not provided any guidance for privately arranged trades.

The Plan Proponent has not sought the views of the SEC on this matter and, therefore, no assurance can be given regarding the proper application of the "ordinary trading transaction" exemption described above. Any persons intending to rely on such exemption are urged to consult their own counsel as to the applicability thereof to any particular circumstances.

b. Affiliates

Securities issued under the Plan to "affiliates" of Reorganized MIG will be subject to restrictions on resale. Affiliates of Reorganized MIG for these purposes will generally include its directors and officers and its controlling stockholders. While there is no precise definition of a "controlling" stockholder, the legislative history of section 1145 of the Bankruptcy Code suggests that a creditor who owns 10% or more of a class of securities of a reorganized debtor may be presumed to be a "controlling person" of the debtor. For any "affiliate" of an issuer deemed to be an underwriter, Rule 144 under the Securities Act provides a safe-harbor from registration under the Securities Act for certain limited public resales of unrestricted securities by "affiliates" of the issuer of such securities. Rule 144 allows a Holder of unrestricted securities that is an affiliate of the issuer of such securities to sell, without registration, within any three-month period a number of shares of such unrestricted securities that does not exceed the greater of 1% of the number of outstanding securities in question or the average weekly trading volume in the securities in question during the four calendar weeks preceding the date on which notice of such sale was filed pursuant to Rule 144, subject to the satisfaction of certain other requirements of Rule 144 regarding the manner of sale, notice requirements and the availability of current public information regarding the issuer.

3. Subsequent Transfers Under State Law

The securities issued under the Plan pursuant to section 1145(a) of the Bankruptcy Code generally may be resold without registration under state securities laws pursuant to various exemptions provided by the respective laws of those states. However, the availability of such

state exemptions depends on the securities laws of each state, and holders of Claims may wish to consult with their own legal advisors regarding the availability of these exemptions in their particular circumstances.

In addition, state securities laws generally provide registration exemptions for subsequent transfers to institutional or accredited investors. Such exemptions generally are expected to be available for subsequent transfers of the securities issued pursuant to the Plan.

GIVEN THE COMPLEX NATURE OF THE QUESTION OF WHETHER A PARTICULAR PERSON MAY BE AN UNDERWRITER AND OTHER ISSUES ARISING UNDER APPLICABLE SECURITIES LAWS, THE PLAN PROPONENT MAKES NO REPRESENTATIONS CONCERNING THE RIGHT OF ANY PERSON TO TRANSFER THE NEW MIG INTERESTS ISSUED PURSUANT TO THE PLAN. THE PLAN PROPONENT RECOMMENDS THAT HOLDERS OF CLAIMS CONSULT THEIR OWN COUNSEL CONCERNING WHETHER THEY MAY FREELY TRADE SUCH SECURITIES.

10. FORMATION OF MIG HOLDINGS LLC UNDER THE LAWS OF THE REPUBLIC OF THE MARSHALL ISLANDS

In the event of a Restructuring Transaction, MIG Holdings LLC will be formed under the laws of the Republic of the Marshall Islands. The organizational affairs of MIG Holdings LLC will be governed by its certificate of formation and the MIG Holdings LLC Agreement (as described herein and as will, or has been, Filed in the Plan Supplement) and by the Republic of the Marshall Islands Limited Liability Company Act (the "**MI LLCA**"). The provisions of the MI LLCA resemble the provisions of the Delaware Limited Liability Company Act. However, there have been few judicial cases in the Republic of the Marshall Islands interpreting the MI LLCA. For example, the rights and fiduciary responsibilities of directors under the laws of the Republic of the Marshall Islands are not as clearly established as the rights and fiduciary responsibilities of directors under statutes or judicial precedent in existence in certain United States jurisdictions. Although the MI LLCA does specifically incorporate the non-statutory law, or judicial case law, of the State of Delaware for non-resident domestic limited liability companies, the holders of New MIG Interests may have more difficulty in protecting their interests in the face of actions by management, directors or controlling holders of New MIG Interests than would members of a limited liability company organized in a United States jurisdiction that has developed a relatively more substantial body of law.

Also in the event of a Restructuring Transaction, on the Effective Date, (a) Reorganized MIG will become the direct, wholly-owned subsidiary of MIG Holdings LLC and (b) ITC Cellular will remain the direct, wholly-owned subsidiary of Reorganized MIG. Both Reorganized MIG and Reorganized ITC Cellular will be, as they are now, limited liability companies organized under the laws of the State of Delaware.

11. CONCLUSION

It is important that you exercise your right to vote on the Plan. The Plan Proponent believes that the Plan fairly and equitably provides for the treatment of all Claims against and Interests in the Debtors and recommend that you vote in favor of the Plan.

IN WITNESS WHEREOF, the Plan Proponent has executed this Disclosure Statement this 20th day of October 2016.

The Bank of New York Mellon, as Plan Proponent

By: _____

Name: Gerard F. Facendola
Title: Managing Director