IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
Limitless Mobile, LLC,	:	Case No. 16-12685 (KJC)
Debtor.	:	

FIRST AMENDED DISCLOSURE STATEMENT WITH RESPECT TO FIRST AMENDED PLAN OF REORGANIZATION
DATED OCTOBER 2, 2017

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Dated: October 4, 2017

DISCLAIMER

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS INCLUDED HEREIN FOR PURPOSES OF SOLICITING ACCEPTANCES OF THE CHAPTER 11 PLAN OF REORGANIZATION DATED JULY 31, 2017, FILED BY LIMITLESS MOBILE LLC, DEBTOR AND DEBTOR IN POSSESSION (AS MAY BE AMENDED IN ACCORDANCE WITH THE TERMS THEREOF AND APPLICABLE LAW, THE "PLAN"). THE INFORMATION CONTAINED HEREIN MAY NOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN. NO PERSON IS AUTHORIZED BY THE DEBTOR OR THE BANKRUPTCY COURT TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS, OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS DISCLOSURE STATEMENT, REGARDING THE PLAN OR THE SOLICITATION OF ACCEPTANCES OF THE PLAN.

ALL CREDITORS ARE ADVISED AND ENCOURAGED TO READ THIS DISCLOSURE STATEMENT AND THE PLAN IN ITS ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. PLAN SUMMARIES AND STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN AND THE EXHIBITS ANNEXED TO THE PLAN. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE ONLY AS OF THE DATE HEREOF AND THERE CAN BE NO ASSURANCE THAT THE STATEMENTS CONTAINED HEREIN SHALL BE CORRECT AT ANY TIME AFTER THE DATE HEREOF.

CERTAIN OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS BY ITS NATURE FORWARD LOOKING AND CONTAINS ESTIMATES, ASSUMPTIONS AND PROJECTIONS THAT MAY BE MATERIALLY DIFFERENT FROM ACTUAL, FUTURE RESULTS. EXCEPT WITH RESPECT TO THE FINANCIAL PROJECTIONS SET FORTH IN EXHIBIT A ANNEXED HERETO (THE "PROJECTIONS") AND EXCEPT AS OTHERWISE SPECIFICALLY AND EXPRESSLY STATED HEREIN, THIS DISCLOSURE STATEMENT DOES NOT REFLECT ANY EVENTS THAT MAY OCCUR SUBSEQUENT TO THE DATE HEREOF AND THAT MAY HAVE A MATERIAL IMPACT ON THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTOR DOES NOT UNDERTAKE ANY OBLIGATION TO, AND DOES NOT INTEND TO, UPDATE THE PROJECTIONS; THUS, THE PROJECTIONS WILL NOT REFLECT THE IMPACT OF ANY SUBSEQUENT EVENTS NOT ALREADY ACCOUNTED FOR IN THE ASSUMPTIONS UNDERLYING THE PROJECTIONS. FURTHER, THE DEBTOR DOES NOT ANTICIPATE THAT ANY AMENDMENTS OR SUPPLEMENTS TO THIS DISCLOSURE STATEMENT WILL BE DISTRIBUTED TO REFLECT SUCH OCCURRENCES. ACCORDINGLY, THE DELIVERY OF THIS DISCLOSURE STATEMENT WILL NOT UNDER ANY CIRCUMSTANCE IMPLY THAT THE INFORMATION HEREIN IS CORRECT OR COMPLETE AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF. MOREOVER, THE PROJECTIONS ARE BASED ON ASSUMPTIONS THAT, ALTHOUGH BELIEVED TO BE REASONABLE BY THE DEBTOR, MAY DIFFER FROM ACTUAL RESULTS.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE UNITED STATES BANKRUPTCY CODE AND RULE 3016 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER NON-BANKRUPTCY LAW. THIS DISCLOSURE STATEMENT HAS BEEN NEITHER APPROVED NOR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), NOR HAS THE SEC PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN. PERSONS OR ENTITIES TRADING IN OR OTHERWISE PURCHASING, SELLING OR TRANSFERRING SECURITIES OR CLAIMS OF THE DEBTOR AND DEBTOR IN POSSESSION SHOULD EVALUATE THIS DISCLOSURE STATEMENT AND THE PLAN IN LIGHT OF THE PURPOSE FOR WHICH THEY WERE PREPARED.

AS TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS AND NON-BANKRUPTCY PROCEEDINGS OR THREATENED ACTIONS INVOLVING THE DEBTOR OR ANY OTHER PARTY, THIS DISCLOSURE STATEMENT SHALL NOT CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY, STIPULATION OR WAIVER, BUT RATHER AS A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS. THIS DISCLOSURE STATEMENT SHALL NOT BE ADMISSIBLE IN ANY NON-BANKRUPTCY PROCEEDING NOR SHALL IT BE CONSTRUED TO BE CONCLUSIVE ADVICE ON THE TAX, SECURITIES OR OTHER LEGAL EFFECTS OF THE PLAN AS TO HOLDERS OF CLAIMS AGAINST OR EQUITY INTERESTS IN THE DEBTOR AND DEBTOR IN POSSESSION IN THIS CASE.

THE DEBTOR BELIEVES THAT THE PLAN WILL ACCOMPLISH THE OBJECTIVES OF CHAPTER 11 AND THAT ACCEPTANCE OF THE PLAN IS IN THE BEST INTERESTS OF THE DEBTOR, CREDITORS AND THE ESTATE. THE DEBTOR URGES ALL HOLDERS OF CLAIMS ENTITLED TO VOTE TO ACCEPT THE PLAN.

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I. INTRODUCTION

The debtor and debtor in possession in the above-referenced chapter 11 case (the "Chapter 11 Case") is Limitless Mobile, LLC (the "Debtor").

The Debtor submits this first amended disclosure statement (as may be further amended, the "Disclosure Statement") pursuant to section 1125 of title 11 of the United States Code (the "Bankruptcy Code") for use in the solicitation of votes on the First Amended Plan of Reorganization dated as of October 2, 2017 (as may be further amended, the "Plan"). **Each capitalized term used in this Disclosure Statement but not otherwise defined herein has the meaning ascribed to such term in the Plan**. See Article I, Section 1.01 of the Plan. In addition, all references in this Disclosure Statement to monetary figures refer to United States currency, unless otherwise expressly provided.

This Disclosure Statement sets forth certain information regarding the Debtor's prepetition operating and financial history, its reasons for seeking protection and reorganization under chapter 11 and significant events that have occurred during the Chapter 11 Case. This Disclosure Statement also describes certain terms and provisions of the Plan, certain effects of confirmation of the Plan, certain risk factors associated with the Plan and the manner in which distributions will be made under the Plan. In addition, this Disclosure Statement discusses the confirmation process and the voting procedures that Holders of Claims entitled to vote on the Plan must follow for their votes to be counted.

By order entered on or about ___________, the Bankruptcy Court has approved this Disclosure Statement as containing "adequate information," in accordance with section 1125 of the Bankruptcy Code, to enable a hypothetical, reasonable investor typical of Holders of Claims against the Debtor to make an informed judgment as to whether to accept or reject the Plan, and has authorized its use in connection with the solicitation of votes with respect to the Plan. APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT, HOWEVER, CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT AS TO THE FAIRNESS OR MERITS OF THE PLAN. No solicitation of votes may be made except pursuant to this Disclosure Statement and section 1125 of the Bankruptcy Code. In voting on the Plan, Holders of Claims entitled to vote should not rely on any information relating to the Debtor and its business, other than that contained in this Disclosure Statement, the Plan, and all exhibits and appendices hereto and thereto.

Pursuant to the provisions of the Bankruptcy Code, only classes of Claims or Interests that are (a) "impaired" by a plan and (b) entitled to receive a distribution under such plan are entitled to vote on the plan. In the Debtor's case, Classes 2, 3 and 6 are Impaired by and entitled to receive a distribution under the Plan; accordingly, only the Holders of Claims in these Classes are entitled to vote to accept or reject the Plan. Claims and Interests in Classes 1, 4, and 5 are Unimpaired by the Plan; accordingly, the Holders thereof are conclusively presumed to have accepted the Plan. Holders of Interests in Class 7 are conclusively presumed to have rejected the Plan.

II. OVERVIEW OF THE PLAN

The following is a brief overview of the material provisions of the Plan and is qualified in its entirety by reference to the full text of the Plan. For a more detailed description of the terms

and provisions of the Plan, see Article VI of this Disclosure Statement, entitled "Summary of the Plan."

The Plan provides for the classification and treatment of Claims against and Interests in the Debtor. The Plan designates six (6) Classes of Claims and one (1) class of Interests. These Classes take into account the differing nature and priority under the Bankruptcy Code of the various Claims and Interests.

A. General Structure of the Plan – Alternative Scenarios and Capital Contribution

The Debtor's objective under the Plan is to reorganize. It is expected that, on or before the Effective Date of the Plan (or pursuant to such other terms and conditions agreed to between the Debtor and the investors), Tower Bridge LLM Partners LLC ("Tower Bridge"), potential other investors, and any electing creditors (together, the "New Money Investors") will make a capital contribution to the Debtor in the aggregate amount of at least $11 million (the "Capital Contribution"). The Capital Contribution will be used to fund certain payments under the Plan, including distributions to PADOR and RUS in satisfaction of their respective Allowed Secured Claims[1], a $1.5 million Additional Cash Distribution to General Unsecured Creditors, and cure amounts for contracts assumed under the reorganization. The remainder of the Capital Contribution will be retained by the Reorganized Debtor as working capital. The net proceeds of the approximately $25 million sale of the Debtor's Spectrum will be used to fund other payments under the Plan.

If the Debtor is successful in raising at least the $11 million Capital Contribution, the Plan provides for the reorganization of the Debtor's business as a going concern (the "Reorganization"). While the Debtor works to raise the Capital Contribution, which the Debtor expects may take up to seventy-five (75) days from the Confirmation Date, Tower Bridge will advance amounts needed to fund the Debtor's operations and professional fees incurred by Debtor's counsel, Dilworth Paxson LLP, during the interim period. These amounts shall be advanced by Tower Bridge as an equity contribution to the Debtor so as not to adversely affect the interests of creditors while the Debtor raises the Capital Contribution.

Alternatively, if the Debtor is not successful in raising the Capital Contribution during the interim period, the Plan provides for the sale and orderly liquidation of the Debtor upon the Debtor's filing of a Notice of Liquidation (the "Liquidation Alternative" and, together with the Reorganization, the "Plan Alternatives"), which shall be filed no later than the seventy-sixth (76th) day after the Confirmation Date, but may be filed sooner in the Debtor's discretion. If and once the Notice of Liquidation has been filed, the Liquidation Alternative of the Plan contemplates orderly liquidation of the Debtor's assets through either a sale or surrender of collateral to secured creditors.

Both the Reorganization and the Liquidation Alternative set forth the method of distribution of assets and/or liquidation proceeds and prescribe the creation of a Liquidating Trust through a Liquidating Trust Agreement, which will be in form and substance acceptable to the Debtor and the Committee and subject to approval of the Bankruptcy Court. If the Reorganization Effective Date occurs, the Liquidating Trust Assets shall consist of (i) the Net

[1] Provided however that if RUS or PADOR is determined to have a Lien on the Spectrum Proceeds, then such Allowed Secured Claim may be satisfied from the Spectrum Proceeds after an appropriate Marshalling Proceeding.

Spectrum Proceeds and (ii) the Additional Cash Distribution. If the Liquidation Alternative is implemented, then the Liquidating Trust Assets shall consist of (i) any and all Retained Avoidance Actions and any products and proceeds thereof, and any and all other Causes of Action and any products and proceeds thereof, and (ii) any and all property of the Debtor's Estate under section 541 of the Bankruptcy Code that exists as of the Liquidation Effective Date, including the Net Spectrum Proceeds and the proceeds of any other Property that is sold by the Debtor.

In the event of the Reorganization and subject to the specific provisions of the Plan, the Debtor's secured creditors, other than the RUS Secured Claim and the PADOR Secured Claim, will receive, in the discretion of the Debtor, payment in full equal to the amount of their Allowed Secured Claim, reinstatement of their Allowed Secured Claim, or the Property securing their Allowed Secured Claim. The RUS Secured Claim and the PADOR Secured Claim will receive payment equal to the full amount of their respective Allowed Secured Claims over time with interest, or, at their election, payment on the Reorganization Effective Date of an amount equal to ninety percent (90%) of the respective Allowed Secured Claim. Unsecured creditors with Allowed Priority Claims will be paid in full on or as soon as reasonably practicable after the Effective Date or within ten (10) days of their claims becoming Allowed. Unsecured creditors with aggregate Claims below $1,000 will be paid in full on or as soon as reasonably practicable after the Effective Date or within ten (10) days of their claims becoming Allowed. General unsecured creditors will have a choice to receive (i) their *pro rata* share of the net Spectrum Proceeds[2] and the $1.5 million Additional Cash Distribution (together, the "Reorganization Proceeds") or, (ii) at the Claimholder's option, equity in the reorganized company through participation in the Capital Contribution pursuant to section 5.01(c) of the Plan. The Reorganization Proceeds shall be distributed to Holders of Allowed Class 6 General Unsecured Claims by the Liquidating Trustee in accordance with the Liquidating Trust Agreement. Importantly, Tower Bridge will defer recovery on account of its Allowed General Unsecured Claims until it is assured that the aggregate distribution to other Holders of Allowed General Unsecured Claims will be at least 5% of the face amount of all Allowed General Unsecured Claims. Under the Reorganization, nothing will be distributed on account of Interests and existing Interests will be cancelled.

In the event of the Liquidation Alternative and subject to the specific provisions of the Plan, secured creditors, other than the RUS Secured Claim and the PADOR Secured Claim, will receive, in the discretion of the Debtor after consultation with the Committee, payment in full equal to the amount of their Allowed Secured Claim or the Property securing their Allowed Secured Claim. The RUS Secured Claim and the PADOR Secured Claim will receive, in the discretion of the Debtor after consultation with the Committee, either (a) payment equal to the net proceeds of a sale of the Property securing the respective RUS or PADOR Secured Claim, up to the amount of the Allowed RUS or PADOR Claim; or (b) the Property securing the RUS or PADOR Claim, but only to the extent RUS or PADOR is determined to have a senior Lien on such Property. Unsecured creditors with Allowed Priority Claims will be paid in full on or as

[2] After payment in full of all Administrative Expense Claims, Priority Tax Claims, Class 1 Priority Claims, the Class 2 RUS Secured Claim, but only if and to the extent that RUS is determined to have a Lien against the Spectrum Proceeds and then only after further Order of the Court through the Marshalling Proceeding, and Class 5 Convenience Class Claims.

soon as reasonably practicable after the Effective Date or within ten (10) days of their claims becoming Allowed. Unsecured creditors with aggregate Claims below $1,000 will be paid in full on or as soon as reasonably practicable after the Effective Date or within ten (10) days of their claims becoming Allowed. General unsecured creditors will receive through distributions from the Liquidating Trustee pursuant to the Liquidating Trust Agreement (i) their *pro rata* share of the Spectrum Proceeds[3]; (ii) their *pro rata* share of any proceeds remaining following distributions made to secured and priority creditors; (iii) the proceeds of the sale of any Property of the Debtor that is unencumbered by Liens, and (iv) additional distributions, if any, on account of unliquidated assets that are transferred to the Liquidating Trust, including Causes of Action (collectively, the "Liquidation Proceeds"). Under the Liquidation Alternative, existing holders of equity Interests will receive their *pro rata* share of the Liquidation Proceeds after payment in full of Allowed Administrative Expense Claims, Allowed Priority Tax Claims, and all Allowed Claims in Classes 1 through 6. Under the Liquidation Alternative, the proceeds of the Liquidation Trust Assets shall be distributed to the Holders of Allowed Claims and Interests in accordance with the Plan and the Liquidating Trust Agreement.

The Debtor has estimated the ultimate distributions that will be made in respect of Allowed Claims and Interests. As explained more fully in Article VII entitled "Certain Risk Factors to Be Considered," however, because of inherent uncertainties, many of which are beyond the Debtor's control, there can be no guaranty that actual performance will meet the Debtor's estimates.

The Debtor believes that if the Plan is not consummated, it is likely that Holders of Claims against the Debtor's estate will receive less than they would if the Plan is confirmed because distress liquidation of the Debtor's assets under Chapter 7 will not result in a higher distribution to any Class of Claims or Interests.

B. Summary of Treatment of Claims and Interests under the Plan

The table below summarizes the classification, treatment, and estimated percentage recoveries of the prepetition Claims against and Interests in the Debtor under the Plan. Estimated percentage recoveries have been calculated based upon a number of assumptions, including the amount of Allowed Claims in each Class.

For certain Classes of Claims, the actual amounts of Allowed Claims could materially exceed or could be materially less than the estimated amounts shown in the table that follows. Except for Claims Allowed by the Plan, estimated Claim amounts for each Class set forth below are based upon the Debtor's review of its books and records and Claims filed to date in the case, and may include estimates of a number of Claims that are contingent, disputed and/or unliquidated.

[3] After payment in full of all Administrative Expense Claims, Priority Tax Claims, Class 1 Priority Claims, the Class 2 RUS Secured Claim, but only if and to the extent that RUS is determined to have a Lien against the Spectrum Proceeds and then only after further Order of the Court through the Marshalling Proceeding, and Class 5 Convenience Class Claims.

Type of Claim or Interest	Description and Treatment under Plan
Unclassified — Administrative Claims	An Administrative Claim is a Claim for (a) any cost or expense of administration (including, without limitation, the fees and expenses of Professionals) of the Chapter 11 Case asserted or arising under sections 503, 507(a)(2), 507(b) or 1114(e)(2) of the Bankruptcy Code including, but not limited to (i) any actual and necessary post-Petition Date cost or expense of preserving the Debtor's Estate or operating the organization of the Debtor, (ii) any post-Petition Date cost, indebtedness or contractual obligation duly and validly incurred or assumed by the Debtor in the ordinary course of its organization, (iii) compensation or reimbursement of expenses of Professionals to the extent Allowed by the Bankruptcy Court under sections 330(a) or 331 of the Bankruptcy Code, and (iv) all Allowed Claims that are entitled to be treated as Administrative Claims pursuant to a Final Order of the Bankruptcy Court under section 546 of the Bankruptcy Code; and (b) any fees or charges assessed against the Debtor's Estate under section 1930 of title 28 of the United States Code. Under **both** the Reorganization and the Liquidation Alternative of the Plan, Administrative Claims are Unimpaired. Unless otherwise provided for in the Plan or agreed to between the Debtor and the Holder of the Claim, each Holder of an Allowed Administrative Claim shall be paid the full amount of their Allowed Administrative Claim, in Cash, as soon as reasonably practicable after the later of: (a) the Effective Date; or (b) ten (10) days after the date such Administrative Claim becomes Allowed by a Final Order. Administrative Claims are not classified and are treated as required by the Bankruptcy Code. The Holders of such Claims are not entitled to vote on the Plan. Estimated Percentage Recovery: 100%
Unclassified — Priority Tax Claims	The Plan defines Priority Tax Claims as any and all Claims accorded priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code. Such Priority Tax Claims include Claims of governmental units for taxes owed by the Debtor that are entitled to a certain priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code. The taxes entitled to priority are (a) taxes on income or gross receipts that meet the requirements set forth in section

Type of Claim or Interest	Description and Treatment under Plan
	507(a)(8)(A) of the Bankruptcy Code, (b) property taxes meeting the requirements of section 507(a)(8)(B) of the Bankruptcy Code, (c) taxes that were required to be collected or withheld by the Debtor and for which the Debtor is liable in any capacity as described in section 507(a)(8)(C) of the Bankruptcy Code, (d) employment taxes on wages, salaries or commissions that are entitled to priority pursuant to section 507(a)(4) of the Bankruptcy Code, to the extent that such taxes also meet the requirements of section 507(a)(8)(D), (e) excise taxes of the kind specified in section 507(a)(8)(E) of the Bankruptcy Code, (f) customs duties arising out of the importation of merchandise that meet the requirements of section 507(a)(8)(F) of the Bankruptcy Code and (g) prepetition penalties relating to any of the foregoing taxes to the extent such penalties are in compensation for actual pecuniary loss as provided in section 507(a)(8)(G) of the Bankruptcy Code. Priority Tax Claims are **Unimpaired**. Under **both** the Reorganization and the Liquidation Alternatives of the Plan, unless otherwise provided for in the Plan or agreed to between the Debtor and the Holder of the Claim, Holders of Allowed Priority Tax Claims shall be paid the full amount of their Allowed Priority Tax Claim, in Cash, as soon as reasonably practicable after the later of: (a) the Effective Date; or (b) ten (10) days after the date such Priority Tax Claim becomes Allowed by a Final Order.. Priority Tax Claims are not classified and are treated as required by the Bankruptcy Code. The Holders of such Claims are not entitled to vote on the Plan. Estimated Percentage Recovery: 100%
Class 1 — Priority Claims	Class 1 consists of Priority Claims, which are Claims against the Debtor entitled to priority pursuant to section 507(a) of the Bankruptcy Code, other than Priority Tax Claims or Administrative Claims. Class 1 Claims are **Unimpaired**. Under **both** the Reorganization and the Liquidation Alternative of the Plan, unless otherwise provided for in the Plan or agreed to between the Debtor and the Holder of the

Type of Claim or Interest	Description and Treatment under Plan
	Claim, each Holder of an Allowed Class 1 Priority Claim shall be paid the full amount of their Allowed Priority Claim, in Cash, on the later of: (a) the Effective Date; or (b) ten (10) days after the date such Priority Claim becomes Allowed by a Final Order. Estimated Percentage Recovery: 100%
Class 2 — RUS Secured Claim	Class 2 consists of the RUS Secured Claim. The Class 2 RUS Secured Claim is **Impaired**. Under the **Reorganization**, RUS shall receive, at its option, either: (a) amortized quarterly payments equal to the amount of the Allowed RUS Secured Claim over a five (5) year period, with interest at the *Wall Street Journal* prime rate (in effect on the Confirmation Date) plus one percent (1%) per annum; or (b) payment of an amount equal to ninety percent (90%) of the Allowed RUS Secured Claim, with such payment to be made on the later of (i) the Reorganization Effective Date, or (ii) ten (10) days after the date that such Secured Claim becomes Allowed. Under the **Liquidation Alternative**, RUS shall receive, in the discretion of the Debtor after consultation with the Committee, either: (a) Cash equal to the net proceeds of a sale of the RUS Collateral after deducting the costs of sale (including any commissions owed to professionals who facilitate the sale) and any amounts necessary for the satisfaction of any senior Liens in such collateral, up to the amount of the Allowed RUS Claim; or (b) the RUS Collateral, but only to the extent that RUS is determined to have a senior Lien on such RUS Collateral. In the event the RUS Collateral is sold as part of a sale of the Debtor's business operations as a going concern, then the allocation of the net proceeds of the sale to the RUS Collateral shall be determined either by agreement of the Debtor and RUS (which agreement shall be subject to Bankruptcy Court approval) or by the Bankruptcy Court if the Debtor and RUS cannot reach agreement. All payments to RUS on account of its Allowed Secured Claim shall be made as soon as reasonably practicable after the later of (i) ten (10) days following the closing of the sale of the RUS Collateral or the Debtor as a going concern, (ii) ten (10) days following the date on which the Bankruptcy Court approves by Final Order

Type of Claim or Interest	Description and Treatment under Plan
	the allocation of the sale proceeds to the RUS Collateral, (iii) the Liquidation Effective Date; or (iv) ten (10) days after the date the RUS Claim becomes Allowed by a Final Order. Under either the Reorganization or the Liquidation Alternative, the amount of the Allowed RUS Claim that is in excess of the Allowed RUS Secured Claim shall be classified as a Class 6 General Unsecured Claim. In the event that RUS is determined to have a lien against the Spectrum Proceeds, then the full amount of the Allowed RUS Claim may be satisfied from the Spectrum Proceeds under either the Reorganization or the Liquidation Alternative, but only after further Order of the Court through the Marshalling Proceeding. Estimated Percentage Recovery: 90-100%
Class 3 — PADOR Secured Claim	Class 3 consists of the PADOR Secured Claim The Class 3 PADOR Secured Claim is **Impaired**. Under the **Reorganization**, PADOR shall receive, in full satisfaction, settlement, release, extinguishment and discharge of its Allowed Secured Claim, at its option, either: (a) amortized quarterly payments equal to the amount of the Allowed PADOR Secured Claim over a two (2) year period, with interest at the Wall Street Journal prime rate (in effect on the Confirmation Date) plus one percent (1%) per annum; or (b) payment of an amount equal to ninety percent (90%) of the Allowed PADOR Secured Claim, with such payment to be made on the later of (i) the Effective Date, or (ii) ten (10) days after the date that such Secured Claim becomes Allowed. Under the **Liquidation Alternative**, PADOR shall receive, in the discretion of the Debtor after consultation with the Committee, either: (a) Cash equal to the net proceeds of a sale of the Property securing the PADOR Claim, after deducting the costs of sale (including any commissions owed to professionals who facilitate the sale) and any amounts necessary for the satisfaction of any senior Liens in such collateral, up to the amount of the Allowed PADOR Claim; or (b) the Property securing the PADOR Claim, but only to

Type of Claim or Interest	Description and Treatment under Plan
	the extent PADOR is determined to have a senior Lien on such Property. In the event that such Property is sold as part of a sale of the Debtor's business operations as a going concern, then the allocation of the net proceeds of the sale to such Property shall be determined either by agreement of the Debtor and PADOR (which agreement shall be subject to Bankruptcy Court approval) or by the Bankruptcy Court if the Debtor and PADOR cannot reach agreement. All payments to PADOR on account of its Allowed Secured Claim shall be made as soon as reasonably practicable after the later of (i) ten (10) days following the closing of the sale of the Property or the Debtor as a going concern, (ii) ten (10) days following the date on which the Bankruptcy Court approves by Final Order the allocation of the sale proceeds to the Property securing the PADOR Claim, (iii) the Liquidation Effective Date; or (iv) ten (10) days after the date the PADOR Claim becomes Allowed by a Final Order. Under either the Reorganization or the Liquidation Alternative, the amount of the Allowed PADOR Claim that is in excess of the Allowed PADOR Secured Claim shall be classified as: (i) to the extent such Allowed Claim is entitled to the priority set forth in section 507(a)(8) of the Bankruptcy Code, a Priority Tax Claim, and (ii) to the extent such Allowed Claim is not entitled to the priority set forth in section 507(a)(8) of the Bankruptcy Code, a Class 6 General Unsecured Claim. Estimated Percentage Recovery: 90-100%

Type of Claim or Interest	Description and Treatment under Plan
Class 4 — Other Secured Claims	Class 4 consists of Other Secured Claims, which are defined as any Secured Claim arising before the Petition Date, other than the RUS Secured Claim and the PADOR Secured Claim. Class 4 Other Secured Claims are **Unimpaired**. Under the **Reorganization**, each Holder of an Allowed Class 4 Other Secured Claim shall receive, in the discretion of the Debtor, one of the following: (a) Cash equal to the full amount of their Allowed Other Secured Claim as soon as reasonably practicable after the later of: (i) the Effective Date; or (ii) ten (10) days after the date such Other Secured Claim becomes Allowed by a Final Order; (b) Reinstatement of such Allowed Other Secured Claim; or (c) the Property securing such Other Secured Claim. Under the **Liquidation Alternative**, holders of Allowed Class 4 Other Secured Claims shall receive, in the discretion of the Debtor after consultation with the Committee, either: (a) Cash equal to the net proceeds of a sale of the Property securing such Other Secured Claim, after deducting the costs of sale (including any commissions owed to professionals who facilitate the sale) and any amounts necessary for the satisfaction of any senior Liens in such collateral, up to the amount of the Other Secured Claim; or (b) the Property securing the Other Secured Claim, but only to the extent the holder of such Other Secured Claim is determined to have a senior Lien on such Property. In the event that such Property is sold as part of a sale of the Debtor's business operations as a going concern, then the allocation of the net proceeds of the sale to such Property shall be determined either by agreement of the Debtor and the holder of the Other Secured Claim (which agreement shall be subject to Bankruptcy Court approval) or by the Bankruptcy Court if the Debtor and the holder of the Other Secured Claim cannot reach agreement. All payments on account of such Allowed Other Secured Claims shall be made as soon as reasonably practicable after the later of (i) ten (10) days following the closing of the sale of the Property or the Debtor as a going concern, (ii) ten (10) days following the date on which the Bankruptcy Court approves by Final Order the allocation of the sale proceeds to the Property securing such Other Secured Claim; (iii) the Liquidation Effective Date; or (iv) ten (10) days after the date the Other Secured Claim becomes Allowed by a Final Order. Estimated Percentage Recovery: 100%

Type of Claim or Interest	Description and Treatment under Plan
Class 5 — Convenience Class	Class 5 consists of Convenience Class Claims. Class 5 Convenience Class Claims are **Unimpaired**. Under **both** the Reorganization and the Liquidation Alternative, unless otherwise agreed to between the Debtor and the Holder of the Claim, Holders of Allowed Class 5 Convenience Class Claims shall be paid the full amount of their Allowed Convenience Class Claim, in Cash, as soon as reasonably practicable after the later of: (a) the Effective Date; or (b) ten (10) days after the date such Convenience Class Claim becomes Allowed by a Final Order. Estimated Percentage Recovery: 100%
Class 6 — General Unsecured Claims	Class 6 consists of General Unsecured Claims which includes all Claims, including Rejection Claims, that are not Administrative Claims, Priority Tax Claims, Priority Claims, the RUS Secured Claim, the PADOR Secured Claim, Other Secured Claims, Convenience Class Claims, or Interests. Class 6 General Unsecured Claims are **Impaired**. Under the **Reorganization**, unless otherwise agreed to between the Debtor and the Holder of the Claim, each Holder of a Class 6 Allowed General Unsecured Claim shall receive, in full satisfaction, settlement, release, extinguishment and discharge of such Claim (i) their *pro rata* share of the Net Spectrum Proceeds after payment in full of all Administrative Expense Claims, Priority Tax Claims, Class 1 Priority Claims, the Class 2 RUS Secured Claim, but only if and to the extent that RUS is determined to have a Lien against the Spectrum Proceeds and then only after further Order of the Court through the Marshalling Proceeding, and Class 5 Convenience Class Claims; and (ii) the Additional General Unsecured Claim Distribution. Under the **Liquidation Alternative**, unless otherwise agreed to between the Debtor and the Holder of the Claim, Holders of Allowed Class 6 General Unsecured Claims shall receive, through distributions from the Liquidating Trustee pursuant to the Liquidating Trust Agreement, (i) their *pro rata* share of the Net Spectrum Proceeds after payment in full of all Administrative Expense Claims, Priority Tax Claims,

Type of Claim or Interest	Description and Treatment under Plan
	Class 1 Priority Claims, the Class 2 RUS Secured Claim, but only if and to the extent that RUS is determined to have a Lien against the Spectrum Proceeds and after further Order of the Court through the Marshalling Proceeding, and Class 5 Convenience Class Claims; (ii) their *pro rata* share of any proceeds remaining following distributions made to secured and priority creditors; (iii) the proceeds of the sale of any Property of the Debtor that is unencumbered by Liens, and (iv) additional distributions, if any, on account of Liquidation Proceeds. Estimated Percentage Recovery: 35-45%
Class 7 — Interests	Class 7 consists of interests in the Debtor. Class 7 Interests are **Impaired**. Under the **Reorganization**, the equity Interests in the Debtor shall be cancelled as soon as reasonably practicable after the Reorganization Effective Date and the Holders of equity Interests in the Debtor shall receive no distribution or Property on account of such equity Interests. Under the **Liquidation Alternative**, the Holders of equity Interests in the Debtor shall receive their *pro rata* share of the Liquidation Proceeds after payment in full of all Allowed Administrative Expense Claims, Allowed Priority Tax Claims, and all Allowed Claims in Classes 1 through 6. Distributions of the Liquidation Proceeds, if any, to equity Interests shall be made by the Liquidating Trustee in accordance with the Liquidating Trust Agreement. Estimated Percentage Recovery: 0%

THE DEBTOR BELIEVES THAT THE PLAN PROVIDES THE BEST RECOVERIES POSSIBLE FOR HOLDERS OF CLAIMS AGAINST THE DEBTOR AND THUS STRONGLY RECOMMENDS THAT YOU VOTE TO ACCEPT THE PLAN.

III. PLAN VOTING INSTRUCTIONS AND PROCEDURES

A. Notice to Holders of Claims and Interests

Approval by the Bankruptcy Court of this Disclosure Statement means that the Bankruptcy Court has found that this Disclosure Statement contains information of a kind and in sufficient and adequate detail to enable Holders of Claims to make an informed judgment whether to accept or reject the Plan.

THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE EITHER A GUARANTY OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN OR THEREIN OR AN ENDORSEMENT OF THE PLAN BY THE BANKRUPTCY COURT.

IF THE PLAN IS APPROVED BY THE REQUISITE VOTE OF HOLDERS OF CLAIMS ENTITLED TO VOTE AND IS SUBSEQUENTLY CONFIRMED BY THE BANKRUPTCY COURT, THE PLAN WILL BIND ALL HOLDERS OF CLAIMS AGAINST, AND INTERESTS IN, THE DEBTOR, WHETHER OR NOT THEY WERE ENTITLED TO VOTE OR DID VOTE ON THE PLAN AND WHETHER OR NOT THEY RECEIVE OR RETAIN ANY DISTRIBUTIONS OR PROPERTY UNDER THE PLAN. THUS, ALL HOLDERS OF CLAIMS AGAINST THE DEBTOR ENTITLED TO VOTE ARE ENCOURAGED TO READ THIS DISCLOSURE STATEMENT AND ITS EXHIBITS CAREFULLY AND IN ITS ENTIRETY BEFORE DECIDING TO VOTE EITHER TO ACCEPT OR REJECT THE PLAN.

No solicitation of votes may be made except after distribution of this Disclosure Statement and no person has been authorized by the Debtor or the Bankruptcy Court to distribute any information concerning the Debtor other than the information contained herein.

B. Voting Rights

Pursuant to the provisions of the Bankruptcy Code, only holders of claims in classes that are (a) treated as "impaired" by the plan and (b) entitled to receive a distribution under such plan are entitled to vote on the plan. In this Chapter 11 Case, under the Plan, only the Holders of Claims in Classes 2, 3 and 6 are Impaired and entitled to vote on the Plan. Claims in other Classes which receive a distribution are Unimpaired and deemed to have accepted the Plan. Interests in Class 7 are Impaired and deemed to have rejected the Plan.

Only Holders of Allowed Claims in the voting Classes are entitled to vote on the Plan. A Claim that is unliquidated, contingent or disputed is not an Allowed Claim, and is thus not entitled to vote, unless and until the amount is estimated or determined, or the dispute is determined, resolved or adjudicated in the Bankruptcy Court or another court of competent jurisdiction, or pursuant to agreement with the Debtor. However, the Bankruptcy Court may deem a contingent, unliquidated or disputed Claim to be Allowed on a provisional basis, for purposes only of voting on the Plan.

Holders of Allowed Claims in the voting Classes may vote on the Plan only if they are Holders as of the Voting Record Date, which is **_________**, 2017.

C. Solicitation Materials

In soliciting votes for the Plan pursuant to this Disclosure Statement, the Debtor, through its voting agent Rust Consulting/Omni Bankruptcy (the "Voting Agent" or "Rust Omni"), will send to Holders of Claims in Classes 2, 3 and 6 copies of (a) the Disclosure Statement and Plan, (b) the *Order Approving (I) Disclosure Statement; (II) Procedures for the Solicitation and Tabulation of Votes to Accept or Reject the Debtor's Chapter 11 Plan; and (III) Related Notice and Objection Procedures* [D.I. __](the "Order Approving Disclosure Statement"), (c) the notice of, among other things, (i) the date, time and place of the hearing to consider confirmation of the Plan and related matters and (ii) the deadline for filing objections to confirmation of the Plan (the "Confirmation Hearing Notice"), (d) ballot (and return envelope) to be used in voting to accept or to reject the Plan and (e) other materials as authorized by the Bankruptcy Court.

If you are the Holder of a Claim that is entitled to vote, but you did not receive a ballot, or if your ballot is damaged or illegible, or if you have any questions concerning voting procedures, you may contact Rust Omni at the following address and/or telephone number:

LIMITLESS MOBILE LLC ADMINISTRATION
c/o RUST OMNI
5955 DeSoto Ave., Suite 100
Woodland Hills, CA 91367
Telephone: (818) 906-8300

D. Voting Procedures, Ballots and Voting Deadline

After reviewing the Plan and this Disclosure Statement, Holders of Claims in Classes 2, 3 and 6 are asked to indicate their acceptance or rejection of the Plan by voting in favor of or against the Plan on the accompanying ballot. Holders of Claims should complete and sign their **original** ballot **(copies will not be accepted)** and return it to the Voting Agent in the envelope provided.

Each ballot has been coded to reflect the Class of Claims it represents. Accordingly, in voting to accept or reject the Plan, you must use only the coded ballot or ballots sent to you with this Disclosure Statement.

IN ORDER FOR A HOLDER OF A CLAIM IN CLASS 2, 3 OR 6 TO HAVE ITS VOTE COUNTED, ITS BALLOT MUST BE PROPERLY COMPLETED AS SET FORTH ABOVE AND IN ACCORDANCE WITH THE VOTING INSTRUCTIONS ON THE BALLOT AND RECEIVED NO LATER THAN __________, 2017, AT 4:00 P.M. PREVAILING EASTERN TIME BY THE FOLLOWING:

By regular mail, overnight courier or hand delivery:

LIMITLESS MOBILE LLC ADMINISTRATION
c/o RUST OMNI
5955 DeSoto Ave., Suite 100
Woodland Hills, CA 91367

UNLESS OTHERWISE PROVIDED IN THE INSTRUCTIONS ACCOMPANYING THE BALLOTS, FAXED BALLOTS WILL NOT BE ACCEPTED. BALLOTS THAT ARE RECEIVED BUT NOT SIGNED WILL NOT BE COUNTED. BALLOTS THAT ARE SIGNED BUT DO NOT SPECIFY WHETHER THE HOLDER ACCEPTS OR REJECTS THE PLAN WILL BE NULL AND VOID. DO NOT RETURN ANY DEBT INSTRUMENTS OR OTHER EVIDENCE OF YOUR CLAIM WITH YOUR BALLOT.

Copies of this Disclosure Statement, the Plan and any appendices and exhibits to such documents are available to be downloaded free of charge on the Limitless Mobile case website maintained by Rust Omni: www.omnimgt.com/limitlessmobile. If you have any questions about (a) the procedure for voting your Claim, (b) the packet of materials that you have received, or (c) the amount of your Claim, or if you wish to obtain, at your own expense, unless otherwise specifically required by Bankruptcy Rule 3017(d), an additional copy of the Plan, this Disclosure Statement or any appendices or exhibits to such documents, please contact Rust Omni:

LIMITLESS MOBILE LLC ADMINISTRATION
c/o RUST OMNI
5955 DeSoto Ave., Suite 100
Woodland Hills, CA 91367
Telephone: (818) 906-8300

For further information and general instruction on voting to accept or reject the Plan, see Article XII of this Disclosure Statement and the instructions accompanying your ballot.

THE DEBTOR URGES ALL HOLDERS OF CLAIMS IN CLASSES 2, 3 AND 6 ENTITLED TO VOTE TO EXERCISE THEIR RIGHT BY VOTING IN FAVOR OF THE PLAN AND OTHERWISE COMPLETING THEIR BALLOTS AND RETURNING THEM TO THE VOTING AGENT BY THE VOTING DEADLINE.

E. Confirmation Hearing and Deadline for Objections to Confirmation

Pursuant to section 1128 of the Bankruptcy Code and Bankruptcy Rule 3017(c), the Bankruptcy Court has scheduled a Confirmation Hearing for ________, 2017 at _:00 _.M., (prevailing Eastern time). The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for the announcement of the adjournment date made at the Confirmation Hearing or at any subsequent adjourned Confirmation Hearing. Objections to confirmation of the Plan or proposed modifications to the Plan, if any, may be raised at the Confirmation Hearing.

IV. GENERAL INFORMATION CONCERNING THE DEBTOR

A. Overview

The Debtor is a telecommunications business based in Harrisburg, Pennsylvania. The Debtor owns its premises in Harrisburg, where it has constructed a modern mobile core network and a Network Operating Center ("NOC") capable of supporting voice, messaging and data across 2G, 3G and 4G/LTE technologies that has a number of key components which make it a fully functional alternative to the major Mobile Network Operators ("MNOs"). The equipment

for the mobile core network was provided by Ericsson, purchased in part with RUS Award funds, and has been fully operational for just over a year. The mobile core network is integrated into those of several critical partners who provide services including call backhaul, billing and traffic management.

The Debtor also owns its own radio access network equipment, also purchased in part with RUS Award funds, which is installed on towers and rooftop locations. The spaces in which the equipment is installed are secured by leasing arrangements which have minimum terms varying from five to ten years in length. The locations were selected to provide optimal coverage: maximizing geographical range from an efficient arrangement of towers.

B. Description of Debtor's Operations

The Debtor's operations can be divided into two general categories: retail and wholesale.

1. *Retail*

Prior to the Petition Date, the Debtor operated six retail locations and provided mobile telephone and broadband service to approximately 3500 customers in nine counties in central Pennsylvania. However, as discussed elsewhere in this Disclosure Statement, it made the decision prior to the Petition Date to downsize its retail operations. Although it has sold eight of its ten FCC licenses for radio access spectrum, it is retaining sufficient spectrum assets to provide service in a more limited area than it previously covered.

Currently, the Debtor's retail service area covers parts of Lycoming and Clinton counties. The Debtor has operated in its service area for many years through a number of brand names and identities and is reasonably well known to residents in the townships covered. A store in the Lock Haven, Pennsylvania area provides a physical location to customers offering sales opportunities and providing customer support. Given the nature of the customer base and limitations on the service area it is not expected that the retail business will grow significantly in the future.

2. *Wholesale*

The Debtor supplies wholesale customers with infrastructure, solutions and services nationwide enabled through a combination of the Debtor's license and infrastructure assets with appropriate commercial contracts with national and regional U.S. carriers / MNOs. In addition, the Debtor has executed a significant number of roaming agreements which enable its customers to access its services internationally.

The Debtor expects that the majority of its revenue growth will be generated from its wholesale segment. The value propositions that the Debtor offers customers can be broadly categorized into two types:

1. **Infrastructure-as-a-Service ("IaaS")** – providing parts (*e.g.* Home Location Register or Home Subscriber Server) or full mobile core network (*e.g.* 4G/LTE Evolved Packet Core) as-a-service to a customer and therefore creating lower total cost of ownership for customers through a shared infrastructure approach.

2. **Access / Connectivity** – reselling International Mobile Subscriber Identity ("IMSI")- or Subscriber Identity Module-based access / connectivity to one or more nationwide, regional or international carriers / MNOs' radio access network ("RAN") using Limitless Mobile's IMSI and Mobile Station International Subscriber Directory Numbers either controlled from the Debtor's Ericsson mobile core network or from its customers' mobile core networks and using only the RAN of an MNO partner.

The market for IaaS is derived from the growth in the wireless / mobile wholesale market driven by Mobile Virtual Network Operators ("MVNOs") focusing on the Machine-to-Machine ("M2M") and Internet of Things ("IoT") market, which is expanding rapidly, as well as those targeting more traditional voice driven consumer and business users.

Historically, the services which can now be provided by the Debtor were only available through major MNOs or through a dedicated investment in infrastructure. The latter course is expensive and time-consuming, requiring the organization to also acquire significant specialist technical skills as well as hardware and software assets. These factors represent significant hurdles and make the Debtor's proposition an attractive option for MVNOs serving both the M2M/IoT as well as the consumer/business user market.

Major MNOs have relatively rigid systems of operation which provide little if any flexibility for customization and therefore are sub-optimal for most potential customers. Therefore, there is a strong demand in the marketplace for a smaller and more agile company to provide more flexible solutions, often tailored to the needs of the customers, which the Debtor can offer.

Access and connectivity solutions are aimed primarily at MVNOs who serve either the M2M/IoT or consumer/business user market using their own brands. These services need to have an MNO backbone but the major carriers tend to be very restrictive in the way they handle MVNO customers. The Debtor is a registered MNO in its own right but because of its size it can be far more flexible and creative than the major MNOs in the solutions it offers.

The Debtor's cost base is characterized by relatively high fixed costs: It has to pay fixed fees for back haul, billing and other support services as well as paying salaries and benefits for the cost of a fixed operations workforce. Customers pay a mix of fixed charges and transaction related variable charges, with the latter representing bulk of the revenue in most opportunities.

C. Management and Employees

1. *Management*

The Debtor is managed by its board of directors and its management team. The board of directors consists of Richard Worley, who acts as Chairman, Sarah Miller Coulson, Peter Morse, and Robert Martin. Amir Rajwany is the Debtor's Chief Operating Officer and is assisted by various vice-presidents. The Debtor also receives services from three individuals who have contracts with one of two related non-debtor entities. Atte Miettinen is the Chief Executive Officer of Limitless Mobile Holdings, LLC ("Holdings"), the Debtor's parent, and in this capacity provides like services to the Debtor. Jim Croal is a contractor of Limitless Mobile Holdings, Inc. ("LMHI"), which is also a subsidiary of Holdings, and is LMHI's Chief

Technology Officer. In this capacity, he provides CTO services to the Debtor. Jeremy Brett is also a contractor of LMHI and serves as its Chief Financial Officer. In this capacity, he provides CFO services to the Debtor. Because these three individuals provide services to the Debtor as well as to these other two entities, the Debtor is typically responsible for 75% of their gross base compensation, with the balance the obligation of the other entity.

The Debtor expects that its current management team will continue to provide services in their current capacities for the Reorganized Debtor.

2. *Employees*

As of the Petition Date, the Debtor had 39 employees in full and part-time positions. Since that date a number of terminations have taken place and currently the Debtor has 16 full-time employees and 1 part-time employee. All employees are employed on at-will contracts, with varying notice terms.

In addition, the Debtor currently has 4 contractors employed on a month-to-month basis who are working full time for the business.

None of the Debtor's employees or contractors are members of unions recognized by the Debtor.

D. Summary of Assets

The Debtor filed Schedules with the Bankruptcy Court that detail the assets which are either owned by the Debtor or in which the Debtor has an interest. Such assets include cash on hand, bank accounts and investments, deposits, accounts receivable, furnishings, fixtures, equipment and supplies used in operations, and other items of personal property. The Schedules provide asset values on a net book basis, which is not reflective of actual values. The Schedules may be reviewed on the Bankruptcy Court electronic case filing system or during business hours in the offices of the Clerk of the Bankruptcy Court. Additionally, the Schedules may be reviewed at www.omnimgt.com/limitlessmobile. Information regarding the Debtor's assets is also available in the Liquidation Analysis attached hereto as Exhibit B.

E. The Debtor's Capital Structure

The Debtor is a Delaware limited liability company. 100% of the membership interests in the Debtor were transferred to Holdings on November 1, 2013, and have been owned by Holdings since that date.

On or about September 24, 2010, the Debtor's predecessor-in-interest, Keystone Wireless, LLC, entered into the RUS Agreement with RUS (the "RUS Award"). The RUS Award provided for a term loan (the "RUS Loan") in the original principal amount of $11,096,780, purportedly secured by first priority liens on and security interests in substantially all of the Debtor's real and personal property, including accounts, inventory, other tangible property, and intangibles acquired with RUS Award proceeds, and the proceeds of the foregoing whether or not acquired with RUS Award proceeds (collectively, the "Collateral").

The RUS Award also provided for a grant of $25,286,105 (the "RUS Grant"), awarded to the Debtor in conjunction with the RUS Loan for the purpose of building out telecom infrastructure and providing wireless broadband access to the rural communities the Debtor serves.

As of the Petition Date, the Debtor is obligated under the RUS Loan in the approximate aggregate amount of $9,219,000. The Debtor believes that, as of the Petition Date, the aggregate amount of the RUS Loan exceeds the value of the Collateral on which RUS has a valid, enforceable lien. While the Debtor recognizes that, subject to the Committee's lien challenge discussed in Article V.F.5., *supra*, RUS may have a lien on the Debtor's tangible personal property and accounts receivable. The Debtor does not believe that the RUS lien extends to the Debtor's real property in Harrisburg, as a search of real property records shows that RUS has never obtained or filed a mortgage describing this asset. Finally, the Debtor does not believe that the RUS lien extends to the Spectrum Proceeds because the Communications Act of 1934, as amended, and the rules and regulations of the Federal Communications Commission do not permit the granting of security interests in FCC licenses. Moreover, the Debtor believes that section 552(b) of the Bankruptcy Code operates to prevent RUS's prepetition lien on proceeds of assets on which RUS did not also have a prepetition lien from attaching to proceeds from the sale of eight of the Debtor's FCC licenses, which is discussed in Article V.F.3., *supra*.

In early 2016, as the Debtor neared completion of the buildout of its network, it required additional capital to achieve a retail-side network launch. Accordingly, on or about May 24, 2016, the Debtor entered into a $9,000,000 credit facility with Tower Bridge (the "Tower Bridge Loan"), which facility is purportedly secured on a *pari passu* basis with the RUS Loan on the same Collateral pursuant to that certain intercreditor agreement dated as of April 12, 2016, between and among the Debtor, Tower Bridge and RUS (the "Intercreditor Agreement"). As of the Petition Date, the Debtor is obligated under the Tower Bridge Loan in the approximate aggregate amount of $8,900,000.

The Debtor believes that the Tower Bridge Loan is unsecured for purposes of this Chapter 11 Case due to Tower Bridge's failure to file a UCC-1 financing statement until the day before the Petition Date, as set forth in the Committee's lien challenge discussed in Article V.F.5., *supra*. While Tower Bridge may nevertheless have rights against RUS pursuant to the Intercreditor Agreement, the Plan treats Tower Bridge's claim arising from the Tower Bridge Loan as unsecured. However, it does not prejudice Tower Bridge's ability to pursue its rights against RUS under the Intercreditor Agreement.

In addition to debt, the Debtor has benefited from infusions of equity from Holdings, which approximate $35 million over the last three years, as well as from the contribution of the Debtor's FCC licenses.

F. Events Leading to the Commencement of the Chapter 11 Case

The Debtor operated as an independent rural wireless company, known as Keystone Wireless, providing 2G mobile telephone services to parts of central Pennsylvania for many years. However, the business was generally declining as competitors introduced 3G services and the company did not have the funds available to invest in upgrading its infrastructure.

In November 2013 it was acquired by Holdings, which had recently been formed by a syndicate of investors who provided funding to reinvigorate the business. At the same time Holdings acquired a European business headquartered in the UK, which carried on or established businesses in a number of European countries.

In 2010 the Debtor had successfully applied for the RUS Award to implement a new network in its rural service area through the Broadband Infrastructure Program ("BIP"). However, the only funding drawn down initially was used to acquire the Debtor's current operations base in Harrisburg. Changes to mobile telephony technology and challenges in selecting critical suppliers delayed the rest of the project by several years.

At this time the number of subscribers to the original 2G network continued to decline, resulting in steadily decreasing revenues. As maintenance costs on the network's aging equipment increased a number of towers were switched off. This meant customers' devices often roamed on other networks which resulted in significant "in market" roaming costs being incurred which significantly eroded gross margin.

In September 2014 the board of directors of Holdings confirmed that they would support the business through its investment phase and two funding rounds, in November 2014 and July 2015, were organized. The project to build the new 4G network then started in earnest. The original intention was to complete the build-out by June 2015. This short timespan was considered feasible because the company already had leases on a large number of towers and it was planned for these to be reused with the new equipment replacing the old equipment fitted on them.

However, during the spring of 2015 it became increasingly evident that progress was much slower than expected. Historic legal issues delayed the necessary permissions required to start re-equipping some towers; in other instances the need to optimize coverage meant new locations had to be found and new leases negotiated which took considerably more time than expected. Zoning issues also added to the delays. The deadline for completing the network was put back to the latest date permitted under the BIP program and even then it was acknowledged that a small number of sites, known as "greenfield sites", where new towers needed to be constructed, would not be available until later. In the end a phased introduction of the new service was developed whereby districts within the coverage area would be switched on in waves and a rolling marketing plan was put in place. However, this meant a much slower increase in revenues from the new service would be achievable than had originally been planned. In turn this meant the operating losses being incurred by the Debtor would continue longer than originally expected.

At the same time a number of unbudgeted costs were identified: The tower companies imposed tower strengthening fees on a significant number of sites; the need to build platforms and make other adaptions to sites had not been included in the budget. In other cases the cost of rigging the equipment had been underestimated as the complexity of working on sites, often in remote areas, had not been fully taken into consideration.

Eventually it became clear that the Debtor would have to raise additional funding to complete the network. At the same time Holdings' European business had also run into financial difficulties. In particular, the UK business had not had the expected impact on its marketplace,

mainly due to pricing issues with its suppliers. The investors in Holdings therefore concluded that they would prefer to put funds directly into the Debtor to protect it from any downside risks associated with Holdings' other subsidiaries. Consequently, in May 2016 Tower Bridge was formed and agreed to provide up to $9 million in secured loans directly to the Debtor. As part of the financial reorganization RUS agreed to a twelve month moratorium on repayments of the RUS Loan and permitted the Tower Bridge Loan to be made to the Debtor.

Meanwhile, in April 2016 the new 4G service had gone live in a limited area as planned. Over the next few months service launches took place in a widening area and new customer numbers were closely monitored. Initially the new service appeared to be a success with a greater average revenue per user being achieved than planned. However, the number of new connections being made fell below expectations and a number of contract cancellations meant overall subscriber numbers were below target.

At the same time the wholesale business had not developed as quickly as expected. It was always envisaged that an expansion of the Debtor's wholesale revenues would be a significant part of the overall financial plan but delays in completing elements of the network core in Harrisburg had delayed marketing plans and reduced the potential for finding new customers in the short term. This in turn lead to further revenue and gross margin shortfalls against the financial projections used to secure the Tower Bridge Loan.

By the end of September 2016 it had become evident that the Debtor only had sufficient cash reserves to last until December 2016 and that further new investment would be required for it to achieve its business plan. By this stage the 4G network was materially complete and operational but customer uptake was still well below expectations.

Negotiations took place between the various stakeholders in the business during October and November but with the business still incurring heavy losses and with the value of additional working capital required being substantial, it became clear there was little prospect of the investors agreeing to fund what was needed. The board of directors of the Debtor therefore reluctantly concluded that there was no alternative but to file a petition under Chapter 11.

V. THE CHAPTER 11 CASE

A. Continuation of Operations; Stay of Litigation

On December 2, 2016, the Debtor filed its petition for relief under chapter 11 of the Bankruptcy Code.

Since the Petition Date, the Debtor has continued to operate as a debtor in possession subject to the supervision of the Bankruptcy Court and in accordance with the Bankruptcy Code. The Debtor is authorized to operate its business and manage its property in the ordinary course, with transactions outside of the ordinary course of business requiring Bankruptcy Court approval.

An immediate effect of the filing of the Debtor's bankruptcy petition was the imposition of the automatic stay under the Bankruptcy Code which, with limited exceptions, enjoins the commencement or continuation of all collection efforts by creditors, the enforcement of liens against property of the Debtor and the continuation of litigation against the Debtor. The relief

provides the Debtor with the "breathing room" necessary to assess its operations and prevents creditors from obtaining an unfair recovery advantage while the Chapter 11 Case is pending.

B. First Day Motions

On the first days of the Chapter 11 Case the Debtor filed several applications and motions seeking certain relief by virtue of so-called "first day orders." First day motions and orders are intended to facilitate the transition between a debtor's prepetition and post-petition business operations by approving certain regular business practices that may not be specifically authorized under the Bankruptcy Code or as to which the Bankruptcy Code requires prior approval by the Bankruptcy Court. The first day motions filed in the Chapter 11 Case are typical of motions filed in other Chapter 11 cases across the country. Such motions sought, among other things, the following relief:

- the maintenance of the Debtor's bank accounts and operation of its cash management system substantially as such system existed prior to the Petition Date;

- payment of employees' prepetition compensation, benefits and expense reimbursement amounts;

- payment of prepetition taxes and fee amounts;

- authority to administer customer programs and honor certain prepetition obligations to customers;

- an extension of the statutory period during which utilities are prohibited from altering, refusing or discontinuing services and/or requiring adequate assurance of payment as a condition of receiving services;

- continued use of the cash collateral of the Debtor's pre-petition secured lenders, and granting adequate protection to the lenders; and

- a debtor-in-possession financing facility from Tower Bridge (the "DIP Facility"), which enabled the Debtor to continue to meet operating expenses in the ordinary course, while pursuing a wind down of retail operations and reorganizing its wholesale business. Tower Bridge provided the DIP Facility on an unsecured, administrative priority basis pursuant to 11 U.S.C. § 364(b).

The First Day Motions were all approved by the Bankruptcy Court, with certain revisions to the relief sought by the Debtor.

C. Retention of Professionals

The Debtor is represented in the Chapter 11 Case by Dilworth Paxson LLP ("Dilworth"). Rust Omni was authorized to provide claims, noticing and balloting services to the Debtor. Wilkinson Barker Knauer ("WBK") was retained as special counsel relating to the Debtor's oversight by and dealings with the Federal Communications Commission.

D. Appointment of Creditors' Committee

On December 16, 2016, the Office of the United States Trustee for the District of Delaware appointed the Committee. The Committee is represented by Saul Ewing LLP ("Saul") and has retained Gavin Solmonese ("Gavin") as its financial advisor.

E. Provision of Operational and Financial Information to Committee

From the outset of the case, the Debtor has provided the Committee with extensive information and documents about its operations and financial condition to permit the Committee to perform its oversight role.

Each week, the Debtor has also provided the Committee with a running analysis of its revenues and expenses and any variance from the Debtor's thirteen week budget and cash flow projections. The Debtor's controller also had a regular weekly call with the Committee's financial advisors to discuss the budget and cash flow and answer any questions.

In addition to the foregoing, on June 9, 2017, the Debtor provided the Committee with a confidential detailed business plan describing its strategies and goals in developing its wholesale business, and shared various comprehensive proposals the Debtor has made to potential customers. The Debtor has also provided the Committee with an earlier draft of the five-year financial projections that are attached as Exhibit A to this Disclosure Statement.

F. Significant Post-Petition and Restructuring Events

1. *Rejection of Store Leases and Tower Leases; Abandonment of Certain Equipment*

Due to its significant reduction in retail operations, the Debtor took steps at the outset of the case to reject certain unexpired leases related to these operations, so that the estate would not be unnecessarily burdened with the rent and other obligations under these leases.

On December 20, 2016, the Debtor filed a *Motion for Entry of an Order Authorizing the Rejection of Certain Real Property Leases, and Any Amendments Thereto, Effective as of the Later of (A) the Petition Date, or (B) the Date the Premises Were Vacated by the Debtor* [D.I. 62], which sought to reject five of the Debtor's six retail store leases. This motion was granted on January 23, 2017 [D.I. 155].

The Debtor also no longer needed most of its leases of space on cellular towers, on which it had installed its RAN equipment, which equipment was purchased in part with RUS Award funds. On January 6, 2017, the Debtor filed its *Omnibus Motion for Entry of an Order Authorizing (A) The Rejection of Certain Tower Leases, and Any Amendments Thereto, and (B) the Abandonment of Certain Equipment* [D.I. 116]. This motion sought rejection of the subject tower leases effective as of January 8, 2017, and abandonment of any equipment installed thereon to the extent it was not economical for the equipment to be removed and sold. The Committee objected to the relief requested in this motion [D.I. 129], arguing that the rejection date and date of abandonment of the equipment should be coterminous, suggesting a date of January 31, 2017. Other objections raising similar issues were also filed [D.I. 145, 152, 153, 154]. In order to resolve these objections, the Debtor agreed that the date of rejection and

abandonment would be January 30, 2017. On January 30, 2017, the Court granted the Motion to Reject with the agreed modifications [D.I. 174].

2. *Sale of Excess Equipment to Telecyling LLC*

The reduction in the Debtor's retail operations also left it with certain excess equipment that was no longer needed for ongoing operations, but which the Debtor was incurring costs to store. The Debtor sought bids for the equipment and obtained one from Telecycling LLC in the amount of $73,400. On January 20, 2017, the Debtor filed its *Motion for Authority to Sell Certain Equipment Free and Clear of Liens, Claims and Encumbrances Pursuant to 11 U.S.C. § 363* [D.I. 147], which sought to approve the sale of the equipment to Telecycling under 11 U.S.C. § 363(b) and (f), subject to higher and better offers. A second party did make a higher bid for the assets; however, Telecyling increased its bid and the second party declined to submit further bids. On February 28, 2017, the Court entered an order approving the sale of the excess equipment to Telecyling for $90,700 [D.I. 239]. The Debtor continues to hold the sale proceeds for distribution pursuant to the Plan.

3. *Auction of Spectrum Assets*

On March 3, 2017, the Debtor filed its *Motion for Entry of an Order (I) Authorizing the Debtor to Sell Certain Wireless Licenses Free and Clear of Liens and Encumbrances and (II) Approving Sale and Auction Procedures in Connection Therewith* [D.I. 242], which sought approval of procedures to conduct a competitive auction of eight of the Debtor's PCS licenses (the "Spectrum Assets"). As part of its efforts to scale back its retail operations and focus its attention on the wholesale opportunities enabled by its infrastructure, the Debtor identified those PCS licenses necessary for its more limited retail services and its growing wholesale business. The remaining licenses, the Spectrum Assets, while no longer necessary for the Debtor's business, nevertheless have considerable value to other MNOs seeking to add capacity in the regions they cover.

On March 16, 2017, the Bankruptcy Court entered an order approving bidding procedures for the Spectrum Assets [D.I. 263], which established a bid deadline of March 31, 2017. The Debtor received four bids from each of the four largest U.S. wireless carriers: Verizon, AT&T, Sprint and T-Mobile (the "Bidders"). The bids ranged from $10,500,000 for the entire portfolio of Spectrum Assets, to $2,000,000 for a subset of the Spectrum Assets.

Thereafter, after consulting with the Debtor and the Committee, the Debtor's investment banker, MVP Capital, LLC ("MVP") devised detailed procedures for a competitive auction of the Spectrum Assets (the "Bidding Procedures"). The Bidding Procedures were designed to permit the Bidders flexibility to bid on either the entire portfolio of Spectrum Assets, or on individuals licenses. MVP and the Debtor decided that an appropriate minimum overbid both for the entire portfolio of Spectrum Assets, and for each individual license, was $0.01 per MHz Pop. The Bidders could therefore bid the minimum overbid for either the entire portfolio, or for any one or more of the individual licenses. The auction would continue for so long as any bid was made in the minimum requisite amount. This encouraged competitive bidding by allowing Bidders who wished to bid for the entire portfolio to do so, while also allowing Bidders who only wanted certain individual licenses to compete for them.

MVP conducted a live auction at Dilworth's Philadelphia offices on Thursday, April 13, 2017, beginning around 11:00 a.m. Representatives of each of the Bidders were present. The auction continued all day on Thursday, April 13, and did not conclude until around 4:30 a.m. on Friday, April 14. The final round of bidding was round 57, at which point all Bidders ceased bidding.

The highest bid received was from Verizon, for the entire portfolio of Spectrum Assets, in the amount of $24,260,000, representing an approximately 231% increase above the highest initial bid of $10,500,000 received on March 31. Verizon was declared the winner of the auction based on this bid.

On April 25, 2017, the Bankruptcy Court approved the sale of the Spectrum Assets to Verizon, subject to approval by the FCC [D.I. 324]. The FCC granted its approval of the proposed sale on June 19, 2017. The closing is scheduled to take place on August 9, 2017.

4. *Request to Increase DIP Facility*

The initial DIP Facility approved by the Bankruptcy Court as one of the Debtor's first day motions was in the amount of $5 million. The Debtor's budget projected that it would exhaust this facility by the end of June 2017. Thus, on June 7, the Debtor sought to approve an increase in this DIP Facility by $2 million, to $7 million, on the same terms as the initial DIP Facility [D.I. 351]. The Debtor also sought continued use of cash collateral until December 31, 2017 [D.I. 350]. This relief was necessary to permit the Debtor to close the sale of the Spectrum Assets to Verizon and confirm a chapter 11 plan. Both Tower Bridge and RUS consented to the requested relief.

The Committee filed an objection to both the requested increase in DIP funding and the continued use of cash collateral on June 21, 2017 [D.I. 370], arguing, *inter alia*, that any additional financing provided by Tower Bridge should not be an administrative expense, but should be in the form of an equity contribution.

At a hearing on July 6, 2017, the Debtor and the Committee reached an agreement whereby the DIP Facility would be increased on an interim basis by $750,000, with the entire amount of the increase to have administrative priority status upon the Debtor's providing a draft of the Plan to the Committee by July 21. The Committee also consented to the continued use of cash collateral. An order reflecting this agreement and approving the increase in the DIP Facility was entered by the Bankruptcy Court on July 10, 2017 [D.I. 400]. The Debtor has met the requirement of providing the Committee with a draft of the Plan; therefore, the $750,000 increase constitutes an administrative priority claim. By agreement between the Debtor and the Committee, a second order approving an additional $500,000 increase in the DIP Facility was entered on August 15, 2017 [D.I. 441]; this increase also constitutes an administrative priority claim. Again by agreement between the Debtor and the Committee, a third order approving a further $600,000 increase in the DIP Facility was entered on September 15, 2017 [D.I. 477]; this amount constitutes a commensurate administrative priority claim. A further hearing is scheduled for October 5, 2017 to consider an additional increase in the DIP Facility of $150,000, which will bring the total amount borrowed to $7 million.

5. *PADOR Negotiations*

On or about February 21, 2017, the Pennsylvania Department of Revenue ("PADOR") filed a proof of claim in the amount of $3,712,748.66 (the "PADOR Claim") in the Chapter 11 Case and in the proof of claim indicated that the PADOR Claim was fully secured by a lien. The documentation submitted with the PADOR Claim suggests that the PADOR Claim arises from certain sales, use, and gross receipts taxes, plus penalties and interest accruing as early as 2004.

While PADOR has asserted in the PADOR Claim that it is has security interests in all of the Debtor's real and personal property, PADOR and RUS may have competing claims for lien priority in the Debtor's personal property. Nevertheless, the Debtor believes that PADOR may have a senior lien on the Debtor's real property because records do not reflect that RUS has ever obtained or filed a mortgage describing this asset. The Debtor believes that the fair market value of its real property is approximately $1.1 million.

Prior to the Petition Date, the Debtor had appealed the assessment of gross receipts taxes for tax years 2004 to 2010 and sales and use tax assessments for tax years 2011 to 2014 (collectively, the "Tax Appeals"). The Tax Appeals were pending as of the Petition Date, but stayed as a result of the Debtor's chapter 11 filing.

In light of the Tax Appeals and the various components of the PADOR Claim, the Debtor has been actively engaged in negotiations with PADOR regarding the actual principal amount of the Debtor's liability, the interest charges and penalties assessed, and the relative security and priority of the PADOR Claim. To the extent that the Debtor and PADOR cannot reach a negotiated agreement about the extent and priority of the PADOR Claim, these issues will be resolved by the Court.

Due to the nature of the PADOR Claim, the Plan proposes to treat the Allowed PADOR Claim as a Class 3 secured claim to the extent PADOR has a senior lien on any collateral. The amount of the Allowed PADOR Claim that is in excess of the Allowed PADOR Secured Claim shall be classified as either a Priority Tax Claim and/or a Class 6 General Unsecured Claim, as appropriate under the Bankruptcy Code.

6. *Committee's Suit Challenging the Liens of Tower Bridge and RUS*

On July 14, 2017, the Committee filed a complaint against both RUS and Tower Bridge, Adv. No. 17-50881, alleging that the loans made by both lenders are unsecured.

The complaint alleges that Tower Bridge failed to file a UCC-1 financing statement when it made the Tower Bridge Loan to the Debtor in May 2016, and only did so one day before the Petition Date. This filing, the Committee alleges, is an avoidable preference under 11 U.S.C. § 547(b).

As to RUS, the complaint alleges that while RUS did initially perfect the security interest securing the RUS Loan when it was made in September 2010, RUS subsequently failed to file a continuation statement under 6 Del. C. § 9-515, causing the security interest to lapse. The complaint also asserts that RUS does not have a valid security interest in a deposit account in the amount of $238,858.19 held at Northern Trust, N.A. (the "RUS Pledge Account") because the security agreement does not correctly describe a deposit account as collateral, as required under

the Uniform Commercial Code. Finally, the Complaint asserts that RUS Grant does not give rise to any claim against the estate, because by its terms it was not required to be repaid, and when RUS filed its proof of claim it did not assert any claim for the RUS Grant. Simultaneously with the filing of the complaint, the Committee also filed a motion for summary judgment as to all counts in the complaint [Adv. D.I. 5].

On September 1, 2017, RUS filed a Motion to Dismiss Counts I, III, IV, and V of the complaint [Adv. D.I. 14]. In its Motion to Dismiss, RUS asserts that it had no obligation to file a continuation statement because in its financing statements RUS designated the Debtor as a "transmitting utility." Second, RUS contends that the RUS Agreement grants RUS a security interest in the Debtor's deposit accounts and proceeds from the sale of the Debtor's assets, whether or not acquired with funds from RUS loans or grants and such security interest in proceeds is not affected by section 552 of the Bankruptcy Code. Third, RUS asserts that its proof of claim does not supersede any scheduled claim that is not specifically asserted in the proof of claim. Finally, RUS argues that the grant claim is otherwise valid on the merits.

While the Debtor takes no position as to the merits of certain claims asserted in the adversary, the Debtor believes that there are no amounts owed on account of the RUS Grant because, among other things, the objectives of the RUS Grant have been fulfilled. The Debtor also believes that any pre-petition lien that RUS may have had on the Spectrum Proceeds, if any, was severed by operation of section 552(b)(1) of the Bankruptcy Code.

On September 5, 2017, Tower Bridge filed an Answer to the complaint [Adv. D.I. 15]. On September 7, 2017, RUS filed a Motion to Extend Time to Respond to the Motion for Summary Judgment [Adv. D.I. 18]. The Plan provides for the allowance of Tower Bridge's pre-petition claim as a General Unsecured Claim. Therefore, confirmation of the Plan will render the adversary moot as to Tower Bridge.

Notwithstanding the positions asserted in the adversary action, the Debtor believes that RUS may have a lien on the following: (1) the Debtor's tangible personal property (consisting of a network core, RAN, other equipment, and miscellaneous assets), (2) accounts receivable, (3) proceeds of the sale of certain equipment, and (4) the Debtor's RUS Pledge Account, which is subject to a control agreement in favor of RUS. The Debtor believes that the fair market value of this collateral is between $1 million and $1.5 million. In a liquidation, the Debtor believes that the value of its hard assets may be much less. As set forth above, the Debtor does not believe that the RUS lien extends to the Debtor's real property in Harrisburg, because, to the Debtor's knowledge, RUS has never obtained or filed a mortgage describing this asset. Finally, the Debtor does not believe that the RUS lien extends to the Spectrum Proceeds because the Communications Act of 1934, as amended, and the rules and regulations of the Federal Communications Commission do not permit the granting of security interests in FCC licenses. Moreover, the Debtor believes that section 552(b) of the Bankruptcy Code operates to prevent RUS's prepetition lien on proceeds of assets on which RUS did not also have a prepetition lien from attaching to proceeds from the sale of eight of the Debtor's FCC licenses.

Irrespective of the Committee's adversary action against RUS, the Plan proposes to treat the Allowed RUS Claim as a Class 2 Secured Claim to the extent of RUS's Collateral, provided that RUS is the senior lienholder for such collateral. The Amount of the Allowed RUS Claim

that is in excess of the Allowed RUS Secured Claim shall be classified as a Class 6 General Unsecured Claim and shall be entitled to the treatment provided in the Plan for such Claims.

VI. SUMMARY OF THE PLAN

THIS SECTION PROVIDES A SUMMARY OF THE STRUCTURE AND IMPLEMENTATION OF THE PLAN AND THE CLASSIFICATION AND TREATMENT OF CLAIMS UNDER THE PLAN AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE PLAN WHICH ACCOMPANIES THIS DISCLOSURE STATEMENT.

THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT INCLUDE SUMMARIES OR EXCERPTS OF THE PROVISIONS CONTAINED IN THE PLAN AND IN DOCUMENTS REFERRED TO THEREIN. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT DO NOT PURPORT TO BE PRECISE OR COMPLETE STATEMENTS OF ALL THE TERMS AND PROVISIONS OF THE PLAN OR DOCUMENTS REFERRED TO THEREIN, AND REFERENCE IS MADE TO THE PLAN AND TO SUCH DOCUMENTS FOR THE FULL AND COMPLETE STATEMENTS OF SUCH TERMS AND PROVISIONS.

THE PLAN ITSELF AND THE DOCUMENTS REFERRED TO THEREIN WILL CONTROL THE TREATMENT OF CLAIMS AGAINST, AND INTERESTS IN, THE DEBTOR UNDER THE PLAN AND WILL, UPON THE EFFECTIVE DATE, BE BINDING UPON HOLDERS OF CLAIMS AGAINST, OR INTERESTS IN, THE DEBTOR AND OTHER PARTIES IN INTEREST. IN THE EVENT OF ANY CONFLICT BETWEEN THIS DISCLOSURE STATEMENT AND THE PLAN OR ANY OTHER OPERATIVE DOCUMENT, THE TERMS OF THE PLAN AND/OR SUCH OTHER OPERATIVE DOCUMENT WILL CONTROL.

A. Classification Structure of the Plan

Under the Plan, Claims against and Interests in the Debtor are divided into Classes according to their relative seniority and other criteria, in accordance with the provisions of the Bankruptcy Code.

If the Plan is confirmed by the Bankruptcy Court and either the Reorganization or Liquidation Alternative is consummated: (a) the Claims in certain Classes will receive distributions equal to the full amount of such Claims, (b) the Claims of certain other Classes will receive distributions constituting a partial recovery on such Claims, and (c) the Claims and Interests in certain other Classes will receive no recovery on such Claims or Interests. On the Effective Date and at certain times thereafter, the Liquidating Trustee will distribute Cash and other property in respect of certain Classes of Claims as provided in the Plan. The Classes of Claims against and Interests in the Debtor created under the Plan, the treatment of those Classes under the Plan and the securities and other property to be distributed under the Plan are described below.

B. Necessity of Funding For the Plan

The Debtor intends to fund the Plan primarily through (i) the Spectrum Proceeds and (ii) the at least $11 million Capital Contribution provided by the New Money Investors, which may

include any Holder of a Claim that will receive a Plan Distribution of at least $110,000 that opts to contribute such Plan Distribution as part of the Capital Contribution.

Obtaining sufficient funding for the Capital Contribution is a condition to the occurrence of the Reorganization Effective Date. If the Debtor is unable to raise sufficient funding within seventy-five (75) days of the Confirmation Date, on the seventy-sixth (76th) day the Debtor will file a Notice of Liquidation and commence proceeding under the Liquidation Alternative. The Debtor may, in its discretion after consultation with the Committee, file the Notice of Liquidation before the 76th day after the Confirmation Date if the Debtor deems necessary it or appropriate to do so.

During the time that the Debtor is seeking to obtain sufficient funding for the Capital Contribution for the Reorganization, Tower Bridge will advance portions of the Capital Contribution to fund the Debtor's operations and the fees of Debtor's bankruptcy counsel. This advance funding will be in the form of an equity contribution to the Debtor so as not to affect the interests of creditors while the Debtor seeks to raise sufficient capital to reorganize in accordance with the Plan.

C. Classification and Treatment of Claims and Interests

Section 1122 of the Bankruptcy Code provides that a plan must classify the claims and interests of a debtor's creditors and equity interest holders. In accordance with section 1122 of the Bankruptcy Code, the Plan divides Claims and Interests into Classes and sets forth the treatment for each Class (other than Administrative Claims and Priority Tax Claims which, pursuant to section 1123(a)(1), do not need to be classified). The Debtor is required, under section 1122 of the Bankruptcy Code, to classify Claims against and Interests in the Debtor into Classes that contain Claims and Interests that are substantially similar to the other Claims and Interests in such Class.

The Debtor believes that the Plan has classified all Claims and Interests in compliance with the provisions of section 1122 of the Bankruptcy Code and applicable case law, but it is possible that a Holder of a Claim or Interest may challenge the Debtor's classification of Claims and Interests and that the Bankruptcy Court may find that a different classification is required for the Plan to be confirmed. In that event, the Debtor intends, to the extent permitted by the Bankruptcy Code, the Plan and the Bankruptcy Court, to make such reasonable modifications of the classifications under the Plan to permit confirmation and to use the Plan acceptances received for purposes of obtaining the approval of the reconstituted Class or Classes of which each accepting Holder ultimately is deemed to be a member. Any such reclassification could adversely affect the Class in which such Holder initially was a member, or any other Class under the Plan, by changing the composition of such Class and the vote required of that Class for approval of the Plan.

Except as to Claims specifically Allowed in the Plan, the amount of any Impaired Claim that ultimately is Allowed by the Bankruptcy Court may vary from any estimated Allowed amount of such Claim and accordingly the total Claims ultimately Allowed by the Bankruptcy Court with respect to each Impaired Class of Claims may also vary from any estimates contained herein with respect to the aggregate Claims in any Impaired Class. Thus, the value of the property that ultimately will be received by a particular Holder of an Allowed Claim under the

Plan may be adversely or favorably affected by the aggregate amount of Claims ultimately Allowed in the applicable Class.

The classification of Claims and Interests and the nature of distributions to members of each Class are summarized below. The Debtor believes that the consideration, if any, provided under the Plan to Holders of Claims and Interests reflects an appropriate resolution of its Claims and Interests, taking into account the differing nature and priority of such Claims and Interests and the fair value of the Debtor's assets.

In the event any Class rejects the Plan, the Debtor will seek confirmation of the Plan pursuant to the "cramdown" provisions of the Bankruptcy Code as to any dissenting Class. Section 1129(b) of the Bankruptcy Code permits confirmation of a chapter 11 plan in certain circumstances even if the plan has not been accepted by all Impaired classes of Claims and Interests. Although the Debtor believes that the Plan can be confirmed under section 1129(b) of the Bankruptcy Code, there can be no assurance that the Bankruptcy Court will find that the requirements to do so have been satisfied.

1. *Treatment of Unclassified Claims under the Plan*

(a) *Administrative Claims*

An Administrative Claim is a Claim for: (a) any cost or expense of administration (including, without limitation, the fees and expenses of Professionals) of the Chapter 11 Case asserted or arising under sections 503, 507(a)(1), 507(b) or 1114(e)(2) of the Bankruptcy Code including, but not limited to (i) any actual and necessary post-Petition Date cost or expense of preserving the Debtor's Estate or operating the organization of the Debtor, (ii) any post-Petition Date cost, indebtedness or contractual obligation duly and validly incurred or assumed by the Debtor in the ordinary course of operations, (iii) compensation or reimbursement of expenses of Professionals to the extent Allowed by the Bankruptcy Court under sections 330(a) or 331 of the Bankruptcy Code, and (iv) all Allowed Claims that are entitled to be treated as Administrative Claims pursuant to a Final Order of the Bankruptcy Court under section 546 of the Bankruptcy Code, including but not limited to the Administrative Claim of Tower Bridge pursuant to the DIP Loan; and (b) any fees or charges assessed against the Debtor's Estate under section 1930 of title 28 of the United States Code.

Under both the Reorganization and the Liquidation Alternative, Administrative Claims are Unimpaired. Unless otherwise provided for in the Plan or agreed to between the Debtor and the Holder of the Claim, each Holder of an Allowed Administrative Claim shall be paid the full amount of their Allowed Administrative Claim, in Cash, as soon as reasonably practicable after the later of: (a) the Effective Date; or (b) ten (10) days after the date such Administrative Claim becomes Allowed by a Final Order. All fees payable pursuant to section 1930 of title 28 of the United States Code, as determined by the Bankruptcy Court at the Confirmation Hearing, will be paid as soon as reasonably practicably after the Effective Date.

Any professionals asserting a Professional Fee Claim against the Debtor shall file their final application for allowance of such Professional Fee Claim no later than sixty (60) days after the Effective Date. Any Professional Fee Claim that is Allowed by the Court after the Effective Date shall be paid by the Debtor as soon as practicable after allowance of such Claim by the

Court. Applications that are not timely filed will not be considered by the Court. The Debtor may pay any Post-Effective Date Professional Fees and expenses for services rendered after the Effective Date without any application to the Bankruptcy Court.

(b) *Priority Tax Claims*

Priority Tax Claims are any and all Claims accorded priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code. Such Priority Tax Claims may include Claims of governmental units for taxes owed by the Debtor that are entitled to a certain priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code. The taxes entitled to priority are (a) taxes on income or gross receipts that meet the requirements set forth in section 507(a)(8)(A) of the Bankruptcy Code, (b) property taxes meeting the requirements of section 507(a)(8)(B) of the Bankruptcy Code, (c) taxes that were required to be collected or withheld by the Debtor and for which the Debtor is liable in any capacity as described in section 507(a)(8)(C) of the Bankruptcy Code, (d) employment taxes on wages, salaries or commissions that are entitled to priority pursuant to section 507(a)(4) of the Bankruptcy Code, to the extent that such taxes also meet the requirements of section 507(a)(8)(D), (e) excise taxes of the kind specified in section 507(a)(8)(E) of the Bankruptcy Code, (f) customs duties arising out of the importation of merchandise that meet the requirements of section 507(a)(8)(F) of the Bankruptcy Code and (g) prepetition penalties relating to any of the foregoing taxes to the extent such penalties are in compensation for actual pecuniary loss as provided in section 507(a)(8)(G) of the Bankruptcy Code.

Under both the Reorganization and the Liquidation Alternative, Priority Tax Claims are Unimpaired. Unless otherwise provided for in the Plan or agreed to between the Debtor and the Holder of the Claim, Holders of Allowed Priority Tax Claims shall be paid the full amount of their Allowed Priority Tax Claim, in Cash, as soon as reasonably practicable after the later of: (a) the Effective Date; or (b) ten (10) days after the date such Priority Tax Claim becomes Allowed by a Final Order.

2. *Treatment of Classified Claims and Interests under the Plan*

(a) *Class 1: Priority Claims*

Under both the Reorganization and the Liquidation Alternative, Class 1 Priority Claims are Unimpaired. A Priority Claim means any Claim against the Debtor entitled to priority pursuant to section 507(a) of the Bankruptcy Code, other than a Priority Tax Claim or an Administrative Claim.

Under either alternative, unless otherwise provided for in the Plan or agreed to between the Debtor and the Holder of the Claim, each Holder of an Allowed Class 1 Priority Claim shall be paid the full amount of their Allowed Priority Claim, in Cash, on the later of: (a) the Effective Date; or (b) ten (10) days after the date such Priority Claim becomes Allowed by a Final Order.

(b) *Class 2: RUS Secured Claim*

Under both the Reorganization and the Liquidation Alternative, the Class 2 RUS Secured Claim is Impaired.

Under the Reorganization, RUS shall receive, at its option, either: (a) amortized quarterly payments equal to the amount of the Allowed RUS Secured Claim over a five (5) year period, with interest at the Wall Street Journal prime rate (in effect on the Confirmation Date) plus one percent (1%) per annum; or (b) payment of an amount equal to ninety percent (90%) of the Allowed RUS Secured Claim, with such payment to be made on the later of (i) the Reorganization Effective Date, or (ii) ten (10) days after the date that such Secured Claim becomes Allowed.

Under the Liquidation Alternative, RUS shall receive, in the discretion of the Debtor after consultation with the Committee, either: (a) Cash equal to the net proceeds of a sale of the RUS Collateral after deducting the costs of sale (including any commissions owed to professionals who facilitate the sale) and any amounts necessary for the satisfaction of any senior Liens in such collateral, up to the amount of the Allowed RUS Claim; or (b) the RUS Collateral, but only to the extent that RUS is determined to have a senior Lien on such RUS Collateral. In the event the RUS Collateral is sold as part of a sale of the Debtor's business operations as a going concern, then the allocation of the net proceeds of the sale to the RUS Collateral shall be determined either by agreement of the Debtor and RUS (which agreement shall be subject to Bankruptcy Court approval) or by the Bankruptcy Court if the Debtor and RUS cannot reach agreement. All payments to RUS on account of its Secured Claim shall be made as soon as reasonably practicable after the later of (i) ten (10) days following the closing of the sale of the RUS Collateral or the Debtor as a going concern, (ii) ten (10) days following the date on which the Bankruptcy Court approves by Final Order the allocation of the sale proceeds to the RUS Collateral, (iii) the Liquidation Effective Date; or (iv) ten (10) days after the date the RUS Claim becomes Allowed by a Final Order.

The treatment of the RUS Secured Claim provided in the Plan shall in no way impact any rights that Tower Bridge may have against RUS pursuant to the Intercreditor Agreement made by and among Limitless Mobile, LLC, The United States of America Rural Utilities Service and Tower Bridge LLM Partners, LLC Dated as of April 12, 2016.

The amount of the Allowed RUS Claim that is in excess of the Allowed RUS Secured Claim shall be classified as a Class 6 General Unsecured Claim and shall be entitled to the treatment in accordance therewith, as set forth in the Plan.

(c) *Class 3: PADOR Secured Claim*

Under both the Reorganization and the Liquidation Alternative, the Class 3 PADOR Secured Claim is Impaired.

Under the Reorganization, PADOR shall receive, in full satisfaction, settlement, release, extinguishment and discharge of its Allowed Secured Claim, at its option, either: (a) amortized quarterly payments equal to the amount of the Allowed PADOR Secured Claim over a two (2) year period, with interest at the Wall Street Journal prime rate (in effect on the Confirmation Date) plus one percent (1%) per annum; or (b) payment of an amount equal to ninety percent (90%) of the Allowed PADOR Secured Claim, with such payment to be made on the later of (i) the Effective Date, or (ii) ten (10) days after the date that such Secured Claim becomes Allowed.

Under the Liquidation Alternative, PADOR shall receive, in the discretion of the Debtor after consultation with the Committee, either: (a) Cash equal to the net proceeds of a sale of the Property securing the PADOR Claim, after deducting the costs of sale (including any commissions owed to professionals who facilitate the sale) and any amounts necessary for the satisfaction of any senior Liens in such collateral, up to the amount of the Allowed PADOR Claim; or (b) the Property securing the PADOR Claim, but only to the extent PADOR is determined to have a senior Lien on such Property. In the event that such Property is sold as part of a sale of the Debtor's business operations as a going concern, then the allocation of the net proceeds of the sale to such Property shall be determined either by agreement of the Debtor and PADOR (which agreement shall be subject to Bankruptcy Court approval) or by the Bankruptcy Court if the Debtor and PADOR cannot reach agreement. All payments to PADOR on account of its Secured Claim shall be made as soon as reasonably practicable after the later of (i) ten (10) days following the closing of the sale of the Property or the Debtor as a going concern, (ii) ten (10) days following the date on which the Bankruptcy Court approves by Final Order the allocation of the sale proceeds to the Property securing the PADOR Claim, (iii) the Liquidation Effective Date; or (iv) ten (10) days after the date the PADOR Claim becomes Allowed by a Final Order.

The amount of the Allowed PADOR Claim that is in excess of the Allowed PADOR Secured Claim shall be classified as: (i) to the extent such Allowed Claim is entitled to the priority set forth in section 507(a)(8) of the Bankruptcy Code, a Priority Tax Claim, and (ii) to the extent such Allowed Claim is not entitled to the priority set forth in section 507(a)(8) of the Bankruptcy Code, a Class 6 General Unsecured Claim.

(d) *Class 4: Other Secured Claims*

Under both the Reorganization and the Liquidation Alternative, Class 4 Other Secured Claims are Unimpaired.

Under the Reorganization, each Holder of an Allowed Class 4 Other Secured Claim shall receive, in the discretion of the Debtor, one of the following: (a) Cash equal to the full amount of their Allowed Other Secured Claim as soon as reasonably practicable after the later of: (i) the Effective Date; or (ii) ten (10) days after the date such Other Secured Claim becomes Allowed by a Final Order; (b) Reinstatement of such Allowed Other Secured Claim; or (c) the Property securing such Other Secured Claim.

Under the Liquidation Alternative, holders of Allowed Class 4 Other Secured Claims shall receive, in the discretion of the Debtor after consultation with the Committee, either: (a) Cash equal to the net proceeds of a sale of the Property securing such Other Secured Claim, after deducting the costs of sale (including any commissions owed to professionals who facilitate the sale) and any amounts necessary for the satisfaction of any senior Liens in such collateral, up to the amount of the Other Secured Claim; or (b) the Property securing the Other Secured Claim, but only to the extent the holder of such Other Secured Claim is determined to have a senior Lien on such Property. In the event that such Property is sold as part of a sale of the Debtor's business operations as a going concern, then the allocation of the net proceeds of the sale to such Property shall be determined either by agreement of the Debtor and the holder of the Other Secured Claim (which agreement shall be subject to Bankruptcy Court approval) or by the Bankruptcy Court if the Debtor and the holder of the Other Secured Claim cannot reach

agreement. All payments made on account of Allowed Other Secured Claims shall be made as soon as reasonably practicable after the later of (i) ten (10) days following the closing of the sale of the Property or the Debtor as a going concern, (ii) ten (10) days following the date on which the Bankruptcy Court approves by Final Order the allocation of the sale proceeds to the Property securing such Other Secured Claim; (iii) the Liquidation Effective Date; or (iv) ten (10) days after the date the Other Secured Claim becomes Allowed by a Final Order.

(e) *Class 5: Convenience Class*

Under both the Reorganization and the Liquidation Alternative, Class 5 Convenience Class Claims are Unimpaired. Convenience Class claims are any and all General Unsecured Claims that are below $1,000.

Under either Plan alternative, unless otherwise agreed to between the Debtor and the Holder of the Claim, Holders of Allowed Class 5 Convenience Class Claims shall be paid the full amount of their Allowed Convenience Class Claim, in Cash, as soon as reasonably practicable after the later of: (a) the Effective Date; or (b) ten (10) days after the date such Convenience Class Claim becomes Allowed by a Final Order.

(f) *Class 6: General Unsecured Claims*

Under both the Reorganization and the Liquidation Alternative, Class 6 General Unsecured Claims are Impaired. Class 6 General Unsecured Claims means all Claims, including Rejection Claims, that are not Administrative Claims, Priority Tax Claims, Class 1 Claims, Class 2 Claims, Class 3 Claims, Class 4 Claims, Class 5 Claims or Class 7 Interests.

Under the Reorganization, unless otherwise agreed to between the Debtor and the Holder of the Claim, each Holder of a Class 6 Allowed General Unsecured Claim shall receive, in full satisfaction, settlement, release, extinguishment and discharge of such Claim (i) their *pro rata* share of the Net Spectrum Proceeds after payment in full of all Administrative Expense Claims, Priority Tax Claims, Class 1 Priority Claims, the Class 2 RUS Secured Claim, but only if and to the extent that RUS is determined to have a Lien against the Spectrum Proceeds and then only after further Order of the Court through the Marshalling Proceeding, and Class 5 Convenience Class Claims; and (ii) the Additional General Unsecured Claim Distribution of $1.5 million (defined below at C.2.(f)(iv) and collectively, the "Reorganization Proceeds").

Under the Reorganization, Cash distributions on account of Allowed Class 6 General Unsecured Claims will be made as follows:

(i) Initial Distribution. As soon as reasonably practicable after the Claims Objection Deadline, and subject to subparagraph (v) below, an initial distribution shall be made to Holders of Allowed Class 6 General Unsecured Claims from the Net Spectrum Proceeds.[4]

[4] The Net Spectrum Proceeds constitute the Spectrum Proceeds after (i) payment in full of all Allowed Administrative Expense Claims, Allowed Priority Tax Claims, Allowed Class 1 Priority Claims, the Class 2 RUS Secured Claim, but only if and to the extent that RUS is determined to have a lienLien against the Spectrum Proceeds and after further Order of the Court through the Marshalling Proceeding, and Allowed Class 5

(ii) Distributions on Account of Disputed Claims that Become Allowed Claims. If a Disputed General Unsecured Claim becomes an Allowed General Unsecured Claim, then the initial distribution owed to the Holder of such Allowed General Unsecured Claim shall be paid on or before ten (10) days after such General Unsecured Claim becomes Allowed by a Final Order.

(iii) Subsequent Distributions. As soon as reasonably practicable after the resolution by Final Order of all Disputed Claims, a final distribution shall be made to Holders of Allowed Class 6 General Unsecured Claims equal to their *pro rata* share of the Spectrum Proceeds that have not been distributed in accordance with the Plan. Solely in the discretion of the Liquidating Trustee, interim distributions may be made to Holders of Allowed Class 6 General Unsecured Claims if such interim distributions make practical and economic sense.

(iv) Additional Cash Distribution. Holders of Allowed Class 6 General Unsecured Claims shall be paid their *pro rata* share of the Additional Cash Distribution on or before the later of: (a) the Reorganization Effective Date; or (b) ten (10) days after the date such General Unsecured Claim becomes Allowed by a Final Order.

(v) Allowance of Tower Bridge Claim, Reclassification of Tower Bridge Claim, and Limited Deferral of Distributions on Account of Allowed Tower Bridge Unsecured Claim. Effective as of the Effective Date, the Tower Bridge Claim is reclassified as an Allowed General Unsecured Claim in the amount of $8,871,288 (the "Allowed Tower Bridge Unsecured Claim"). If, at the time of the Initial Distribution, the Liquidating Trustee determines that the aggregate distributions to Holders of Allowed Class 6 General Unsecured Claims under this Section will result in a distribution of less than 5% of the face amount of all Allowed Class 6 General Unsecured Claims, no distribution shall be made on account of the Allowed Tower Bridge Unsecured Claim unless and until such time as all other Holders of Allowed Class 6 General Unsecured Claims have received at least 5% of the face amount of such Allowed Claims. Thereafter, Tower Bridge shall be entitled to receive a distribution equal to 5% of the Allowed Tower Bridge Unsecured Claim prior to any further distributions on account of the other Allowed Class 6 General Unsecured Claims. Additional distributions to all Holders of Allowed Class 6 General Unsecured Claims (including Tower Bridge), if any, shall be made on a *pro rata* basis.

Convenience Class Claims; (ii) the establishment of the reserve for payment of Professional Fee Claims; and (iii) the establishment of the reserve for Disputed Claims.

Under the Liquidation Alternative, unless otherwise agreed to between the Debtor and the Holder of the Claim, Holders of Allowed Class 6 General Unsecured Claims shall receive, through distributions from the Liquidating Trustee pursuant to the Liquidating Trust Agreement, which will be filed with the Bankruptcy Court within sixty (60) days of the Debtor filing the Notice of Liquidation: (i) their *pro rata* share of the Net Spectrum Proceeds after payment in full of all Administrative Expense Claims, Priority Tax Claims, Class 1 Priority Claims, the Class 2 RUS Secured Claim, but only if and to the extent that RUS is determined to have a Lien against the Spectrum Proceeds and then only after further Order of the Court through the Marshalling Proceeding, and Class 5 Convenience Class Claims; (ii) their *pro rata* share of any proceeds remaining following distributions made to secured and priority creditors; (iii) the proceeds of the sale of any Property of the Debtor that is unencumbered by Liens, and (iv) additional distributions, if any, on account of unliquidated assets that are transferred to the Liquidating Trust, including Causes of Action (collectively, the "Liquidation Proceeds").

Under either the Liquidation Alternative or the Reorganization, the proceeds of the Liquidation Trust Assets shall be distributed to the Holders of Allowed Claims and Interests by the Liquidating Trustee in accordance with the Plan and the Liquidating Trust Agreement.

(g) *Class 7: Interests*

Under both the Reorganization and the Liquidation Alternative, Class 7 Interests are Impaired. This Class consists of equity Interests in the Debtor or the rights to acquire the same.

Under the Reorganization, the equity Interests in the Debtor shall be cancelled as soon as reasonably practicable after the Reorganization Effective Date and the Holders of equity Interests in the Debtor shall receive no distribution or Property on account of such equity Interests.

Under the Liquidation Alternative, the Holders of equity Interests in the Debtor shall receive their *pro rata* share of the Liquidation Proceeds after payment in full of all Allowed Administrative Expense Claims, Allowed Priority Tax Claims, and all Allowed Claims in Classes 1 through 6. Distributions of the Liquidation Proceeds, if any, to equity Interests shall be made by the Liquidating Trustee in accordance with the Liquidating Trust Agreement.

D. Reservation of Rights Regarding Claims

The Debtor specifically preserves any Causes of Action held by the Estate. Confirmation and effectiveness of this Plan shall not be deemed to release any such Causes of Action. However, if the Reorganization Effective Date occurs, the Reorganized Debtor does not intend to pursue such Causes of Action. If the Liquidation Effective Date occurs, the Liquidating Trustee shall decide whether or not to pursue the Causes of Action. In the event that the Plan does not become effective, all settlements, releases and proposed treatments in the Plan are void *ab initio* and all parties reserve their rights to pursue or defend any matter as if the Plan had never been confirmed.

E. Executory Contracts and Unexpired Leases

Under the Reorganization, all executory contracts and unexpired leases that exist between the Debtor and any Person or Entity shall be deemed **assumed** by the Debtor effective as of the Reorganization Effective Date, except for any executory contract or unexpired lease: (i) that has

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been assumed or rejected pursuant to a Final Order of the Bankruptcy Court entered prior to the Reorganization Effective Date; or (ii) as to which a motion for approval of the assumption or rejection of such executory contract or unexpired lease has been filed and served prior to the Reorganization Effective Date. If the Reorganization Effective Date occurs, the Debtor shall pay any cure amounts owed to the non-debtor parties of executory contracts or unexpired leases that are assumed by the Debtor pursuant to this Plan on the Reorganization Effective Date from the Capital Contribution.

Under the Liquidation Alternative, all executory contracts and unexpired leases that exist between the Debtor and any Person or Entity shall be deemed **rejected** by the Debtor effective as of the Liquidation Effective Date, except for any executory contract or unexpired lease: (i) that has been assumed or rejected pursuant to a Final Order of the Bankruptcy Court entered prior to the Liquidation Effective Date; (ii) as to which a motion for approval of the assumption or rejection of such executory or unexpired lease has been filed and served prior to the Liquidation Effective Date; or (iii) that has been assumed and assigned to a third party buyer pursuant to a Final Order of the Bankruptcy Court. If the Liquidation Effective Date occurs, and there is assumption and assignment of any executory contract or unexpired lease, the assignee of such executory contract or unexpired lease shall pay any cure amount owed.

F. Means for Implementation of the Plan

Depending on whether the Debtor pursues the Reorganization or the Liquidation Alternative, the means for implementation of the Plan will vary.

1. *Implementation of Reorganization*

(a) Capital Contribution: As specifically set forth in the Plan, if the Debtor is successful in attracting sufficient capital from Tower Bridge, other potential investors, and Electing Creditors[5] (collectively, the "New Money Investors"), then the New Money Investors will fund a Capital Contribution to the Debtor of at least $11 million. The Capital Contribution will be used to fund certain payments under the Plan, including distributions to PADOR and RUS in satisfaction of their respective Allowed Secured Claims[6], the $1.5 million Additional Cash Distribution to General Unsecured Creditors, and cure amounts for contracts assumed under the reorganization. The remainder of the Capital Contribution shall be retained by the Reorganized Debtor as working capital.

(b) Advance of Capital Contribution to Fund Interim Operations: The Debtor has determined that it needs approximately seventy-five (75) days from the Confirmation Date to raise the Capital Contribution. During the interim period between the Confirmation Date and the earlier of (i) the Reorganization Effective Date; and (ii) the date on which the Debtor files a Notice of Liquidation in accordance with the Plan (the "Interim Operations Period"), Tower Bridge shall advance to the Debtor the amounts needed to fund the Debtor's operations and Professional Fee Claims incurred by counsel for the Debtor, Dilworth Paxson LLP, during the Interim Operations Period[7]. The Capital Contribution shall be advanced by Tower Bridge as an equity contribution to the Reorganized Debtor.

(c) Equity in Reorganized Debtor: On or as soon as reasonably practicable after the Reorganization Effective Date, new equity interests shall be issued in the Reorganized Debtor. In exchange for the Capital Contribution, the New Money Investors shall own 100% of the common voting equity interests in the Reorganized Debtor.

2. *Implementation of Liquidation Alternative*

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[5] "Electing Creditors" are any Holders of a Claim or Claims against the Debtor that will receive a Cash distribution pursuant to the Plan who have elected in writing on a completed Ballot to contribute the amount of their Plan Distribution as part of the Capital Contribution in exchange for a *pro rata* percentage of the ownership interests in the Reorganized Debtor, provided however, that in order to participate in the Capital Contribution, the amount of the Plan Distribution contributed by such Creditor must be at least $110,000 (the amount required to own at least 1% of the equity interests in the Reorganized Debtor based on a total equity value of $11 million) or such other amount necessary for the Electing Creditor to own at least 1% of the equity interests in the Reorganized Debtor if the Capital Contribution is greater than $11 million.

[6] Provided however that if RUS is determined to have a Lien on the Spectrum Proceeds, then the Allowed RUS Secured Claim may be satisfied from the Spectrum Proceeds, subject to further Order of the Court entered by agreement of the Debtor and the Committee or through the Marshalling Proceeding.

[7] During the Interim Operations Period, quarterly fees owed to the United States Trustee, Professional Fee Claims incurred by professionals other than those retained by the Debtor (i.e., Dilworth Paxson LLP) and fees incurred by the Claims Agent shall be paid by the Debtor from the Spectrum Proceeds.

(a) Notice of Liquidation: In the event the Debtor is not able to raise the Capital Contribution within 75 days of the Confirmation Date, then on the 76th day the Debtor shall file the Notice of Liquidation. Nothing shall prevent the Debtor from filing the Notice of Liquidation prior to the 76th day following the Confirmation Date in the Debtor's discretion.

(b) Sale of Remaining Assets: Within twenty-one (21) days of filing the Notice of Liquidation, the Debtor shall, after consultation with the Committee, file a motion to establish sale procedures for substantially all of its remaining assets. Such sale procedures shall be designed by the Debtor in its discretion, and in consultation with the Debtor's advisors and after consultation with the Committee, to effectuate a sale of the Debtor's remaining assets as expeditiously as reasonably possible while maximizing their value.

(c) Operations of Debtor During Sale Period: If the Debtor, in consultation with the Committee and the Debtor's investment banker, concludes that the value of the Debtor's assets will be maximized through a sale as a going concern, then the Debtor may continue to operate its business pending the closing of such sale. If the Debtor, in consultation with the Committee and the Debtor's investment banker, determines that a sale as a going concern is not advisable, then the Debtor may continue to operate its business for the minimum amount of time necessary to comply with FCC regulations and transition its remaining subscribers. From and after the date the Notice of Liquidation is filed, all Administrative Expenses shall be funded from the Spectrum Proceeds. All Administrative Expenses other than Professional Fee Claims shall be paid subject to a budget to be submitted, after consultation with the Committee, to the Bankruptcy Court for approval pursuant to a Final Order that shall contain appropriate variance allowances. All Professional Fee Claims shall be paid as and when permitted to be paid in accordance with Final Orders entered by the Bankruptcy Court (including the interim compensation procedures that were approved at the beginning of the Chapter 11 Case).

(d) *Abandonment and Surrender of Assets:* The Debtor, in consultation with the Committee, may at any time after filing the Notice of Liquidation, surrender any Property to the Secured Creditor(s) that have a Lien on such Property by filing an appropriate motion to abandon (a "Motion to Abandon") such Property with the Bankruptcy Court. Any Property that is encumbered by one of more Liens that is not sold by the Debtor pursuant to the Plan shall be deemed abandoned and surrendered to the Secured Creditor(s) holding such Liens on the Liquidation Effective Date. To the extent any Property abandoned and/or surrendered under this paragraph is located on or at a wireless communications facility, tower, or other structure (collectively, the "Towers" and any Property located on or at a Tower, the "Tower Equipment") and the Debtor or any Secured Creditor intends to remove any Tower Equipment, the Debtor or the Secured Creditor shall provide written notice (the "Written Notice") to the

counterparty (the "Counterparty") under any written agreement relating to the applicable Tower (the "Tower Agreement") no later than five business days prior to the date that the Debtor or any Secured Creditor intends to remove any Tower Equipment. In any Motion to Abandon, the Debtor shall list the addresses and names of the party or parties to whom Written Notices are to be sent under each applicable Tower Agreement pursuant to the foregoing sentence. The Written Notice shall be, for each affected Tower, (a) addressed to the party or parties to whom notices are to be sent under the applicable Tower Agreement, and (i) served by overnight delivery and (ii) served electronically if electronic service of notices is specified or otherwise contemplated in the applicable Tower Agreement, (b) served on any counsel for a Counterparty that has entered an appearance in this Chapter 11 Case, and shall be served on such counsel via (i) electronic mail and (ii) hand-delivery if such counsel has an office in Wilmington, Delaware or, if such counsel does not have an office in Wilmington, Delaware, overnight delivery, and (c) served on the Committee or the Liquidating Trustee, as applicable. To the extent that any Secured Creditor, either through its respective employees, contractors, or other agents, or through any third party (collectively, a "Service Provider"), removes or otherwise modifies any Tower Equipment on a Tower, the Secured Creditor and all Service Providers shall comply with all requirements of the applicable Tower Agreement and applicable law for the removal or modification of Tower Equipment on the applicable Tower, including, without limitation, any requirement under the applicable Tower Agreement or applicable law that any Service Provider be licensed by the Commonwealth of Pennsylvania or any other governmental entity, or any requirement under the applicable Tower Agreement or applicable law that the Secured Creditor or Service Provider obtain a report, certification, or otherwise consult an architect, engineer, or other professional regarding the proposed removal or modification of Tower Equipment. If any Tower Equipment has not been physically removed subject to the provisions of this paragraph from the affected Tower within twenty-eight days after the later of: (i) entry of an Order granting any Motion to Abandon; or (ii) the Liquidation Effective Date, the automatic stay of section 362 of the Bankruptcy Code and any stay or injunction imposed by the Plan will automatically be deemed to be vacated to the extent necessary to permit any Counterparty to a Tower Agreement to access, remove, and/or otherwise dispose of any Tower Equipment without liability to the Debtor or any Secured Creditor relating to the Tower Equipment. Nothing in this paragraph shall be deemed to allow or authorize the Debtor, the Reorganized Debtor, the Committee, or the Liquidating Trustee to produce to a third party any Tower Agreement that is confidential pursuant to its own terms or otherwise confidential under applicable law.

(e) Liquidating Trust: On the Effective Date and pursuant to the Liquidation Trust Agreement to be filed with the Bankruptcy Court, the Debtor shall establish the Liquidating Trust and irrevocably transfer to the Liquidating

Trust, for and on behalf of the beneficiaries of the Liquidating Trust, with no reversionary interest in the Debtor, the Liquidating Trust Assets. The provisions governing the Liquidating Trust shall be set forth in detail in the Liquidating Trust Agreement. Subject to the terms of the Liquidating Trust Agreement, all right, title, and interest in the Liquidating Trust Assets shall be transferred, assigned, and delivered to the Liquidating Trust, free and clear of all Claims, Liens, and Interests, to be managed as Liquidating Trust Assets by the Liquidating Trustee for the sole purposes of consummating and carrying out the Plan. All other necessary steps shall be taken to establish the Liquidating Trust and the beneficial interests therein.

i. Selection of Liquidating Trustee. The Liquidating Trustee shall be selected by the Committee with the consent of the Debtor, which consent shall not be unreasonably withheld. Any disputes regarding the selection of the Liquidating Trustee shall be resolved by the Court upon Motion filed by either the Debtor or the Committee.

ii. Liquidating Trust Agreement. An appropriate Liquidating Trust Agreement shall be negotiated by and among the Debtor, the Committee, and the proposed Liquidating Trustee and approved by the Court.

iii. Post-Confirmation Oversight Committee. The Liquidating Trust shall be governed by a three member oversight committee selected by the Committee (the "Post-Confirmation Oversight Committee") to whom the Liquidating Trustee shall report, and which shall direct the Liquidating Trustee's actions, all pursuant to the Liquidating Trust Agreement and the Plan. All actions of the Liquidating Trust and the Liquidating Trustee shall require approval of at least two members of the Post-Confirmation Oversight Committee. Notwithstanding anything to the contrary contained in the Plan, all actions of the Liquidating Trustee shall be made in consultation with, and subject to the prior approval of, the Post-Confirmation Oversight Committee unless otherwise expressly provided in the Liquidating Trust Agreement.

3. *Plan Funding*

(a) Reorganization: Under the Reorganization, the payments required to be made pursuant to the Plan to Holders of Allowed Class 6 Claims will be made by the Liquidating Trustee from the Reorganization Proceeds. The payments required to be made to Holders of other Allowed Claims will be made either by the Reorganized Debtor or the Liquidating Trustee in accordance with the Liquidating Trust Agreement.

(b) Liquidation Alternative: Under the Liquidation Alternative, the payments required to be made pursuant to the Plan will be made by the Liquidating Trustee from the proceeds of the Liquidating Trust Assets.

(c) Distributions from Spectrum Proceeds, and Allocation and Marshalling of Collateral. Unless RUS or another Holder of an Allowed Secured Claim is determined to have a valid Lien against the Spectrum Proceeds, no portion of the Spectrum Proceeds shall be used to make any payments on account of Secured Claims under the Plan. If RUS or any other Holder of an Allowed Secured Claim is determined to have a valid Lien against the Spectrum Proceeds through the Committee Adversary Proceeding or otherwise, the Allowed RUS Secured Claim, or such other Allowed Secured Claim, may be paid from some or all of the Spectrum Proceeds pursuant to Final Order of the Court either pursuant to agreement between the Debtor and the Committee or after a contested matter or adversary proceeding (a "Marshalling Proceeding") initiated by the Debtor, the Committee, the Liquidating Trustee, RUS, or any other holder of an Allowed Secured Claim through which the Court may determine, without limitation, (a) the extent to which the Allowed RUS Secured Claim or any other Allowed Secured Claim must be first satisfied from the Spectrum Proceeds, the Capital Contribution, or any other property of the Debtor's estate under the doctrine of marshalling or any other similar doctrine with respect to any collateral, including the Spectrum Proceeds, (b) the allocation of the Allowed RUS Secured Claim or any other Allowed Secured Claim among the Spectrum Proceeds, property vested with the Reorganized Debtor, if any, and any other property of the Debtor or the Debtor's estate, and (c) all parties' respective rights regarding any property of the Debtor or proceeds thereof not previously determined through the Plan or other Final Order of the Court. All parties' rights and defenses in any Marshalling Proceeding are hereby reserved and preserved, and confirmation of this Plan shall not prejudice any parties' rights or defenses.

4. *Reserve for Professional Fees and Disputed Claims*

On or before the Effective Date, the Debtor or the Liquidating Trustee, as appropriate, shall place in a reserve account Cash sufficient to make payments on account of Professional Fee Claims, Post-Effective Date Professional Fees, and Disputed Claims.

5. *Organizational Action*

The entry of the Confirmation Order shall constitute authorization for the Debtor to take or cause to be taken all actions necessary or appropriate to consummate and implement the provisions of the Plan prior to, on and after the Effective Date, and all such actions taken or caused to be taken shall be deemed to have been authorized and approved by the Bankruptcy Court. Each of the members of the Debtor and/or the Reorganized Debtor is authorized, in accordance with his or her authority under any resolution of the board of directors of the Debtor and/or the Reorganized Debtor to execute, deliver, file or record such contracts, instruments, releases, indentures and/or other agreements or documents and to take such action as may be necessary and appropriate to effectuate the terms and provisions of the Plan.

G. Confirmation and/or Consummation

Described below are certain important considerations under the Bankruptcy Code in connection with confirmation of the Plan.

1. *Requirements for Confirmation of the Plan*

Before the Plan can be confirmed, the Bankruptcy Court must determine at the Confirmation Hearing that the requirements for confirmation set forth in section 1129 of the Bankruptcy Code are met. The Debtor believes that, upon receipt of the votes required to confirm the Plan, the Plan will satisfy the requirements of section 1129 of the Bankruptcy Code.

Even if all of the foregoing are satisfied, if any Class of Claims is Impaired and votes to reject the Plan, the Debtor must satisfy the applicable "cramdown" standard with respect to that Class. Section 1129(b) of the Bankruptcy Code requires that the plan "not discriminate unfairly" and be "fair and equitable" with respect to such class. The Debtor does not anticipate that any Class of Claims will vote to reject the Plan. However, in the event any Class votes to reject the Plan, the Debtor believes it will satisfy the cramdown standards in section 1129(b) with respect to any such rejecting class.

2. *Conditions Precedent to Confirmation Date and Respective Effective Date*

The Plan specifies conditions precedent to the Confirmation Date and the respective Effective Date, be it the Reorganization Effective Date or the Liquidation Effective Date. Each of the specified conditions must be satisfied or waived in whole or in part by the Debtor, without any notice to parties-in-interest or the Bankruptcy Court and without a hearing, except as otherwise set forth in the Plan.

The conditions precedent to the occurrence of the Confirmation Date, which is the date of entry by the clerk of the Bankruptcy Court of the Confirmation Order, are that: (a) the Bankruptcy Court shall have entered an order or orders, which may be the Confirmation Order, approving the Plan, authorizing the Debtor to execute, enter into and deliver the Plan and any documents relating thereto and to execute, implement and to take all actions otherwise necessary or appropriate to give effect to the transactions contemplated by the Plan; and (b) that the form and substance of the Confirmation Order shall be acceptable to the Debtor, Tower Bridge, and the Committee.

The conditions that must be satisfied prior to the occurrence of the Reorganization Effective Date are that: (a) the Confirmation Order shall have been entered by the Bankruptcy Court through a Final Order and shall be in full force and effect and not be subject to any stay or injunction; (b) all actions, documents and agreements necessary to implement the Plan, including with respect to the issuance of new equity interests in the Reorganized Debtor and the Capital Contribution, shall have been effected or executed as determined by the Debtor in its sole and absolute discretion; (c) the Debtor shall have raised the entire Capital Contribution; (d) the Debtor shall have filed the Liquidating Trust Agreement; and (e) the Liquidating Trust Agreement shall have been approved by the Bankruptcy Court through a Final Order.

The conditions that must be satisfied prior to the occurrence of the Liquidation Effective Date are that: (a) the Confirmation Order shall have been entered by the Bankruptcy Court through a Final Order and shall be in full force and effect and not be subject to any stay or injunction; (b) the Debtor shall have filed the Notice of Liquidation and the Liquidating Trust Agreement; (c) the Liquidating Trust Agreement shall have been approved by the Bankruptcy Court through a Final Order; and (d) any and all sales of Property pursuant to Section 5.02(b) of the Plan (i.e., sales of remaining assets) shall have closed.

The failure to satisfy any condition other than entry of the Confirmation Order that is a requirement to occurrence of the respective Effective Date may be asserted by the Debtor as a reason not to declare an Effective Date, provided that the Debtor determines that such condition cannot reasonably be satisfied. In such event, the Debtor shall file a motion to modify or withdraw the Plan, and creditors and parties in interest shall have the right to be heard with respect to such motion.

H. Effects of Confirmation

1. *Vesting of Assets*

If the Reorganization Effective Date occurs, then on the Reorganization Effective Date (a) the Reorganized Debtor shall be vested with all interests and property other than the Reorganization Proceeds, including Causes of Action, of the Debtor's estate free and clear of all claims, Liens, charges and other interests of Creditors or Interest holders arising prior to the Petition Date, except as expressly provided for in this Plan and (b) the Liquidating Trust shall be vested with the Liquidating Trust Assets free and clear of all claims, Liens, charges and other interests of Creditors or Interest holders arising prior to the Petition Date, except as expressly provided for in the Plan.

If the Liquidation Effective Date occurs, then on the Liquidation Effective Date, the Liquidating Trust shall be vested with all Liquidating Trust Assets free and clear of all claims, Liens, charges and other interests of Creditors or Interest holders arising prior to the Petition Date, except as expressly provided for in the Plan.

2. *Injunction*

(a) *Claims and Interests*

Except as provided for in the Plan or the Confirmation Order, as of the Effective Date, all Claimants that have held, currently hold, or may hold a Claim or other debt or liability that is

discharged, are permanently enjoined from taking any of the following actions against the Debtor, the Reorganized Debtor, or its property on account of any of its discharged claims, debts or liabilities: (i) commencing or continuing, in any manner or in any place, any action or other proceeding; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order; (iii) creating, perfecting or enforcing any Lien or encumbrance; (iv) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to the Debtor or the Reorganized Debtor, except as provided for in the Plan; and (v) commencing or continuing any action, in any manner, or in any place, that does not comply with or is inconsistent with the provisions of the Plan. By accepting any payment pursuant to the Plan, each holder of an Allowed Claim shall be deemed to have specifically consented to the injunctions set forth above.

(b) *Exculpation and Limitation of Liability*

The Plan contains standard exculpation provisions applicable to certain of the key parties in interest with respect to conduct in the Chapter 11 Case. Specifically, the Plan provides that neither the Debtor, its Estate, the Reorganized Debtor, the Committee, Tower Bridge, nor any of their respective officers, directors, employees, advisors, professionals, agents or members shall have or incur any liability to, or be subject to any right of action by, the Debtor, any holder of a Claim or Interest or any other party-in-interest for any act or omission in connection with, related to, or be subject to any right of action, by the Debtor arising out of, the Chapter 11 Case, negotiations regarding or concerning the Plan, the pursuit of confirmation of the Plan, the consummation of the Plan, the administration of the Plan or the property to be distributed under the Plan, or any act taken or omitted to be taken after the Petition Date, except for willful misconduct or gross negligence, and, in all respects, the Debtor, its Estate, the Reorganized Debtor, and their respective officers, directors, employees, advisors, professionals and agents shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

3. *Releases*

(a) *Releases by Debtor in Favor of Third Parties*

The Plan provides for certain releases to be granted by the Debtor on and as of the applicable Effective Date. Specifically, effective on the Effective Date, and except as otherwise provided in the Plan or the Confirmation Order, for good and valuable consideration, the Debtor and the Reorganized Debtor will be deemed to have forever released, waived and discharged the Released Parties (as defined in the Plan) from any and all Claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action and liabilities (other than the rights of the Debtor or the Reorganized Debtor to enforce the Plan and the contracts, instruments, releases, indentures and other agreements or documents delivered thereunder), whether for tort, contract, violations of federal or state securities laws, or otherwise, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that are based in whole or in part on any act, omission, transaction, event or other occurrence, including actions in connection with indebtedness for money borrowed by the Debtor, taking place on or prior to the Effective Date in any way relating to the Debtor, the Chapter 11 Case, or the Plan, provided, however, the Retained Avoidance Actions against Insiders shall only be released pursuant to the Plan if the

Reorganization Effective Date occurs, and if the Liquidation Effective Date occurs, the Retained Avoidance Actions are not released pursuant to the Plan.

(b) *Releases by Holders of Claims and Interests*

The Plan also provides for certain releases by Holders of Claims and Interests. Effective on the Effective Date, in consideration for the obligations of the Debtor under the Plan and the payments, contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, each Person (excluding the Debtor) that has held, currently holds or may hold a Claim or Interest, and any Affiliate of any such Person (as well as any trustee or agent on behalf of each such Person), shall be deemed to have forever waived, released and discharged the Released Parties from any and all Claims, obligations, suits, judgments, damages, rights, Causes of Action and liabilities whatsoever (other than the right to enforce the performance of their respective obligations, if any, to the Debtor or the Reorganized Debtor under the Plan, and the contracts, instruments releases and other agreements delivered under the Plan), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that are based in whole or in part on any act or omission, transaction, event or other occurrence taking place on or prior to the Effective Date in any way relating to the Debtor or the Chapter 11 Case other than Claims or liabilities arising out of or relating to any act or omission that constitutes a failure to perform the duty to act in good faith and where such failure to perform constitutes willful misconduct, gross negligence, or fraud.

This release does not extend to any Claim or Cause of Action existing as of the Effective Date, based on (x) the Internal Revenue Code or any other domestic state, city or municipal tax code, (y) any liability that the Person may have as an owner or operator of real property after Confirmation under the environmental laws of the United States or any domestic state, city or municipality or (z) any criminal laws of the United States or any domestic state, city or municipality.

(c) *Releases by Debtor of Non-Insider Avoidance Actions.*

If the Reorganization Effective Date occurs, and effective on the Reorganization Effective Date, for good and valuable consideration, the Debtor and the Reorganized Debtor will be deemed to have forever released, waived and discharged all Non-Insiders from any and all Non-Insider Avoidance Actions. If the Liquidation Effective Date occurs, all Non-Insider Avoidance Actions shall be preserved.

(d) *Committee Adversary Proceeding Against RUS Unaffected.*

Nothing contained in the Plan shall be deemed to release the claims and causes of action that were or could have been asserted against RUS through the Committee Adversary Proceeding. Effective as of the Effective Date, the Liquidating Trustee shall automatically be deemed to be substituted for the Committee as plaintiff in the Committee Adversary Proceeding. The Liquidating Trustee is hereby authorized to note the substitution through a notice filed in the Committee Adversary Proceeding.

4. *No Successor Liability*

Except as otherwise expressly provided in the Plan or the Liquidating Trust Agreement, the Debtor and the Reorganized Debtor do not, pursuant to the Plan or otherwise, assume, agree to perform, pay, or indemnify or otherwise have any responsibilities for any liabilities or obligations of the Debtor or any other party relating to or arising out of the operations of or assets of the Debtor, whether arising prior to, on, or after the Effective Date.

I. Retention of Jurisdiction

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain after the Effective Date exclusive jurisdiction of all matters arising out of, arising in or related to, the Chapter 11 Case to the fullest extent permitted by applicable law, including, without limitation, jurisdiction to:

- classify or establish the priority or secured or unsecured status of any Claim (whether filed before or after the Effective Date and whether or not contingent, Disputed or unliquidated) or resolve any dispute as to the treatment of any Claim or Interest pursuant to the Plan;

- grant or deny any applications for allowance of compensation or reimbursement of expenses pursuant to sections 330, 331 or 503(b) of the Bankruptcy Code or otherwise provided for in the Plan, for periods ending on or before the Effective Date;

- determine and resolve any matters related to the assumption, assumption and assignment or rejection of any executory contract or unexpired lease to which the Debtor is a party or with respect to which the Debtor may be liable, and to hear, determine and, if necessary, liquidate any Claims arising therefrom;

- ensure that all payments due under the Plan and performance of the provisions of the Plan are accomplished as provided herein and resolve any issues relating to distributions to Holders of Allowed Claims pursuant to the provisions of the Plan;

- construe, take any action and issue such orders, prior to and following the Confirmation Date and consistent with section 1142 of the Bankruptcy Code, as may be necessary for the enforcement, implementation, execution and consummation of the Plan and all contracts, instruments, releases, indentures and other agreements or documents created in connection with the Plan, including, without limitation, the Disclosure Statement and the Confirmation Order, for the maintenance of the integrity of the Plan and protection of the Debtor in accordance with sections 524 and 1141 of the Bankruptcy Code following consummation;

- determine and resolve any case, controversies, suits or disputes that may arise in connection with the consummation, interpretation, implementation or enforcement of the Plan (and all Exhibits to the Plan) or the Confirmation Order, including the indemnification and injunction provisions set forth in and

contemplated by the Plan or the Confirmation Order, or any Entity's rights arising under or obligations incurred in connection therewith;

- hear any application of the Debtor or, if the Liquidation Effective Date occurs, the Liquidating Trustee, to modify the Plan after the Effective Date pursuant to section 1127 of the Bankruptcy Code and the Plan or modify this Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, or remedy any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan, to the extent authorized by the Bankruptcy Code and the Plan;

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

- enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;

- determine any other matters that may arise in connection with or relating to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, including the Liquidating Trust Agreement, except as otherwise provided in the Plan;

- determine such other matters and for such other purposes as may be provided in the Confirmation Order;

- hear and determine any other matters related hereto and not inconsistent with chapter 11 of the Bankruptcy Code;

- hear and determine disputes arising in connection with the interpretation, implementation or enforcement of the Plan;

- enter a final decree closing the Chapter 11 Case;

- determine and resolve any and all controversies relating to the rights and obligations of the Debtor in connection with the Chapter 11 Case;

- allow, disallow, determine, liquidate, reduce, re-classify or estimate any Claim, including the compromise, settlement and resolution of any request for payment

of any Claim, the resolution of any Objections to the allowance of Claims and to hear and determine any other issue presented hereby or arising hereunder, including during the pendency of any appeal relating to any Objection to such Claim (to the extent permitted under applicable law);

- permit the Debtor, the Reorganized Debtor, or the Liquidating Trustee as applicable, to the extent provided for in the Plan, to recover all assets of the Debtor and Property of its Estate, wherever located;

- hear and determine any motions or contested matters involving taxes, tax refunds, tax attributes and tax benefits and similar or related matters with respect to the Debtor or the Debtor's Estate arising prior to the Effective Date or relating to the period of administration of the Chapter 11 Case, including, without limitation, matters concerning federal, state and local taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code; and

- hear and determine any motions, applications, adversary proceedings, contested matters and other litigated matters pending on, filed or commenced after the Effective Date that may be commenced by the Debtor, the Reorganized Debtor or the Liquidating Trustee, as applicable, thereafter, including Retained Avoidance Actions, proceedings with respect to the rights of the Debtor, the Reorganized Debtor or the Liquidating Trustee to recover Property under sections 502, 510, 541, 542, 543, 544, 545, 547, 548, 550, 551 or 553 of the Bankruptcy Code to the extent not released pursuant to the Plan, or proceedings to otherwise collect to recover on account of any Claim or Cause of Action that the Debtor or the Liquidating Trustee, as applicable, may have had to the extent not released pursuant to the Plan.

If the Bankruptcy Court abstains from exercising or declines to exercise jurisdiction over any matter arising under, arising in or related to the Debtor, including with respect to the matters set forth above, nothing in the Plan shall prohibit or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such subject matter.

J. Modification of Plan

At any point prior to entry of the Confirmation Order, the Debtor may modify the Plan but may not modify the Plan so that the Plan, as modified, fails to meet the requirements of sections 1122 and 1123 of the Bankruptcy Code. If the Debtor files a modified Plan with the Bankruptcy Court, the Plan as modified shall become the Plan.

At any time after entry of the Confirmation Order and before substantial consummation of the Plan, the Debtor may modify the Plan but may not modify the Plan so that the Plan, as modified, fails to meet the requirements of Sections 1122 and 1123 of the Bankruptcy Code. The Plan as modified under Section 10.2(b) of the Plan becomes the Plan only if the Bankruptcy Court, after notice and hearing, confirms such Plan as modified under Section 1129 of the Bankruptcy Code.

VII. CERTAIN RISK FACTORS TO BE CONSIDERED

The Holders of Claims in Classes 2, 3 and 6 should read and carefully consider the following factors, as well as the other information set forth in this Disclosure Statement (and the documents delivered together herewith and/or incorporated by reference herein), before deciding whether to vote to accept or reject the Plan. These risk factors should not, however, be regarded as constituting the only risks associated with the Plan and its implementation.

A. General Considerations

The Plan sets forth the means for satisfying the Claims against the Debtor. See Article VI.C. of this Disclosure Statement entitled "Classification and Treatment of Claims and Interests" for a description of the treatments of each class of Claims and Interests.

B. Certain Bankruptcy Considerations

Even if all voting Impaired Classes vote in favor of the Plan, and if with respect to any Impaired Class deemed to have rejected the Plan the requirements for "cramdown" are met, the Bankruptcy Court may choose not to confirm the Plan. Section 1129 of the Bankruptcy Code requires, among other things, a showing that confirmation of the Plan will not be followed by liquidation or the need for further financial reorganization of the Debtor, see Article IX.A., *supra*, and that the value of distributions to dissenting Holders of Claims and Interests will not be less than the value such Holders would receive if the Debtor liquidated under chapter 7 of the Bankruptcy Code. See Article IX.D., *supra*. Although the Debtor believes that the Plan will meet such tests, there can be no assurance that the Bankruptcy Court will reach the same conclusion. See Exhibit B for a liquidation analysis of the Debtor.

C. Claims Estimations

There can be no assurance that any estimated Claim amounts set forth in this Disclosure Statement are correct. The actual Allowed amount of Claims likely will differ in some respect from the estimates. The estimated amounts are subject to certain risks, uncertainties, and assumptions. Should one or more of these risks or uncertainties materialize, or should any underlying assumptions prove incorrect, the actual Allowed amount of Claims may vary from those estimated herein.

D. Conditions Precedent to Consummation

The Plan provides for certain conditions that must be satisfied (or waived) prior to confirmation of the Plan and for certain other conditions that must be satisfied (or waived) prior to the operative Effective Date. While it is the Debtor's objective to reorganize, as of the date of this Disclosure Statement, there can be no assurance that any or all of the conditions in the Plan for the occurrence of the Reorganization Effective Date will be satisfied (or waived). Accordingly, even if the Plan is confirmed by the Bankruptcy Court, there can be no assurance that the Restructuring will be consummated. In that event, the Debtor will proceed under the Liquidation Alternative.

E. Inherent Uncertainty of Financial Projections

The Projections set forth in Exhibit A hereto have been prepared by management of the Debtor and cover the projected operations of the Debtor through fiscal year 2022. These Projections are based on numerous assumptions that are an integral part of the Projections, including confirmation and consummation of the Plan in accordance with its terms, realization of the operating strategy of the Debtor, success in acquiring new customers, achievement of projected gross margins, general business and economic conditions, competition, attraction and retention of key employees, and other matters.

Although the Projections are presented with numerical specificity and are based on assumptions considered reasonable by the Debtor, the assumptions and estimates underlying the Projections are subject to business, economic and competitive uncertainties and contingencies. Accordingly, the Projections are only the Debtor's educated, good faith estimates and are necessarily contingent in nature. It can be expected that some or all of the assumptions in the Projections will not be realized and that actual results will vary from the Projections, which variations may be material and may increase over time. The projected financial information contained herein should not be regarded as a guaranty by the Debtor, the Debtor's advisors or any other Person that the Projections can or will be achieved even if the Reorganization is consummated. However, the Debtor believes that the Projections are credible and that there is a reasonable likelihood that the results set forth in the Projections can be achieved.

F. Certain Tax Considerations

There are a number of income tax considerations, risks and uncertainties associated with consummation of the Plan. Interested parties should read carefully the discussions set forth in Article IX hereof regarding certain U.S. federal income tax consequences of the transactions proposed by the Plan to the Debtor and to Holders of Claims who are entitled to vote to accept or reject the Plan.

VIII. SECURITIES LAWS MATTERS

A. Applicability of the Bankruptcy Code and Federal and Other Securities Laws

The initial issuance and the resale of equity interests in the Reorganized Debtor under the Reorganization raise certain securities law issues under the Bankruptcy Code and federal and state securities laws that are discussed in this section. The information in this section should not be considered applicable to all situations or to all holders of Claims receiving equity interests in the Reorganized Debtor. Holders of Claims should consult their own legal counsel concerning the facts and circumstances relating to the transfer of these interests.

The Debtor does not intend to file a registration statement under the Securities Act of 1933 (the "Securities Act") or any state securities laws relating to the initial issuance on the Effective Date of equity interests pursuant to the Plan. The Debtor believes that the provisions of section 1145(a)(1) of the Bankruptcy Code exempt the initial issuance of equity interests in the Reorganized Debtor to holders of Claims on the Effective Date from federal and state securities registration requirements.

1. *Initial Issuance and Delivery of Securities*

Under the Reorganization, the Reorganized Debtor will issue equity interests pursuant to Section 5.01(c) of the Plan to the extent any Holder of an Allowed Claim elects to contribute its Plan Distribution as part of the Capital Contribution.

Section 1145(a)(1) of the Bankruptcy Code exempts the issuance of securities under a plan of reorganization from registration under the Securities Act and under state securities laws if three principal requirements are satisfied:

- the securities must be issued "under a plan" of reorganization and must be securities of the debtors, of an affiliate "participating in a joint plan" with the debtors or of a successor to the debtors under the plan;

- the recipients of the securities must hold a prepetition or administrative expense claim against the debtors or an interest in the debtors or such affiliate; and

- the securities must be issued entirely in exchange for the recipient's claim against or interest in the debtors, or "principally" in such exchange and "partly" for cash or property.

The Debtor believes that the equity interests in the Reorganized Debtor satisfy the requirements of section 1145(a)(1) of the Bankruptcy Code and are therefore exempt from registration under the Securities Act and state securities laws.

2. *Subsequent Transfers Under Federal Securities Laws*

In general, all resales and subsequent transactions involving equity interests in the Reorganized Debtor will be exempt from registration under the Securities Act under section 4(1) of the Securities Act, unless the holder is deemed to be an "underwriter" with respect to such securities, an "affiliate" of the issuer of such securities or a "dealer." Section 1145(b)(1) of the Bankruptcy Code defines four types of "underwriters":

- persons who purchase a claim against, an interest in, or a claim for administrative expense against the debtors with a view to distributing any security received or to be received in exchange for such a claim or interest ("accumulators");

- persons who offer to sell securities offered or sold under a plan for the holders of such securities ("distributors");

- persons who offer to buy securities offered or sold under a plan from the holders of the securities, if the offer to buy is (1) with a view to distributing such securities and (2) made under an agreement in connection with the plan or with the issuance of securities under the plan; and

- a person who is an "issuer" with respect to the securities, as the term "issuer" is defined in section 2(11) of the Securities Act.

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

any person under direct or indirect common control with the issuer. Under section 2(12) of the Securities Act, a "dealer" 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. The determination of whether a particular person would be deemed to be an "underwriter" or an "affiliate" with respect to any security to be issued under the Plan, or would be deemed a "dealer," would depend on various facts and circumstances applicable to that person. Accordingly, the Debtor expresses no view as to whether any person would be an "underwriter" or an "affiliate" with respect to any security to be issued under the Plan or would be a "dealer."

Any person intending to rely on such exemption is urged to consult his or her own counsel as to the applicability thereof to his or her circumstances.

3. *Subsequent Transfers Under State Law*

The state securities laws generally provide registration exemptions for subsequent transfers by a bona fide owner for his or her own account and subsequent transfers to institutional or accredited investors. Such exemptions are generally expected to be available for subsequent transfers of the equity interests in the Reorganized Debtor.

Any person intending to rely on these exemptions is urged to consult his or her own counsel as to their applicability to his or her circumstances.

The foregoing summary discussion is general in nature and has been included in this Disclosure Statement solely for informational purposes. The Debtor makes no representations concerning, and does not provide, any opinions or advice with respect to the securities or the bankruptcy matters described in this Disclosure Statement. In light of the uncertainty concerning the availability of exemptions from the relevant provisions of federal and state securities laws, the Debtor encourages each Holder and party-in-interest to consider carefully and consult with its own legal advisors with respect to all such matters. Because of the complex, subjective nature of the question of whether a security is exempt from the registration requirements under the federal or state securities laws or whether a particular holder may be an underwriter, the Debtor makes no representation concerning the ability of a person to dispose of the securities issued under the Plan.

IX. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

THE FOLLOWING DISCUSSION SUMMARIZES CERTAIN ANTICIPATED U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE TRANSACTIONS PROPOSED BY THE PLAN TO THE DEBTOR AND HOLDERS OF CLAIMS THAT ARE ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN. THIS SUMMARY IS PROVIDED FOR INFORMATION PURPOSES ONLY AND IS BASED ON THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "IRC"), TREASURY REGULATIONS PROMULGATED THEREUNDER, JUDICIAL AUTHORITIES, AND CURRENT ADMINISTRATIVE RULINGS AND PRACTICE, ALL AS IN EFFECT AS OF THE DATE HEREOF AND ALL OF WHICH ARE SUBJECT TO CHANGE OR DIFFERING INTERPRETATION, POSSIBLY WITH RETROACTIVE EFFECTS THAT COULD

ADVERSELY AFFECT THE U.S. FEDERAL INCOME TAX CONSEQUENCES DESCRIBED BELOW.

THIS SUMMARY DOES NOT ADDRESS ALL ASPECTS OF U.S. FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER OF A CLAIM IN LIGHT OF ITS PARTICULAR FACTS AND CIRCUMSTANCES OR TO CERTAIN TYPES OF HOLDERS OF CLAIMS SUBJECT TO SPECIAL TREATMENT UNDER THE CODE (FOR EXAMPLE, NON-U.S. TAXPAYERS, FINANCIAL INSTITUTIONS, BROKER-DEALERS, INSURANCE COMPANIES, TAX-EXEMPT ORGANIZATIONS, AND THOSE HOLDING CLAIMS THROUGH A PARTNERSHIP OR OTHER PASS-THROUGH ENTITY). IN ADDITION, THIS SUMMARY DOES NOT DISCUSS ANY ASPECTS OF STATE, LOCAL, OR NON-U.S. TAXATION AND DOES NOT ADDRESS THE U.S. FEDERAL INCOME TAX CONSEQUENCES TO HOLDERS OF CLAIMS THAT ARE UNIMPAIRED UNDER THE PLAN, HOLDERS OF CLAIMS THAT ARE NOT ENTITLED TO VOTE UNDER THE PLAN, AND HOLDERS OF CLAIMS THAT ARE NOT ENTITLED TO RECEIVE OR RETAIN ANY PROPERTY UNDER THE PLAN.

THE TAX RULES DESCRIBED HEREIN ARE COMPLEX AND ITS APPLICATION IS UNCERTAIN IN CERTAIN RESPECTS. EACH HOLDER OF A CLAIM IS STRONGLY URGED TO CONSULT WITH ITS OWN TAX ADVISOR REGARDING THE TAX CONSEQUENCES (INCLUDING STATE, LOCAL AND NON-U.S.) OF THE PLAN TO SUCH HOLDER.

A SUBSTANTIAL AMOUNT OF TIME MAY ELAPSE BETWEEN THE DATE OF THIS DISCLOSURE STATEMENT AND THE RECEIPT OF A FINAL DISTRIBUTION UNDER THE PLAN. EVENTS SUBSEQUENT TO THE DATE OF THIS DISCLOSURE STATEMENT, SUCH AS ADDITIONAL TAX LEGISLATION, COURT DECISIONS, OR ADMINISTRATIVE CHANGES, COULD AFFECT THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN AND THE TRANSACTIONS CONTEMPLATED THEREUNDER. NO RULING HAS BEEN OR IS EXPECTED TO BE SOUGHT FROM THE INTERNAL REVENUE SERVICE (THE "IRS") WITH RESPECT TO ANY OF THE TAX ASPECTS OF THE PLAN AND NO OPINION OF COUNSEL HAS BEEN OR IS EXPECTED TO BE OBTAINED BY THE DEBTOR WITH RESPECT THERETO.

To ensure compliance with United States Internal Revenue Service Circular 230, (a) any discussion of U.S. federal tax issues in this Disclosure Statement is not intended or written to be relied upon, and cannot be relied upon by Holders, for purposes of avoiding penalties that may be imposed on such Holders under the Code; (b) such discussion is written to support the promotion of the Plan; and (c) each Holder of a claim should seek advice based on such Holder's particular circumstances from an independent tax advisor.

A. Federal Income Tax Consequences to the Debtor

There are multiple variables that may impact the U.S. federal income tax consequences to the Debtor. For U.S. federal tax purposes, the Debtor is a single-member limited liability company that is treated as a disregarded entity. Holdings, which owns 100% of the membership interests in the Debtor, is taxed as a partnership. This means that the U.S. federal income tax consequences of the Plan will flow through to the members of Holdings (which include

individuals and entities which have either a direct interest in Holdings or an indirect interest through another entity treated as a partnership or as disregarded entity). For purposes of this section VIII.A., such direct and indirect members of Holdings shall be generally referred to as "members of Limitless Mobile Holdings, LLC." There are three main tax events of the Plan that are relevant for U.S. federal income tax consequences:

1. The Debtor will realize taxable gain or loss on the Spectrum Proceeds, which, for U.S. federal income tax purposes, will pass through to the ultimate members of Limitless Mobile Holdings, LLC, to the extent the Debtor's adjusted basis in the assets sold was less than or exceeded, respectively, the Spectrum Proceeds.

2. The Capital Contribution from Tower Bridge to the Reorganized Debtor in exchange for membership interests of the Reorganized Debtor should be tax-free to the Debtor, Limitless Mobile Holdings, LLC and its members for U.S. federal income tax purposes. To the extent Other Creditors participate in the Capital Contribution pursuant to paragraph 5.01(c) of the Plan, those contributions in exchange for a *pro rata* percentage of the ownership interest in the Reorganized Debtor should be tax-free to the Debtor, Holdings and its members for U.S. federal income tax purposes as well, provided that the fair market value of the membership interests is no less than the indebtedness exchanged. To the extent the Reorganized Debtor has more than 1 member, it will be taxed as a partnership for U.S. federal income tax purposes.

3. Any discharge of indebtedness (whether recourse or nonrecourse) of the Debtor that occurs as a result of the Plan will be treated as taxable income, and will be allocated separately to each of the members of Limitless Mobile Holdings, LLC. The taxable income may be treated as cancellation of indebtedness income pursuant to section 108 of the Internal Revenue Code of 1986, as amended (the "Code"), absent the application of any of the relevant exceptions. For these purposes, "discharge of indebtedness" means either any indebtedness of the Debtor or portion thereof that is discharged as a result of the Plan without consideration or any indebtedness of the Debtor that is exchanged for an interest in the Restructured Borrower (see 2 above) if the fair market value of the interest in the Restructured Debtor that the Other Creditor receives is less than the amount of outstanding indebtedness exchanged. However, to the extent any members of Limitless Mobiles Holdings, LLC (for members taxed as partnerships or disregarded entities, the relevant inquiry will be at the level of the ultimate taxpayer(s)) are "insolvent" for U.S. federal tax income purposes, this discharge of indebtedness income will be excluded from such member's taxable income, to the extent of such member's insolvency, but will then result in the reduction of certain tax attributions of the insolvent member (i.e., net operating losses and/or a member's basis in its assets).

B. Federal Income Tax Consequences to Claim Holders

The U.S. federal income tax consequences to a Holder receiving, or entitled to receive, a payment in partial or total satisfaction of a Claim may depend on a number of factors, including the nature of the Claim, the Holder's method of accounting, its tax basis in its claim, and its own particular tax situation. Because the Holders' Claims and tax situations differ, Holders should consult their own tax advisors to determine how the Plan affects them for federal, state and local tax purposes, based on its particular tax situations.

C. Other Tax Matters

1. *Information Reporting and Backup Withholding*

Certain payments or distributions pursuant to the Plan may be subject to information reporting to the IRS. Moreover, such reportable payments may be subject to backup withholding (at the then applicable rate (currently 28%)) unless the taxpayer: (i) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates this fact or (ii) provides or has provided a correct taxpayer identification number and certifies under penalty of perjury that the taxpayer identification number is correct and that the taxpayer is not subject to backup withholding because of a failure to report all dividend and interest income.

Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax and the appropriate information is supplied to the IRS.

2. *Importance of Obtaining Professional Tax Assistance*

THE FOREGOING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE ABOVE DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON A HOLDER'S INDIVIDUAL CIRCUMSTANCES. ACCORDINGLY, HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS ABOUT THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN.

X. FEASIBILITY OF THE PLAN AND BEST INTERESTS OF CREDITORS

A. Feasibility of the Plan

In connection with confirmation of the Plan, the Bankruptcy Court will be required to determine that the Plan is feasible pursuant to section 1129(a)(11) of the Bankruptcy Code, which means that the confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Debtor, unless such liquidation or reorganization is proposed in the plan.

To support its belief in the feasibility of the proposed Reorganization, the Debtor has prepared and relied upon the Projections with respect to the Reorganized Debtor's operations post-confirmation, which are annexed to this Disclosure Statement as Exhibit A.

Under the Reorganization, the Plan contemplates that the Debtor will raise a certain amount of capital as of the Reorganization Effective Date. These amounts will ensure that the Debtor has sufficient Cash to make all distributions required by the Reorganization and retain some working capital, and that no further financial restructuring will be necessary in the foreseeable future. In the event that the Debtor cannot raise sufficient capital to consummate the Reorganization, the Debtor will file a Notice of Liquidation and proceed to an orderly liquidation in accordance with the provisions of the Liquidation Alternative. Accordingly, the Debtor

believes that the Plan complies with the financial feasibility standard of section 1129(a)(11) of the Bankruptcy Code.

The Projections were developed by the Debtor's management, and are based upon numerous assumptions that are an integral part of the Projections, including, without limitation, confirmation and consummation of the Plan in accordance with its terms, realization of the Debtor's business development goals, no changes in technology that adversely impact the value proposition upon which the Debtor's business plan is based, no material adverse changes in applicable legislation or regulations, or the administration thereof, exchange rates or generally accepted accounting principles, general business and economic conditions, competition, absence of material contingent or unliquidated litigation, indemnity or other claims, and other matters. To the extent that the assumptions inherent in the Projections are based upon future operational decisions and objectives, they are subject to change. In addition, although they are presented with numerical specificity and the assumptions on which they are based are considered reasonable by the Debtor, the assumptions and estimates underlying the Projections are subject to organizational, economic and competitive uncertainties and contingencies. Accordingly, the Projections are only an educated, good faith estimate and are necessarily contingent in nature. It can be expected that some or all of the assumptions in the Projections will not be realized and that actual results will vary from the Projections, which variations may be material and may be adverse. The Projections should therefore not be regarded as a guaranty by the Debtor or any other Person that the results set forth in the Projections will be achieved. The Projections were prepared by the Debtor, and not by any of its creditors, and the Debtor's creditors make no representations concerning the reasonableness of the Projections. In light of the foregoing, readers are cautioned not to place undue reliance on the Projections. The projected financial information contained herein and in the Projections should not be regarded as a representation or warranty by the Debtor, the Debtor's advisors or any other Person that the Projections can or will be achieved. The Projections should be read together with the assumptions set forth in the Projections and information in Article VII of this Disclosure Statement entitled "Certain Risk Factors to be Considered," which sets forth important factors that could cause actual results to differ from those in the Projections. The Debtor, however, believes that the Projections are credible and that there is a reasonable likelihood that the results set forth in the Projections can be achieved.

The Debtor does not intend to update or otherwise revise the Projections, including any revisions to reflect events or circumstances existing or arising after the date of the Projections or to reflect the occurrence of unanticipated events, even if any or all of the underlying assumptions do not come to fruition. Furthermore, the Debtor does not intend to update or revise the Projections to reflect changes in general economic or industry conditions.

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: This Disclosure Statement and the financial projections contained herein and in the Projections include "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this Disclosure Statement are forward-looking statements, including, without limitation, financial projections, the statements, and the underlying assumptions, regarding the timing of, completion of and scope of the current restructuring, the Plan, debt and equity market conditions, current and future economic conditions, the potential effects of such matters on the Debtor's operating strategy, results of

operations or financial position, and the adequacy of the Debtor's liquidity. The forward-looking statements are based upon current information and expectations. Estimates, forecasts and other statements contained in or implied by the forward-looking statements speak only as of the date on which they are made, are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to evaluate and predict. Although the Debtor believes that the expectations reflected in the forward-looking statements are reasonable, parties are cautioned that any such forward-looking statements are not guarantees of future performance, and involve risks and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements. Certain important factors that could cause actual results to differ materially from the Debtor's expectations or what is expressed, implied or forecasted by or in the forward-looking statements include developments in the Chapter 11 Case, adverse developments in the timing or results of the Debtor's business plan (including the time line to emerge from chapter 11), the timing and extent of changes in economic conditions, the demand for the Debtor's services, motions filed or actions taken in connection with the bankruptcy proceedings, the availability of and the Debtor's ability to attract or retain high-quality personnel. Additional factors that could cause actual results to differ materially from the Projections or what is expressed, implied or forecasted by or in the forward-looking statements are stated herein in cautionary statements made in conjunction with the forward-looking statements or are included elsewhere in this Disclosure Statement.

B. Acceptance of the Plan

As a condition to Confirmation, the Bankruptcy Code requires that each Class of Impaired Claims vote to accept the Plan, except under certain circumstances.

Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired claims as acceptance by holders of at least two-thirds (⅔) in dollar amount and more than one-half (½) in number of claims in that class, but for that purpose counts only those who actually vote to accept or to reject the Plan. Thus, Holders of Claims in Class 6 (General Unsecured Claims) will have voted to accept the Plan only if two-thirds (⅔) in amount and a majority in number of the Claims actually voting in such Class cast their ballots in favor of acceptance. Because they are the only members of their respective Classes, if either PADOR or RUS votes to reject the Plan, Class 2 or Class 3, as applicable, will have rejected the Plan. Holders of Claims who fail to vote are not counted as either accepting or rejecting the Plan.

C. Best Interests Test

As noted above even if a plan is accepted by each class of claims and interests, the Bankruptcy Code requires a bankruptcy court to determine that the plan is in the best interests of all holders of claims or interests that are impaired by the plan and that have not accepted the plan. The "best interests" test, as set forth in section 1129(a)(7) of the Bankruptcy Code, requires a bankruptcy court to find either that all members of an impaired class of claims or interests have accepted the plan or that the plan will provide a member who has not accepted the plan with a recovery of property of a value, as of the effective date of the plan, that is not less than the amount that such holder would recover if the debtor were liquidated under chapter 7 of the Bankruptcy Code as of such date.

To calculate the probable distribution to holders of each impaired class of claims and interests if the debtor were liquidated, a bankruptcy court must first determine the aggregate dollar amount that would be generated from the debtor's assets if its chapter 11 case were converted to a chapter 7 case under the Bankruptcy Code. This "liquidation value" would consist primarily of the cash on hand and any additional proceeds from a forced sale of the debtor's assets by a chapter 7 trustee.

The amount of chapter 7 liquidation value available to unsecured creditors would be reduced by, first, the claims of secured creditors to the extent of the value of their collateral and, second, by the costs and expenses of liquidation, as well as by other administrative expenses and costs of both the chapter 7 case and the chapter 11 case. Costs of liquidation under chapter 7 of the Bankruptcy Code would include the compensation of a trustee, as well as of counsel and other professionals retained by the trustee, asset disposition expenses, all unpaid administrative expenses incurred by the Debtor in its chapter 11 case that are allowed in the chapter 7 case, litigation costs and claims arising from the operations of the debtor during the pendency of the chapter 11 case. The liquidation itself would trigger certain priority payments that otherwise would be due in the ordinary course of business. Those priority claims would be paid in full from the liquidation proceeds before the balance would be made available to pay general unsecured claims or to make any distribution in respect of equity security interests. The liquidation would also prompt the rejection of a large number of executory contracts and unexpired leases and thereby significantly enlarge the total pool of unsecured claims by reason of resulting rejection damages claims.

Once the bankruptcy court ascertains the recoveries in chapter 7 liquidation of secured creditors and priority claimants, it must determine the probable distribution to general unsecured creditors and equity security holders from the remaining available proceeds in liquidation. If such probable distribution has a value greater than the distributions to be received by such creditors and equity security holders under the plan, then the plan is not in the best interests of creditors and equity security holders.

D. Liquidation Analysis

For purposes of the best interests test, the Debtor prepared a chapter 7 liquidation analysis, annexed hereto as Exhibit B, which concludes that if a distress liquidation of the Debtor's assets under chapter 7 were to occur, the aggregate value to be realized by the Debtor's unsecured creditors other than Holders of Administrative and Priority Claims would be approximately 33% or less. These conclusions are premised upon the assumptions set forth in Exhibit B, which the Debtor believes are reasonable.

The Debtor believes that any liquidation analysis with respect to the Debtor is inherently speculative. The Liquidation Analysis for the Debtor necessarily contains estimates of the net proceeds that would be received from a forced sale of assets, as well as the amount of Claims that would ultimately become Allowed Claims. Claims estimates are based solely upon the Debtor's books and records and Claims filed to date in this case. No order or finding has been entered by the Bankruptcy Court estimating or otherwise fixing the amount of Claims at the projected amounts of Allowed Claims set forth in the Liquidation Analysis. In preparing the Liquidation Analysis, the Debtor has projected an amount of Allowed Claims that represents an estimate of the chapter 7 liquidation dividend to Holders of Allowed Claims. The estimate of the

amount of Allowed Claims set forth in the Liquidation Analysis should not be relied on for any other purpose, including, without limitation, any determination of the value of any distribution to be made on account of Allowed Claims under the Plan.

E. Application of the "Best Interests" of Creditors Test

It is impossible to determine with certainty the value each Holder of a Claim will receive under the Plan as a percentage of any Allowed Claim. Notwithstanding the difficulty in quantifying recoveries with precision, the Debtor believes that the financial disclosures and projections contained herein imply the greatest potential recovery to Holders of Claims in Impaired Classes, whether the Reorganization or the orderly Liquidation Alternative is pursued. Accordingly, the Debtor believes that the "best interests" test of section 1129 of the Bankruptcy Code is satisfied.

F. Confirmation Without Acceptance of All Impaired Classes: The "Cramdown" Alternative

In the event any Class of Impaired Claims rejects the Plan, the Debtor may seek confirmation of the Plan pursuant to the "cramdown" provisions of the Bankruptcy Code.

Section 1129(b) of the Bankruptcy Code provides that a plan can be confirmed even if the plan is not accepted by all impaired classes, as long as at least one impaired class of claims has accepted it. The Bankruptcy Court may confirm a plan at the request of a debtor if the plan "does not discriminate unfairly" and is "fair and equitable" as to each impaired class that has not accepted the plan. A plan does not discriminate unfairly within the meaning of the Bankruptcy Code if a dissenting class is treated equally with respect to other classes of equal rank. The Debtor believes the Plan does not discriminate unfairly with respect to the Claims and Interests in Classes 6 and 7.

A plan is "fair and equitable" as to holders of unsecured claims that reject the plan if the plan provides either that: (a) each holder of a claim of such class receives or retains on account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or (b) the holder of any claim or interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or interest any property.

A plan is fair and equitable as to a class of equity interests that rejects a plan if the plan provides (a) that each holder of an interest included in the rejecting class receive or retain on account of that interest property that has a value, as of the effective date of the plan, equal to the greatest of the allowed amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled or the value of such interest or (b) that the holder of any interest that is junior to the interests of such class will not receive or retain under the plan on account of such junior interest any property at all.

The Debtor believes that it could, if necessary, meet the "fair and equitable" requirements of section 1129(b) of the Bankruptcy Code with respect to Holders of Claims and Interests in Classes 6 and 7.

XI. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The Debtor believes that the Plan affords creditors the potential for the greatest realization on the Debtor's assets and, therefore, is in the best interests of such Holders. If, however, the requisite acceptances are not received, or the Plan is not confirmed and consummated, the theoretical alternatives include (a) formulation of an alternative plan or plans of reorganization or (b) conversion of the Debtor's bankruptcy case to a case under chapter 7 of the Bankruptcy Code.

A. Alternative Plan(s) of Reorganization

If the requisite acceptances are not received or if the Plan is not confirmed, the Debtor (or, if the Debtor's exclusive periods in which to file and solicit acceptances of a plan of reorganization have expired, any other party in interest) could attempt to formulate and propose a different plan or plans of reorganization. Such a plan or plans might involve either a reorganization and continuation of the Debtor's business, a sale of the Debtor's business as a going concern, or an orderly liquidation of assets.

The Debtor believes that the Plan enables Creditors to realize the greatest possible value under the circumstances and has the greatest chance to be confirmed and consummated.

B. Liquidation

If no plan is confirmed, the Debtor may be forced to liquidate outside of bankruptcy or to convert to a case under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be elected or appointed to liquidate the Debtor's assets for distribution in accordance with the priorities established by the Bankruptcy Code. It is impossible to predict with certainty how the proceeds of the liquidation would be distributed to the respective Holders of Claims against or Interests in the Debtor. However, the Debtor believes most of these proceeds would go to secured, administrative and priority claims.

The Debtor further believes that a distress liquidation would cause a substantial diminution in the Debtor's Estate given the premium in the distribution value pursuant to the Plan over the forced liquidation value of its assets, as well as the additional administrative expenses involved in the appointment of a trustee or trustees and attorneys, accountants and other professionals to assist such trustees. The assets available for distribution to Creditors would be reduced by such additional expenses and by Claims, some of which would be entitled to priority, arising by reason of the liquidation and from the rejection of leases and other executory contracts in connection with the cessation of operations and the failure to realize the greater going concern value of the Debtor's assets.

The Plan as proposed provides for a Reorganization with a Liquidation Alternative if the Reorganization cannot be funded, either of which the Debtor believes enable Creditors to realize the greatest value and both of which the Debtor believes will yield greater recoveries for Creditors than a distress liquidation.

XII. THE SOLICITATION; VOTING PROCEDURES

A. Parties in Interest Entitled to Vote

In general, a holder of a claim or interest may vote to accept or to reject a plan if (a) the claim or interest is "allowed," which means generally that no party in interest has objected to such claim or interest, and (b) the claim or interest is "impaired" by the plan but entitled to receive or retain property under the plan.

Under section 1124 of the Bankruptcy Code, a class of claims or interests is deemed to be "impaired" under a plan unless (a) the plan leaves unaltered the legal, equitable and contractual rights to which such claim or interest entitles the holder thereof or (b) notwithstanding any legal right to an accelerated payment of such claim or interest, the plan cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy) and reinstates the maturity of such claim or interest as it existed before the default.

If, however, the holder of an impaired claim or interest will not receive or retain any distribution under the plan on account of such claim or interest, the Bankruptcy Code deems such holder to have rejected the plan and, accordingly, holders of such claims and interests do not actually vote on the plan. If a claim or interest is not impaired by the plan, the Bankruptcy Code deems the holder of such claim or interest to have accepted the plan and, accordingly, holders of such claims and interests are not entitled to vote on the plan.

B. Classes Entitled to Vote to Accept or Reject the Plan

Holders of Claims in Classes 2, 3 and 6 are Impaired and therefore entitled to vote to accept or reject the Plan. By operation of law, each Unimpaired Class of Claims is deemed to have accepted the Plan, therefore, the Holders of Claims in such Unimpaired Classes are not entitled to vote to accept or reject the Plan. Classes 1, 4, and 5 are deemed to have accepted the Plan, therefore, none of the Holders of Claims or Interests in such Classes are entitled to vote to accept or reject the Plan. Class 7 is deemed to have rejected the Plan and therefore also is not entitled to vote.

C. Solicitation Order

Upon approval of this Disclosure Statement, the Bankruptcy Court entered an order that, among other things, determines the dates, procedures and forms applicable to the process of soliciting votes on the Plan and establishes certain procedures with respect to the tabulation of such votes (the "Solicitation Order"). Parties in interest may obtain a copy of the Solicitation Order through the Bankruptcy Court's electronic case filing system, by downloading the Solicitation Order from the Debtor's case website at www.omnimgt.com/limitlessmobile or by making written request upon the Debtor's counsel or Voting Agent.

D. Waivers of Defects, Irregularities, Etc.

All questions with respect to the validity, form, eligibility (including time of receipt), acceptance and revocation or withdrawal of ballots will be determined by the Bankruptcy Court. As indicated below under "Withdrawal of Ballots; Revocation," effective withdrawals of ballots must be delivered to the Voting Agent prior to the Voting Deadline. The Debtor reserves the

absolute right to contest the validity of any such withdrawal. The Debtor also reserves the right to seek rejection of any and all ballots not in proper form. The Debtor further reserve the right to seek waiver of any defects or irregularities or conditions of delivery as to any particular ballot. Ballots previously furnished (and as to which any irregularities have not theretofore been cured or waived) may be invalidated by the Bankruptcy Court.

E. Withdrawal of Ballots; Revocation

Any party who has delivered a valid ballot for the acceptance or rejection of the Plan may withdraw such acceptance or rejection by delivering a written notice of withdrawal to the Voting Agent at any time prior to the Voting Deadline. A notice of withdrawal, to be valid, must (a) contain the description of the Claim(s) to which it relates and the aggregate principal amount represented by such Claim(s), (b) be signed by the withdrawing party in the same manner as the ballot being withdrawn, (c) contain a certification that the withdrawing party owns the Claim(s) and possesses the right to withdraw the vote sought to be withdrawn and (d) be received by the Voting Agent in a timely manner via regular mail, overnight courier or hand delivery at Limitless Mobile LLC Administration, c/o Rust Omni, 5955 DeSoto Ave., Suite 100, Woodland Hills, CA 91367. The Debtor intends to consult with the Voting Agent to determine whether any withdrawals of ballots were received and whether the requisite acceptances of the Plan have been received. As stated above, the Debtor expressly reserves the absolute right to contest the validity of any such withdrawals of ballots.

Unless otherwise directed by the Bankruptcy Court, a purported notice of withdrawal of ballots which is not received in a timely manner by the Voting Agent will not be effective to withdraw a previously cast ballot.

Any party who has previously submitted to the Voting Agent prior to the Voting Deadline a properly completed ballot may revoke such ballot and change its vote by submitting to the Voting Agent prior to the Voting Deadline a subsequent properly completed ballot for acceptance or rejection of the Plan. In the case where more than one timely, properly completed ballot is received, only the ballot which bears the latest date will be counted for purposes of determining whether the requisite acceptances have been received.

F. Voting Rights of Disputed Claimants

Holders of Disputed Claims whose Claims are asserted as wholly unliquidated or wholly contingent in Proofs of Claim filed prior to the Distribution Record Date (collectively, the "Disputed Claimants") are not permitted to vote on the Plan except as provided in the Solicitation Order. Pursuant to the procedures outlined in the Solicitation Order, Disputed Claimants may obtain a ballot for voting on the Plan only by filing a motion under Bankruptcy Rule 3018(a) seeking to have its Claims temporarily Allowed for voting purposes (a "Rule 3018 Motion"). Any such Rule 3018 Motion must be filed and served upon the Debtor's counsel and the Voting Agent no later than the Voting Deadline. The ballot of any creditor filing such a motion will not be counted unless temporarily allowed by the Bankruptcy Court for voting purposes, after notice and a hearing. Any party timely filing and serving a Rule 3018 Motion will be provided a ballot and be permitted to cast a provisional vote to accept or reject the Plan. If and to the extent that the Debtor and such party are unable to resolve the issues raised by the Rule 3018 Motion prior to the Confirmation Hearing, then at the Confirmation Hearing the

Bankruptcy Court will determine whether the provisional ballot should be counted as a vote on the Plan. Nothing herein affects the Debtor's right to object to any Proof of Claim after the Distribution Record Date.

G. Further Information; Additional Copies

If you have any questions or require further information about the voting procedures for voting your Claim or about the package of materials you received, or if you wish to obtain an additional copy of the Plan or this Disclosure Statement, or any exhibits or appendices to such documents (at your own expense, unless otherwise specifically required by Bankruptcy Rule 3017(d) or the Solicitation Order), you may obtain documents at www.omnimgt.com/limitlessmobile or contact the Voting Agent at:

LIMITLESS MOBILE LLC ADMINISTRATION
c/o RUST OMNI
5955 DeSoto Ave., Suite 100
Woodland Hills, CA 91367
Telephone (818) 906-8300

RECOMMENDATION AND CONCLUSION

For all of the reasons set forth in this Disclosure Statement, the Debtor believes that confirmation and consummation of the Plan is preferable to all other alternatives. Consequently, the Debtor urges all Holders of Claims in voting Classes to vote to ACCEPT the Plan, and to complete and return its ballots so that they will be RECEIVED on or before 4:00 PM prevailing Eastern time, on _________, 2017.

Dated: October 4, 2017

DILWORTH PAXSON LLP

By: /s/ Jesse N. Silverman

Jesse N. Silverman (I.D. No. 5446)
One Customs/ House – Suite 500
704 King Street
Wilmington, DE 19801
Telephone: (302) 571-9800
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-and-

Lawrence G. McMichael
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Catherine D. Glenn
1500 Market Street, Suite 3500E
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Telephone: (215) 575-7000
Facsimile: (215) 575-7200

____

Counsel for the Debtor and Debtor-in-Possession

EXHIBIT A

[Financial Projections]

LIMITLESS MOBILE LLC
FORECAST 2017-2022

$'000	CURRENT MODEL 2017 V5.0													
	2017				2018				2017	2018	2019	2020	2021	2022
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	12m	12m	12m	12m	12m	12m
PROFIT AND LOSS														
Revenue														
Retail revenue	132	42	36	36	36	36	36	36	246	144	144	144	144	144
Wholesale revenue	353	548	393	845	1,614	2,049	2,729	3,372	2,138	9,764	20,058	29,271	39,123	47,629
Voice termination	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	485	590	429	881	1,650	2,085	2,765	3,408	2,384	9,908	20,202	29,415	39,267	47,773
Cost of Sales														
Retail COS	-20	0	-6	-6	-6	-6	-6	-6	-32	-24	-24	-24	-24	-24
Wholesale COS	-221	-197	-112	-161	-367	-768	-1,136	-1,482	-691	-3,753	-9,456	-14,562	-20,395	-25,963
Voice termination	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	-241	-197	-118	-167	-373	-774	-1,142	-1,488	-723	-3,777	-9,480	-14,586	-20,419	-25,987
Gross profit	**244**	**393**	**311**	**713**	**1,277**	**1,311**	**1,623**	**1,920**	1,661	6,131	10,723	14,829	18,848	21,786
	50%	*67%*	*73%*	*81%*	*77%*	*63%*	*59%*	*56%*	*70%*	*62%*	*53%*	*50%*	*48%*	*46%*
Operating expense														
Staff costs	-622	-559	-565	-715	-876	-911	-911	-911	-2,461	-3,608	-4,852	-5,630	-5,630	-5,630
Selling & marketing costs	-13	-16	-27	-27	-52	-52	-52	-52	-83	-209	-209	-209	-209	-209
Network costs	-714	-547	-566	-1,066	-595	-595	-610	-610	-2,894	-2,410	-2,549	-2,726	-2,726	-2,726
G&A costs	-375	-415	-402	-402	-411	-411	-411	-411	-1,594	-1,645	-1,677	-1,711	-1,711	-1,711
	-1,725	-1,536	-1,561	-2,211	-1,934	-1,969	-1,984	-1,984	-7,033	-7,871	-9,286	-10,275	-10,275	-10,275
EBITDA	**-1,481**	**-1,143**	**-1,250**	**-1,498**	**-657**	**-658**	**-361**	**-64**	-5,371	-1,739	1,436	4,555	8,573	11,511
	-305%	*-194%*	*-292%*	*-170%*	*-40%*	*-32%*	*-13%*	*-2%*	*-225%*	*-18%*	*7%*	*15%*	*22%*	*24%*
Exceptional items	-906	-520	-595	30,565	0	0	0	0	28,543	0	0	0	0	0
Deferred grant release	573	573	-2,135	0	0	0	0	0	-989	0	0	0	0	0
Depreciation	-915	-912	-921	-621	-705	-705	-705	-705	-3,368	-2,818	-2,818	-2,818	-2,818	-2,818
Finance charges/tax	-77	2	-101	-102	0	0	0	0	-278	0	0	0	0	0
EBT	**-2,806**	**-2,000**	**-5,002**	**28,345**	**-1,361**	**-1,363**	**-1,065**	**-768**	18,536	-4,558	-1,382	1,736	5,755	8,693
	-579%	*-339%*	*-1167%*	*3218%*	*-83%*	*-65%*	*-39%*	*-23%*	*777%*	*-46%*	*-7%*	*6%*	*15%*	*18%*

LIMITLESS MOBILE LLC
FORECAST 2017-2022

$'000	CURRENT MODEL 2017 V5.0													
	2017				2018				2017	2018	2019	2020	2021	2022
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	12m	12m	12m	12m	12m	12m
CASH FLOW														
Result for period	-2,806	-2,000	-5,002	28,345	-1,361	-1,363	-1,065	-768	18,536	-4,558	-1,382	1,736	5,755	1,736
Non-cash charges/income	342	339	3,056	-30,519	705	705	705	705	-26,783	2,818	2,818	2,818	2,818	2,818
Movement in trade debtors	-90	-32	712	-46	-687	-506	-433	-524	545	-2,151	-1,939	-1,958	-1,926	-1,958
Movement in trade & other creditors	-4,273	-39	52	336	-195	351	-85	114	-3,924	185	719	212	492	212
Movement in pre-petition creditors	4,452	0	0	-4,452	0	0	0	0	0	0	100	0	0	0
Movement in other balances	-194	-80	0	16,991	0	0	0	0	16,717	17	100	0	0	0
Working capital movement	-105	-151	764	12,829	-882	-155	-518	-410	13,338	-1,948	-1,021	-1,746	-1,434	-1,746
Capital received/lent	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans/grants received	56	-56	0	4,500	0	0	0	0	4,500	0	0	0	0	0
Investor new loan	2,389	1,948	1,500	-6,538	2,250	2,250	0	0	-701	4,500	0	0	0	0
PADOR settlement	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Investor loan repayments	0	32	-46	-8,900	0	0	0	0	-8,914	0	0	0	0	0
RUS Loan repayments	0	0	0	0	0	0	0	0	18	-18	0	0	0	0
Funding movement	2,445	1,924	1,454	-10,938	2,250	2,250	0	0	-5,097	4,482	0	0	0	0
Capital expenditure	-42	-28	0	0	-125	-125	-125	-125	-70	-500	-500	-1,000	-2,000	-1,000
Net cash movement	-166	84	272	-284	586	1,312	-1,004	-599	-76	294	-84	1,808	5,140	1,808
Opening cash	318	152	235	508	224	810	2,121	1,118	300	224	518	434	2,242	7,382
Closing cash	152	235	508	224	810	2,121	1,118	519	224	518	434	2,242	7,382	9,191

EXHIBIT B

[Liquidation Analysis]

LIMITLESS MOBILE LLC
LIQUIDATION ANALYSIS
(AS OF PROJECTED CONFIRMATION DATE)

ASSETS

Cash:	
Debtor-In-Possession Account	$ 75,000
Northern Trust Control Account	$ 240,000
Asset Sale Proceeds:	
4/13 Auction	$ 23,650,000[1]
Retained Williamsport C & D Block	$ 1,000,000[2]
Proceeds from Warehouse Equipment	$ 90,700
Accounts Receivable:	
Gross Accounts Receivable	$ 1,250,000
Allowance of doubtful accounts	$ 800,000
Estimated write-off in liquidation	$ 225,000
Net Accounts Receivable	$ 225,000
Real Property	$ 950,000[3]
Inventory/Equipment	$ 100,000
Total Assets in Liquidation	**$ 26,330,700**

DISTRIBUTION IN LIQUIDATION

Payments to Secured Creditors:	
Pennsylvania Department of Revenue	$ 950,000
Rural Utilities Service	$ 655,700
Chapter 7 Administrative Expenses:	
Chapter 7 Trustee Commission	$ 807,500
Chapter 7 Professional Fees	$ 500,000
Chapter 11 Admin Expenses:	
DIP Loan	$ 7,150,000
Ch. 11 Professional Fees	$ 500,000
Other Ch. 11 Administrative Expenses	$ 500,000
Ch. 11 Priority Claims	$ 2,850,000
Total Priority Payments in Liquidation	$13,913,200

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[1] Net of estimated commission and expenses owed to MVP.
[2] Net of estimated brokers commission and costs of sale.
[3] Net of estimated brokers commission and costs of sale.

Net Proceeds for Distribution to General Unsecured Creditors	**$12,417,500**
Unsecured Claims:	
Prepetition Unsecured Claims and Rejection Claims (Sch. & Filed)	$17,800,000
RUS Deficiency Claim	$ 8,700,000
Tower Bridge Prepetition Claim	$ 8,900,000
Estimated Additional Rejection Damages Claims	$ 3,500,000
Total Estimated Unsecured Claims	**$38,845,000**

Projected Recovery for General Unsecured Creditors: 31.97%

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
Limitless Mobile, LLC,	:	Case No. 16-12685 (KJC)
Debtor''.	:	

FIRST AMENDED DISCLOSURE STATEMENT WITH RESPECT TO FIRST AMENDED PLAN OF REORGANIZATION DATED ~~JULY 31,~~OCTOBER 2, 2017

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-and-

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Counsel for the Debtor and Debtor in Possession

Dated: ~~July 31,~~October 4, 2017

DISCLAIMER

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS INCLUDED HEREIN FOR PURPOSES OF SOLICITING ACCEPTANCES OF THE CHAPTER 11 PLAN OF REORGANIZATION DATED JULY 31, 2017, FILED BY LIMITLESS MOBILE LLC, DEBTOR AND DEBTOR IN POSSESSION (AS MAY BE AMENDED IN ACCORDANCE WITH THE TERMS THEREOF AND APPLICABLE LAW, THE "PLAN"). THE INFORMATION CONTAINED HEREIN MAY NOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN. NO PERSON IS AUTHORIZED BY THE DEBTOR OR THE BANKRUPTCY COURT TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS, OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS DISCLOSURE STATEMENT, REGARDING THE PLAN OR THE SOLICITATION OF ACCEPTANCES OF THE PLAN.

ALL CREDITORS ARE ADVISED AND ENCOURAGED TO READ THIS DISCLOSURE STATEMENT AND THE PLAN IN ITS ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. PLAN SUMMARIES AND STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN AND THE EXHIBITS ANNEXED TO THE PLAN. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE ONLY AS OF THE DATE HEREOF AND THERE CAN BE NO ASSURANCE THAT THE STATEMENTS CONTAINED HEREIN SHALL BE CORRECT AT ANY TIME AFTER THE DATE HEREOF.

CERTAIN OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS BY ITS NATURE FORWARD LOOKING AND CONTAINS ESTIMATES, ASSUMPTIONS AND PROJECTIONS THAT MAY BE MATERIALLY DIFFERENT FROM ACTUAL, FUTURE RESULTS. EXCEPT WITH RESPECT TO THE FINANCIAL PROJECTIONS SET FORTH IN EXHIBIT A ANNEXED HERETO (THE "PROJECTIONS") AND EXCEPT AS OTHERWISE SPECIFICALLY AND EXPRESSLY STATED HEREIN, THIS DISCLOSURE STATEMENT DOES NOT REFLECT ANY EVENTS THAT MAY OCCUR SUBSEQUENT TO THE DATE HEREOF AND THAT MAY HAVE A MATERIAL IMPACT ON THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTOR DOES NOT UNDERTAKE ANY OBLIGATION TO, AND DOES NOT INTEND TO, UPDATE THE PROJECTIONS; THUS, THE PROJECTIONS WILL NOT REFLECT THE IMPACT OF ANY SUBSEQUENT EVENTS NOT ALREADY ACCOUNTED FOR IN THE ASSUMPTIONS UNDERLYING THE PROJECTIONS. FURTHER, THE DEBTOR DOES NOT ANTICIPATE THAT ANY AMENDMENTS OR SUPPLEMENTS TO THIS DISCLOSURE STATEMENT WILL BE DISTRIBUTED TO REFLECT SUCH OCCURRENCES. ACCORDINGLY, THE DELIVERY OF THIS DISCLOSURE STATEMENT WILL NOT UNDER ANY CIRCUMSTANCE IMPLY THAT THE INFORMATION HEREIN IS CORRECT OR COMPLETE AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF. MOREOVER, THE PROJECTIONS ARE BASED ON ASSUMPTIONS THAT, ALTHOUGH BELIEVED TO BE REASONABLE BY THE DEBTOR, MAY DIFFER FROM ACTUAL RESULTS.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE UNITED STATES BANKRUPTCY CODE AND RULE 3016 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER NON-BANKRUPTCY LAW. THIS DISCLOSURE STATEMENT HAS BEEN NEITHER APPROVED NOR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), NOR HAS THE SEC PASSED UPON THE ACCURACY OR ADEQUACY OF THE STATEMENTS CONTAINED HEREIN. PERSONS OR ENTITIES TRADING IN OR OTHERWISE PURCHASING, SELLING OR TRANSFERRING SECURITIES OR CLAIMS OF THE DEBTOR AND DEBTOR IN POSSESSION SHOULD EVALUATE THIS DISCLOSURE STATEMENT AND THE PLAN IN LIGHT OF THE PURPOSE FOR WHICH THEY WERE PREPARED.

AS TO CONTESTED MATTERS, ADVERSARY PROCEEDINGS AND NON-BANKRUPTCY PROCEEDINGS OR THREATENED ACTIONS INVOLVING THE DEBTOR OR ANY OTHER PARTY, THIS DISCLOSURE STATEMENT SHALL NOT CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY, STIPULATION OR WAIVER, BUT RATHER AS A STATEMENT MADE IN SETTLEMENT NEGOTIATIONS. THIS DISCLOSURE STATEMENT SHALL NOT BE ADMISSIBLE IN ANY NON-BANKRUPTCY PROCEEDING NOR SHALL IT BE CONSTRUED TO BE CONCLUSIVE ADVICE ON THE TAX, SECURITIES OR OTHER LEGAL EFFECTS OF THE PLAN AS TO HOLDERS OF CLAIMS AGAINST OR EQUITY INTERESTS IN THE DEBTOR AND DEBTOR IN POSSESSION IN THIS CASE.

THE DEBTOR BELIEVES THAT THE PLAN WILL ACCOMPLISH THE OBJECTIVES OF CHAPTER 11 AND THAT ACCEPTANCE OF THE PLAN IS IN THE BEST INTERESTS OF THE DEBTOR, CREDITORS AND THE ESTATE. THE DEBTOR URGES ALL HOLDERS OF CLAIMS ENTITLED TO VOTE TO ACCEPT THE PLAN.

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I. INTRODUCTION

The debtor and debtor in possession in the above-referenced chapter 11 case (the "Chapter 11 Case") is Limitless Mobile, LLC (the "Debtor").

The Debtor submits this first amended disclosure statement (as may be further amended, the "Disclosure Statement") pursuant to section 1125 of title 11 of the United States Code (the "Bankruptcy Code") for use in the solicitation of votes on the First Amended Plan of Reorganization dated as of ~~July 31,~~October 2, 2017 (as may be further amended, the "Plan"). **Each capitalized term used in this Disclosure Statement but not otherwise defined herein has the meaning ascribed to such term in the Plan**. See Article I, Section 1.01 of the Plan. In addition, all references in this Disclosure Statement to monetary figures refer to United States currency, unless otherwise expressly provided.

This Disclosure Statement sets forth certain information regarding the Debtor's prepetition operating and financial history, its reasons for seeking protection and reorganization under chapter 11 and significant events that have occurred during the Chapter 11 Case. This Disclosure Statement also describes certain terms and provisions of the Plan, certain effects of confirmation of the Plan, certain risk factors associated with the Plan and the manner in which distributions will be made under the Plan. In addition, this Disclosure Statement discusses the confirmation process and the voting procedures that Holders of Claims entitled to vote on the Plan must follow for their votes to be counted.

By order entered on or about ___________, the Bankruptcy Court has approved this Disclosure Statement as containing "adequate information," in accordance with section 1125 of the Bankruptcy Code, to enable a hypothetical, reasonable investor typical of Holders of Claims against the Debtor to make an informed judgment as to whether to accept or reject the Plan, and has authorized its use in connection with the solicitation of votes with respect to the Plan. APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT, HOWEVER, CONSTITUTE A DETERMINATION BY THE BANKRUPTCY COURT AS TO THE FAIRNESS OR MERITS OF THE PLAN. No solicitation of votes may be made except pursuant to this Disclosure Statement and section 1125 of the Bankruptcy Code. In voting on the Plan, Holders of Claims entitled to vote should not rely on any information relating to the Debtor and its business, other than that contained in this Disclosure Statement, the Plan, and all exhibits and appendices hereto and thereto.

Pursuant to the provisions of the Bankruptcy Code, only classes of Claims or Interests that are (a) "impaired" by a plan and (b) entitled to receive a distribution under such plan are entitled to vote on the plan. In the Debtor's case, Classes 2, 3 and 6 are Impaired by and entitled to receive a distribution under the Plan; accordingly, only the Holders of Claims in these Classes are entitled to vote to accept or reject the Plan. Claims and Interests in Classes 1, 4, and 5 are Unimpaired by the Plan; accordingly, the Holders thereof are conclusively presumed to have accepted the Plan. Holders of Interests in Class 7 are conclusively presumed to have rejected the Plan.

II. OVERVIEW OF THE PLAN

The following is a brief overview of the material provisions of the Plan and is qualified in its entirety by reference to the full text of the Plan. For a more detailed description of the terms

and provisions of the Plan, see Article VI of this Disclosure Statement, entitled "Summary of the Plan."

The Plan provides for the classification and treatment of Claims against and Interests in the Debtor. The Plan designates six (6) Classes of Claims and one (1) class of Interests. These Classes take into account the differing nature and priority under the Bankruptcy Code of the various Claims and Interests.

A. General Structure of the Plan – Alternative Scenarios and Capital Contribution

The Plan contemplates the reorganization of the Debtor and the resolution of all outstanding Claims against, and Interests in, the Debtor. Subject to the specific provisions set forth in the Plan, all Claims will be satisfied by one or both of the following: cash payments to be issued by the Debtor, or by receipt of equity in the reorganized Debtor. Nothing will be distributed on account of Interests and existing Interests will be cancelled. Debtor's objective under the Plan is to reorganize. It is expected that, on or before the Effective Date of the Plan (or pursuant to such other terms and conditions agreed to between the Debtor and the investors), Tower Bridge LLM Partners LLC ("Tower Bridge"), potential other investors, and any electing creditors (together, the "New Money Investors") will make a capital contribution to the Debtor in the aggregate amount of at least $11 million (the "Capital Contribution"). The Capital Contribution will be used to fund certain payments under the Plan, including distributions to PADOR and RUS in satisfaction of their respective Allowed Secured Claims[1], a $1.5 million Additional Cash Distribution to General Unsecured Creditors, and cure amounts for contracts assumed under the reorganization. The remainder of the Capital Contribution will be retained by the Reorganized Debtor as working capital. The net proceeds of the approximately $25 million sale of the Debtor's Spectrum will be used to fund other payments under the Plan.

If the Debtor is successful in raising at least the $11 million Capital Contribution, the Plan provides for the reorganization of the Debtor's business as a going concern (the "Reorganization"). While the Debtor works to raise the Capital Contribution, which the Debtor expects may take up to seventy-five (75) days from the Confirmation Date, Tower Bridge will advance amounts needed to fund the Debtor's operations and professional fees incurred by Debtor's counsel, Dilworth Paxson LLP, during the interim period. These amounts shall be advanced by Tower Bridge as an equity contribution to the Debtor so as not to adversely affect the interests of creditors while the Debtor raises the Capital Contribution.

Alternatively, if the Debtor is not successful in raising the Capital Contribution during the interim period, the Plan provides for the sale and orderly liquidation of the Debtor upon the Debtor's filing of a Notice of Liquidation (the "Liquidation Alternative" and, together with the Reorganization, the "Plan Alternatives"), which shall be filed no later than the seventy-sixth (76th) day after the Confirmation Date, but may be filed sooner in the Debtor's discretion. If and once the Notice of Liquidation has been filed, the Liquidation Alternative of the Plan contemplates orderly liquidation of the Debtor's assets through either a sale or surrender of collateral to secured creditors.

[1] Provided however that if RUS or PADOR is determined to have a Lien on the Spectrum Proceeds, then such Allowed Secured Claim may be satisfied from the Spectrum Proceeds after an appropriate Marshalling Proceeding.

Both the Reorganization and the Liquidation Alternative set forth the method of distribution of assets and/or liquidation proceeds and prescribe the creation of a Liquidating Trust through a Liquidating Trust Agreement, which will be in form and substance acceptable to the Debtor and the Committee and subject to approval of the Bankruptcy Court. If the Reorganization Effective Date occurs, the Liquidating Trust Assets shall consist of (i) the Net Spectrum Proceeds and (ii) the Additional Cash Distribution. If the Liquidation Alternative is implemented, then the Liquidating Trust Assets shall consist of (i) any and all Retained Avoidance Actions and any products and proceeds thereof, and any and all other Causes of Action and any products and proceeds thereof, and (ii) any and all property of the Debtor's Estate under section 541 of the Bankruptcy Code that exists as of the Liquidation Effective Date, including the Net Spectrum Proceeds and the proceeds of any other Property that is sold by the Debtor.

In the event of the Reorganization and subject to the specific provisions of the Plan, the Debtor's secured creditors, other than the RUS Secured Claim and the PADOR Secured Claim, will receive, in the discretion of the Debtor, payment in full equal to the amount of their Allowed Secured Claim, reinstatement of their Allowed Secured Claim, or the Property securing their Allowed Secured Claim. The RUS Secured Claim and the PADOR Secured Claim will receive payment equal to the full amount of their respective Allowed Secured Claims over time with interest, or, at their election, payment on the Reorganization Effective Date of an amount equal to ninety percent (90%) of the respective Allowed Secured Claim. Unsecured creditors with Allowed Priority Claims will be paid in full on or as soon as reasonably practicable after the Effective Date or within ten (10) days of their claims becoming Allowed. Unsecured creditors with aggregate Claims below $1,000 will be paid in full on or as soon as reasonably practicable after the Effective Date or within ten (10) days of their claims becoming Allowed. General unsecured creditors will have a choice to receive (i) their *pro rata* share of the net Spectrum Proceeds[2] and the $1.5 million Additional Cash Distribution (together, the "Reorganization Proceeds") or, (ii) at the Claimholder's option, equity in the reorganized company through participation in the Capital Contribution pursuant to section 5.01(c) of the Plan. The Reorganization Proceeds shall be distributed to Holders of Allowed Class 6 General Unsecured Claims by the Liquidating Trustee in accordance with the Liquidating Trust Agreement. Importantly, Tower Bridge will defer recovery on account of its Allowed General Unsecured Claims until it is assured that the aggregate distribution to other Holders of Allowed General Unsecured Claims will be at least 5% of the face amount of all Allowed General Unsecured Claims. Under the Reorganization, nothing will be distributed on account of Interests and existing Interests will be cancelled.

In the event of the Liquidation Alternative and subject to the specific provisions of the Plan, secured creditors, other than the RUS Secured Claim and the PADOR Secured Claim, will receive, in the discretion of the Debtor after consultation with the Committee, payment in full equal to the amount of their Allowed Secured Claim or the Property securing their Allowed Secured Claim. The RUS Secured Claim and the PADOR Secured Claim will receive, in the discretion of the Debtor after consultation with the Committee, either (a) payment equal to the

[2] After payment in full of all Administrative Expense Claims, Priority Tax Claims, Class 1 Priority Claims, the Class 2 RUS Secured Claim, but only if and to the extent that RUS is determined to have a Lien against the Spectrum Proceeds and then only after further Order of the Court through the Marshalling Proceeding, and Class 5 Convenience Class Claims.

net proceeds of a sale of the Property securing the respective RUS or PADOR Secured Claim, up to the amount of the Allowed RUS or PADOR Claim; or (b) the Property securing the RUS or PADOR Claim, but only to the extent RUS or PADOR is determined to have a senior Lien on such Property. Unsecured creditors with Allowed Priority Claims will be paid in full on or as soon as reasonably practicable after the Effective Date or within ten (10) days of their claims becoming Allowed. Unsecured creditors with aggregate Claims below $1,000 will be paid in full on or as soon as reasonably practicable after the Effective Date or within ten (10) days of their claims becoming Allowed. General unsecured creditors will receive through distributions from the Liquidating Trustee pursuant to the Liquidating Trust Agreement (i) their *pro rata* share of the Spectrum Proceeds[3]; (ii) their *pro rata* share of any proceeds remaining following distributions made to secured and priority creditors; (iii) the proceeds of the sale of any Property of the Debtor that is unencumbered by Liens, and (iv) additional distributions, if any, on account of unliquidated assets that are transferred to the Liquidating Trust, including Causes of Action (collectively, the "Liquidation Proceeds"). Under the Liquidation Alternative, existing holders of equity Interests will receive their *pro rata* share of the Liquidation Proceeds after payment in full of Allowed Administrative Expense Claims, Allowed Priority Tax Claims, and all Allowed Claims in Classes 1 through 6. Under the Liquidation Alternative, the proceeds of the Liquidation Trust Assets shall be distributed to the Holders of Allowed Claims and Interests in accordance with the Plan and the Liquidating Trust Agreement.

The Debtor has estimated the ultimate distributions that will be made in respect of Allowed Claims and Interests. As explained more fully in Article VII entitled "Certain Risk Factors to Be Considered," however, because of inherent uncertainties, many of which are beyond the Debtor's control, there can be no guaranty that actual performance will meet the Debtor's estimates.

The Debtor ~~nonetheless~~ believes that if the Plan is not consummated, it is likely that Holders of Claims against the Debtor's estate will receive less than they would if the Plan is confirmed because distress liquidation of the Debtor's assets under Chapter 7 will not result in a higher distribution to any Class of Claims or Interests.

B. Summary of Treatment of Claims and Interests under the Plan

The table below summarizes the classification ~~and~~, treatment, and estimated percentage recoveries of the prepetition Claims against and Interests in the Debtor under the Plan. ~~For certain Classes of Claims, estimated percentage recoveries are also set forth below~~. Estimated percentage recoveries have been calculated based upon a number of assumptions, including the amount of Allowed Claims in each Class.

For certain Classes of Claims, the actual amounts of Allowed Claims could materially exceed or could be materially less than the estimated amounts shown in the table that follows. Except for Claims Allowed by the Plan, estimated Claim amounts for each Class set forth below are based upon the Debtor's review of its books and records and Claims filed to date in the case,

[3] After payment in full of all Administrative Expense Claims, Priority Tax Claims, Class 1 Priority Claims, the Class 2 RUS Secured Claim, but only if and to the extent that RUS is determined to have a Lien against the Spectrum Proceeds and then only after further Order of the Court through the Marshalling Proceeding, and Class 5 Convenience Class Claims.

and may include estimates of a number of Claims that are contingent, disputed and/or unliquidated.

Type of Claim or Interest	Description and Treatment under Plan
Unclassified — Administrative Claims	An Administrative Claim is a Claim for (a) any cost or expense of administration (including, without limitation, the fees and expenses of Professionals) of the Chapter 11 Case asserted or arising under sections 503, 507(a)(2), 507(b) or 1114(e)(2) of the Bankruptcy Code including, but not limited to (i) any actual and necessary post -Petition Date cost or expense of preserving the Debtor's Estate or operating the organization of the Debtor, (ii) any post -Petition Date cost, indebtedness or contractual obligation duly and validly incurred or assumed by the Debtor in the ordinary course of its organization, (iii) compensation or reimbursement of expenses of Professionals to the extent Allowed by the Bankruptcy Court under sections 330(a) or 331 of the Bankruptcy Code, and (iv) all Allowed Claims that are entitled to be treated as Administrative Claims pursuant to a Final Order of the Bankruptcy Court under section 546 of the Bankruptcy Code; and (b) any fees or charges assessed against the Debtor's Estate under section 1930 of title 28 of the United States Code. Under **both** the Reorganization and the Liquidation Alternative of the Plan, Administrative Claims are Unimpaired. Unless otherwise provided for ~~therein~~in the Plan or agreed to between the Debtor and the Holder of the Claim, each Holder of an Allowed Administrative Claim shall ~~receive from~~be paid the ~~Debtor in full satisfaction, settlement, release, extinguishment and discharge of such Claim: (a) the amount of such unpaid~~full amount of their Allowed Administrative Claim, in Cash~~ on or~~, as soon as reasonably practicable after the later of: (~~i~~a) the Effective Date~~,~~; or (~~ii~~b) ten (10) days after the date such Administrative Claim becomes Allowed by a Final Order~~; or (b) such other treatment on such other terms and conditions as may be agreed upon in writing by the Holder of such Claim and the Debtor, or as the Bankruptcy Court may order~~. Administrative Claims are not classified and are treated as required by the Bankruptcy Code. The Holders of such Claims are not entitled to vote on the Plan. Estimated Percentage Recovery: 100%
Unclassified — Priority Tax Claims	The Plan defines Priority Tax Claims as any and all

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Type of Claim or Interest	Description and Treatment under Plan
	Claims accorded priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code. Such Priority Tax Claims include Claims of governmental units for taxes owed by the Debtor that are entitled to a certain priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code. The taxes entitled to priority are (a) taxes on income or gross receipts that meet the requirements set forth in section 507(a)(8)(A) of the Bankruptcy Code, (b) property taxes meeting the requirements of section 507(a)(8)(B) of the Bankruptcy Code, (c) taxes that were required to be collected or withheld by the Debtor and for which the Debtor is liable in any capacity as described in section 507(a)(8)(C) of the Bankruptcy Code, (d) employment taxes on wages, salaries or commissions that are entitled to priority pursuant to section 507(a)(4) of the Bankruptcy Code, to the extent that such taxes also meet the requirements of section 507(a)(8)(D), (e) excise taxes of the kind specified in section 507(a)(8)(E) of the Bankruptcy Code, (f) customs duties arising out of the importation of merchandise that meet the requirements of section 507(a)(8)(F) of the Bankruptcy Code and (g) prepetition penalties relating to any of the foregoing taxes to the extent such penalties are in compensation for actual pecuniary loss as provided in section 507(a)(8)(G) of the Bankruptcy Code. Priority Tax Claims are **Unimpaired**. Under the Plan,**both** the Reorganization and the Liquidation Alternatives of the Plan, unless otherwise provided for in the Plan or agreed to between the Debtor and the Holder of the Claim, Holders of Allowed Priority Tax Claims are Unimpaired. Each Holder of an Allowed Priority Tax Claim shall receive, in full satisfaction, settlement, release, extinguishment and discharge of such Priority Tax Claim: (a) the amount of such unpaidshall be paid the full amount of their Allowed Priority Tax Claim, in Cash on or, as soon as reasonably practicable after the later of: (ia) the Effective Date, and; or (iib) ten (10) days after the date on which such Priority Tax Claim becomes Allowed; or (b) such other treatment on such other terms and conditions as may be agreed upon in writing by the Holder of such Priority Tax Claim and the Debtor, or as the Bankruptcy Court may order by a Final Order.. Priority Tax Claims are not classified and are treated

Type of Claim or Interest	Description and Treatment under Plan
	as required by the Bankruptcy Code. The Holders of such Claims are not entitled to vote on the Plan. Estimated Percentage Recovery: 100%
Class 1 — Priority Claims	Class 1 consists of Priority Claims, which are Claims against the Debtor entitled to priority pursuant to section 507(a) of the Bankruptcy Code, other than Priority Tax Claims or Administrative Claims. ~~Under the Plan,~~ Class 1 ~~Priority~~ Claims are **Unimpaired**. ~~Each~~ Under **both** the Reorganization and the Liquidation Alternative of the Plan, unless otherwise provided for in the Plan or agreed to between the Debtor and the Holder of the Claim, each Holder of an Allowed Class 1 Priority Claim shall ~~receive, in full satisfaction, settlement, release, extinguishment and discharge of such Claim: (a) the amount of such unpaid~~be paid the full amount of their Allowed Priority Claim, in Cash, on ~~or as soon as reasonably practicable after~~ the later of: (~~i~~a) the Effective Date~~, and~~; or (~~ii~~b) ten (10) days after the date ~~on which~~ such ~~Class 1~~Priority Claim becomes Allowed~~; or (b) such other treatment on such other terms and conditions as may be agreed upon in writing by the Holder of such Claim and the Debtor~~ by a Final Order. Estimated Percentage Recovery: 100%
Class 2 — RUS Secured Claim	Class 2 consists of the RUS Secured Claim. ~~Under the Plan, the~~ The Class 2 RUS Secured Claim is **Impaired**. Under the **Reorganization**, RUS shall receive, ~~in full satisfaction, settlement, release, extinguishment and discharge of its Allowed Secured Claim,~~ at its option, either: (a) amortized quarterly payments equal to the amount of the Allowed RUS Secured Claim over a ~~two~~five (~~2~~5) year period, with interest at the *Wall Street Journal* prime rate (in effect on the Confirmation Date) plus one percent (1%) per annum; or (b) payment of an amount equal to ninety percent (90%) of

Type of Claim or Interest	Description and Treatment under Plan
	the Allowed RUS Secured Claim, with such payment to be made on the later of (i) the Reorganization Effective Date, or (ii) ten (10) days after the date that such Secured Claim becomes Allowed. The amount of the Allowed RUS Loan Claim that is in excess of the Allowed RUS Secured Claim shall be classified as a Class 5 General Unsecured Claim Under the **Liquidation Alternative**, RUS shall receive, in the discretion of the Debtor after consultation with the Committee, either: (a) Cash equal to the net proceeds of a sale of the RUS Collateral after deducting the costs of sale (including any commissions owed to professionals who facilitate the sale) and any amounts necessary for the satisfaction of any senior Liens in such collateral, up to the amount of the Allowed RUS Claim; or (b) the RUS Collateral, but only to the extent that RUS is determined to have a senior Lien on such RUS Collateral. In the event the RUS Collateral is sold as part of a sale of the Debtor's business operations as a going concern, then the allocation of the net proceeds of the sale to the RUS Collateral shall be determined either by agreement of the Debtor and RUS (which agreement shall be subject to Bankruptcy Court approval) or by the Bankruptcy Court if the Debtor and RUS cannot reach agreement. All payments to RUS on account of its Allowed Secured Claim shall be made as soon as reasonably practicable after the later of (i) ten (10) days following the closing of the sale of the RUS Collateral or the Debtor as a going concern, (ii) ten (10) days following the date on which the Bankruptcy Court approves by Final Order the allocation of the sale proceeds to the RUS Collateral, (iii) the Liquidation Effective Date; or (iv) ten (10) days after the date the RUS Claim becomes Allowed by a Final Order. Under either the Reorganization or the Liquidation Alternative, the amount of the Allowed RUS Claim that is in excess of the Allowed RUS Secured Claim shall be classified as a Class 6 General Unsecured Claim. In the event that RUS is determined to have a lien against the Spectrum Proceeds, then the full amount of the Allowed RUS Claim may be satisfied from the Spectrum Proceeds under either the Reorganization or the Liquidation Alternative, but only after further Order of the Court through the Marshalling Proceeding.

Type of Claim or Interest	Description and Treatment under Plan
	Estimated Percentage Recovery: 90-100%
Class 3 — PADOR Secured Claim	Class 3 consists of the PADOR Secured Claim Under the Plan, theThe Class 3 PADOR Secured Claim is **Impaired**. Under the **Reorganization**, PADOR shall receive, in full satisfaction, settlement, release, extinguishment and discharge of its Allowed Secured Claim, at its option, either: (a) amortized quarterly payments equal to the amount of the Allowed PADOR Secured Claim over a two (2) year period, with interest at the Wall Street Journal prime rate (in effect on the Confirmation Date) plus one percent (1%) per annum; or (b) payment of an amount equal to ninety percent (90%) of the Allowed PADOR Secured Claim, with such payment to be made on the later of (i) the Effective Date, or (ii) ten (10) days after the date that such Secured Claim becomes Allowed. The Under the **Liquidation Alternative**, PADOR shall receive, in the discretion of the Debtor after consultation with the Committee, either: (a) Cash equal to the net proceeds of a sale of the Property securing the PADOR Claim, after deducting the costs of sale (including any commissions owed to professionals who facilitate the sale) and any amounts necessary for the satisfaction of any senior Liens in such collateral, up to the amount of the Allowed PADOR Claim; or (b) the Property securing the PADOR Claim, but only to the extent PADOR is determined to have a senior Lien on such Property. In the event that such Property is sold as part of a sale of the Debtor's business operations as a going concern, then the allocation of the net proceeds of the sale to such Property shall be determined either by agreement of the Debtor and PADOR (which agreement shall be subject to Bankruptcy Court approval) or by the Bankruptcy Court if the Debtor and PADOR cannot reach agreement. All payments to PADOR on account of its Allowed Secured Claim shall be made as soon as reasonably practicable after the later of (i) ten (10) days following the closing of the sale of the Property or the Debtor as a going concern, (ii) ten (10) days following the date on which the Bankruptcy Court approves by Final Order the allocation of the sale proceeds to the Property

Type of Claim or Interest	Description and Treatment under Plan
	securing the PADOR Claim, (iii) the Liquidation Effective Date; or (iv) ten (10) days after the date the PADOR Claim becomes Allowed by a Final Order. Under either the Reorganization or the Liquidation Alternative, the amount of the Allowed PADOR Claim that is in excess of the Allowed PADOR Secured Claim shall be ~~a Priority Tax Claim.~~ classified as: (i) to the extent such Allowed Claim is entitled to the priority set forth in section 507(a)(8) of the Bankruptcy Code, a Priority Tax Claim, and (ii) to the extent such Allowed Claim is not entitled to the priority set forth in section 507(a)(8) of the Bankruptcy Code, a Class 6 General Unsecured Claim. Estimated Percentage Recovery: 90-100%
Class 4 — Other Secured Claims	Class 4 consists of Other Secured Claims, which are defined as any Secured Claim arising before the Petition Date, other than the RUS Secured Claim and the PADOR Secured Claim. ~~Under the Plan,~~ Class 4 Other Secured Claims are **Unimpaired**. ~~Each~~ Under the **Reorganization**, each Holder of an Allowed Class 4 Other Secured Claim shall receive, ~~from the Debtor,~~ in the ~~sole~~ discretion of the Debtor, ~~in full satisfaction, settlement, release, extinguishment and discharge of such Claim: (a) the amount of such unpaid allowed claim in cash, on or~~one of the following: (a) Cash equal to the full amount of their Allowed Other Secured Claim as soon as reasonably practicable after the later of: (i) the Effective Date~~,~~; or (ii) ten (10) days after the date ~~that~~ such Other Secured Claim becomes Allowed by a Final Order; (b) ~~reinstatement~~Reinstatement of such Allowed Other Secured Claim; or (c) the ~~return of~~ Property securing such Other Secured Claim. Under the **Liquidation Alternative**, holders of Allowed Class 4 Other Secured Claims shall receive, in the discretion of the Debtor after consultation with the Committee, either: (a) Cash equal to the net proceeds of a sale of the Property securing such Other Secured Claim, after deducting the costs of sale (including any commissions owed to professionals who

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Type of Claim or Interest	Description and Treatment under Plan
	facilitate the sale) and any amounts necessary for the satisfaction of any senior Liens in such collateral, up to the amount of the Other Secured Claim; or (b) the Property securing the Other Secured Claim, but only to the extent the holder of such Other Secured Claim is determined to have a senior Lien on such Property. In the event that such Property is sold as part of a sale of the Debtor's business operations as a going concern, then the allocation of the net proceeds of the sale to such Property shall be determined either by agreement of the Debtor and the holder of the Other Secured Claim (which agreement shall be subject to Bankruptcy Court approval) or by the Bankruptcy Court if the Debtor and the holder of the Other Secured Claim cannot reach agreement. All payments on account of such Allowed Other Secured Claims shall be made as soon as reasonably practicable after the later of (i) ten (10) days following the closing of the sale of the Property or the Debtor as a going concern, (ii) ten (10) days following the date on which the Bankruptcy Court approves by Final Order the allocation of the sale proceeds to the Property securing such Other Secured Claim; (iii) the Liquidation Effective Date; or (iv) ten (10) days after the date the Other Secured Claim becomes Allowed by a Final Order. Estimated Percentage Recovery: 100%
Class 5 — Convenience Class	Class 5 consists of ~~General Unsecured~~Convenience Class Claims ~~below $1,000.~~. ~~The~~ Class 5 Convenience Class Claims are **Unimpaired**. ~~Unless~~ Under **both** the Reorganization and the Liquidation Alternative, unless otherwise agreed to between the Debtor and the Holder of the Claim, Holders of Allowed Class 5 Convenience Class Claims shall be paid the full amount of their Allowed Convenience Class Claim, in Cash, as soon as reasonably practicable after the later of: (a) the Effective Date; or (b) ten (10) days after the date such Convenience Class Claim becomes Allowed by a Final Order. Estimated Percentage Recovery: 100%
Class 6 — General Unsecured	Class 6 consists of General Unsecured Claims which includes all Claims, including Rejection Claims, that are not

Type of Claim or Interest	Description and Treatment under Plan
Claims	Administrative Claims, Priority Tax Claims, Priority Claims, the RUS Secured Claim, the PADOR Secured Claim, Other Secured Claims, Convenience Class Claims, or Interests. Under the Plan, Class 6 General Unsecured Claims are **Impaired**. Unless Under the **Reorganization**, unless otherwise agreed to between the Debtor and the Holder of the Claim, each Holder of a Class 6 Allowed General Unsecured Claim shall receive, in full satisfaction, settlement, release, extinguishment and discharge of such Claim (i) their *pro rata* share of the Net Spectrum Proceeds after payment in full of all Administrative Expense Claims, Priority Tax Claims, Class 1 Priority Claims, the Class 2 RUS Secured Claim, but only if and to the extent that RUS is determined to have a lienLien against the Spectrum Proceeds and then only after further Order of the Court through the Marshalling Proceeding, and Class 5 Convenience Class Claims; and (ii) the Additional General Unsecured Claim Distribution. Under the **Liquidation Alternative**, unless otherwise agreed to between the Debtor and the Holder of the Claim, Holders of Allowed Class 6 General Unsecured Claims shall receive, through distributions from the Liquidating Trustee pursuant to the Liquidating Trust Agreement, (i) their *pro rata* share of the Net Spectrum Proceeds after payment in full of all Administrative Expense Claims, Priority Tax Claims, Class 1 Priority Claims, the Class 2 RUS Secured Claim, but only if and to the extent that RUS is determined to have a Lien against the Spectrum Proceeds and after further Order of the Court through the Marshalling Proceeding, and Class 5 Convenience Class Claims; (ii) their *pro rata* share of any proceeds remaining following distributions made to secured and priority creditors; (iii) the proceeds of the sale of any Property of the Debtor that is unencumbered by Liens, and (iv) additional distributions, if any, on account of Liquidation Proceeds. Estimated Percentage Recovery: 35-45%
Class 7 — Interests	Class 7 consists of interests in the Debtor.

Type of Claim or Interest	Description and Treatment under Plan
	Class 7 Interests are **Impaired**. OnUnder the Effective Date**Reorganization**, the equity Interests in the Debtor shall be cancelled as soon as reasonably practicable after the Reorganization Effective Date and the Holders of equity Interests in the Debtor shall receive no distribution or Property on account of such equity Interests. Under the **Liquidation Alternative**, the Holders of equity Interests in the Debtor shall receive their *pro rata* share of the Liquidation Proceeds after payment in full of all Allowed Administrative Expense Claims, Allowed Priority Tax Claims, and all Allowed Claims in Classes 1 through 6. Distributions of the Liquidation Proceeds, if any, to equity Interests shall be made by the Liquidating Trustee in accordance with the Liquidating Trust Agreement. Estimated Percentage Recovery: 0%

THE DEBTOR BELIEVES THAT THE PLAN PROVIDES THE BEST RECOVERIES POSSIBLE FOR HOLDERS OF CLAIMS AGAINST THE DEBTOR AND THUS STRONGLY RECOMMENDS THAT YOU VOTE TO ACCEPT THE PLAN.

III. PLAN VOTING INSTRUCTIONS AND PROCEDURES

A. Notice to Holders of Claims and Interests

Approval by the Bankruptcy Court of this Disclosure Statement means that the Bankruptcy Court has found that this Disclosure Statement contains information of a kind and in sufficient and adequate detail to enable Holders of Claims to make an informed judgment whether to accept or reject the Plan.

THE BANKRUPTCY COURT'S APPROVAL OF THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE EITHER A GUARANTY OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN OR THEREIN OR AN ENDORSEMENT OF THE PLAN BY THE BANKRUPTCY COURT.

IF THE PLAN IS APPROVED BY THE REQUISITE VOTE OF HOLDERS OF CLAIMS ENTITLED TO VOTE AND IS SUBSEQUENTLY CONFIRMED BY THE BANKRUPTCY COURT, THE PLAN WILL BIND ALL HOLDERS OF CLAIMS AGAINST, AND INTERESTS IN, THE DEBTOR, WHETHER OR NOT THEY WERE ENTITLED TO VOTE OR DID VOTE ON THE PLAN AND WHETHER OR NOT THEY RECEIVE OR

RETAIN ANY DISTRIBUTIONS OR PROPERTY UNDER THE PLAN. THUS, ALL HOLDERS OF CLAIMS AGAINST THE DEBTOR ENTITLED TO VOTE ARE ENCOURAGED TO READ THIS DISCLOSURE STATEMENT AND ITS EXHIBITS CAREFULLY AND IN ITS ENTIRETY BEFORE DECIDING TO VOTE EITHER TO ACCEPT OR REJECT THE PLAN.

No solicitation of votes may be made except after distribution of this Disclosure Statement and no person has been authorized by the Debtor or the Bankruptcy Court to distribute any information concerning the Debtor other than the information contained herein.

B. Voting Rights

Pursuant to the provisions of the Bankruptcy Code, only holders of claims in classes that are (a) treated as "impaired" by the plan and (b) entitled to receive a distribution under such plan are entitled to vote on the plan. In this Chapter 11 Case, under the Plan, only the Holders of Claims in Classes 2, 3 and 6 are Impaired and entitled to vote on the Plan. Claims in other Classes which receive a distribution are Unimpaired and deemed to have accepted the Plan. Interests in Class 7 are Impaired and deemed to have rejected the Plan.

Only Holders of Allowed Claims in the voting Classes are entitled to vote on the Plan. A Claim that is unliquidated, contingent or disputed is not an Allowed Claim, and is thus not entitled to vote, unless and until the amount is estimated or determined, or the dispute is determined, resolved or adjudicated in the Bankruptcy Court or another court of competent jurisdiction, or pursuant to agreement with the Debtor. However, the Bankruptcy Court may deem a contingent, unliquidated or disputed Claim to be Allowed on a provisional basis, for purposes only of voting on the Plan.

Holders of Allowed Claims in the voting Classes may vote on the Plan only if they are Holders as of the Voting Record Date, which is _________, 2017.

C. Solicitation Materials

In soliciting votes for the Plan pursuant to this Disclosure Statement, the Debtor, through its voting agent Rust Consulting/Omni Bankruptcy (the "Voting Agent" or "Rust Omni"), will send to Holders of Claims in Classes 2, 3 and 6 copies of (a) the Disclosure Statement and Plan, (b) the *Order Approving (I) Disclosure Statement; (II) Procedures for the Solicitation and Tabulation of Votes to Accept or Reject the Debtor's Chapter 11 Plan; and (III) Related Notice and Objection Procedures* [D.I. __](the "Order Approving Disclosure Statement"), (c) the notice of, among other things, (i) the date, time and place of the hearing to consider confirmation of the Plan and related matters and (ii) the deadline for filing objections to confirmation of the Plan (the "Confirmation Hearing Notice"), (d) ballot (and return envelope) to be used in voting to accept or to reject the Plan and (e) other materials as authorized by the Bankruptcy Court.

If you are the Holder of a Claim that is entitled to vote, but you did not receive a ballot, or if your ballot is damaged or illegible, or if you have any questions concerning voting procedures, you may contact Rust Omni at the following: ~~If by regular mail~~ address and/or telephone number:

LIMITLESS MOBILE LLC ADMINISTRATION
c/o RUST OMNI
5955 DeSoto Ave., Suite 100
Woodland Hills, CA 91367
~~**If by overnight courier or hand delivery:**~~
~~LIMITLESS MOBILE LLC ADMINISTRATION~~
~~c/o RUST OMNI~~
~~5955 DeSoto Ave., Suite 100~~
~~Woodland Hills, CA 91367~~

~~**If by telephone:**~~

~~RUST OMNI818-906-8300~~Telephone: (818) 906-8300

D. Voting Procedures, Ballots and Voting Deadline

After reviewing the Plan and this Disclosure Statement, Holders of Claims in Classes 2, 3 and 6 are asked to indicate their acceptance or rejection of the Plan by voting in favor of or against the Plan on the accompanying ballot. Holders of Claims should complete and sign their **original** ballot **(copies will not be accepted)** and return it to the Voting Agent in the envelope provided.

Each ballot has been coded to reflect the Class of Claims it represents. Accordingly, in voting to accept or reject the Plan, you must use only the coded ballot or ballots sent to you with this Disclosure Statement.

IN ORDER FOR A HOLDER OF A CLAIM IN CLASS 2, 3 OR 6 TO HAVE ITS VOTE COUNTED, ITS BALLOT MUST BE PROPERLY COMPLETED AS SET FORTH ABOVE AND IN ACCORDANCE WITH THE VOTING INSTRUCTIONS ON THE BALLOT AND RECEIVED NO LATER THAN __________, 2017, AT 4:00 P.M. PREVAILING EASTERN TIME BY THE FOLLOWING:

~~If by~~By regular mail, overnight courier or hand delivery:

~~LIMITLESS MOBILE LLC ADMINISTRATION~~
~~c/o RUST OMNI~~
~~5955 DeSoto Ave., Suite 100~~
~~Woodland Hills, CA 91367~~

~~**If by overnight courier or hand delivery:**~~

LIMITLESS MOBILE LLC ADMINISTRATION
c/o RUST OMNI
5955 DeSoto Ave., Suite 100
Woodland Hills, CA 91367

UNLESS OTHERWISE PROVIDED IN THE INSTRUCTIONS ACCOMPANYING THE BALLOTS, FAXED BALLOTS WILL NOT BE ACCEPTED. BALLOTS THAT ARE

RECEIVED BUT NOT SIGNED WILL NOT BE COUNTED. BALLOTS THAT ARE SIGNED BUT DO NOT SPECIFY WHETHER THE HOLDER ACCEPTS OR REJECTS THE PLAN WILL BE NULL AND VOID. DO NOT RETURN ANY DEBT INSTRUMENTS OR OTHER EVIDENCE OF YOUR CLAIM WITH YOUR BALLOT.

Copies of this Disclosure Statement, the Plan and any appendices and exhibits to such documents are available to be downloaded free of charge on the Limitless Mobile case website maintained by Rust Omni: www.omnimgt.com/limitlessmobile. If you have any questions about (a) the procedure for voting your Claim, (b) the packet of materials that you have received, or (c) the amount of your Claim, or if you wish to obtain, at your own expense, unless otherwise specifically required by Bankruptcy Rule 3017(d), an additional copy of the Plan, this Disclosure Statement or any appendices or exhibits to such documents, please contact:**If by regular mail** Rust Omni:

LIMITLESS MOBILE LLC ADMINISTRATION
c/o RUST OMNI
5955 DeSoto Ave., Suite 100
Woodland Hills, CA 91367
If by overnight courier or hand delivery:
LIMITLESS MOBILE LLC ADMINISTRATION
c/o RUST OMNI
5955 DeSoto Ave., Suite 100
Woodland Hills, CA 91367

If by telephone:

RUST OMNI818-906-8300Telephone: (818) 906-8300

For further information and general instruction on voting to accept or reject the Plan, see Article XII of this Disclosure Statement and the instructions accompanying your ballot.

THE DEBTOR URGES ALL HOLDERS OF CLAIMS IN CLASSES 2, 3 AND 6 ENTITLED TO VOTE TO EXERCISE THEIR RIGHT BY VOTING IN FAVOR OF THE PLAN AND OTHERWISE COMPLETING THEIR BALLOTS AND RETURNING THEM TO THE VOTING AGENT BY THE VOTING DEADLINE.

E. Confirmation Hearing and Deadline for Objections to Confirmation

Pursuant to section 1128 of the Bankruptcy Code and Bankruptcy Rule 3017(c), the Bankruptcy Court has scheduled a Confirmation Hearing for ________, 2017 at _:00 _.M., (prevailing Eastern time). The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court without further notice except for the announcement of the adjournment date made at the Confirmation Hearing or at any subsequent adjourned Confirmation Hearing. Objections to confirmation of the Plan or proposed modifications to the Plan, if any, may be raised at the Confirmation Hearing.

IV. GENERAL INFORMATION CONCERNING THE DEBTOR

A. Overview

The Debtor is a telecommunications business based in Harrisburg, Pennsylvania. The Debtor owns its premises in Harrisburg, where it has constructed a modern mobile core network and a Network Operating Center ("NOC") capable of supporting voice, messaging and data across 2G, 3G and 4G/LTE technologies that has a number of key components which make it a fully functional alternative to the major Mobile Network Operators ("MNOs"). The equipment for the mobile core network was provided by Ericsson, purchased in part with RUS Award funds, and has been fully operational for just over a year. The mobile core network is integrated into those of several critical partners who provide services including call backhaul, billing and traffic management.

The Debtor also owns its own radio access network equipment ~~outright~~, also purchased in part with RUS Award funds, which is installed on towers and rooftop locations. The spaces in which the equipment is installed are secured by leasing arrangements which have minimum terms varying from five to ten years in length. The locations were selected to provide optimal coverage: maximizing geographical range from an efficient arrangement of towers.

B. Description of Debtor's Operations

The Debtor's operations can be divided into two general categories: retail and wholesale.

1. *Retail*

Prior to the Petition Date, the Debtor operated six retail locations and provided mobile telephone and broadband service to approximately 3500 customers in nine counties in central Pennsylvania. However, as discussed elsewhere in this Disclosure Statement, it made the decision prior to the Petition Date to downsize its retail operations. Although it has sold eight of its ten FCC licenses for radio access spectrum, it is retaining sufficient spectrum assets to provide service in a more limited area than it previously covered.

Currently, the Debtor's retail service area covers parts of Lycoming and Clinton counties. The Debtor has operated in its service area for many years through a number of brand names and identities and is reasonably well known to residents in the townships covered. A store in the Lock Haven, Pennsylvania area provides a physical location to customers offering sales opportunities and providing customer support. Given the nature of the customer base and limitations on the service area it is not expected that the retail business will grow significantly in the future.

2. *Wholesale*

The Debtor supplies wholesale customers with infrastructure, solutions and services nationwide enabled through a combination of the Debtor's license and infrastructure assets with appropriate commercial contracts with national and regional U.S. carriers / MNOs. In addition, the Debtor has executed a significant number of roaming agreements which enable its customers to access its services internationally.

The Debtor expects that the majority of its revenue growth will be generated from its wholesale segment. The value propositions that the Debtor offers customers can be broadly categorized into two types:

1. **Infrastructure-as-a-Service ("IaaS")** – providing parts (*e.g.* Home Location Register or Home Subscriber Server) or full mobile core network (*e.g.* 4G/LTE Evolved Packet Core) as-a-service to a customer and therefore creating lower total cost of ownership for customers through a shared infrastructure approach.

2. **Access / Connectivity** – reselling International Mobile Subscriber Identity ("IMSI")- or Subscriber Identity Module-based access / connectivity to one or more nationwide, regional or international carriers / MNOs' radio access network ("RAN") using Limitless Mobile's IMSI and Mobile Station International Subscriber Directory Numbers either controlled from the Debtor's Ericsson mobile core network or from its customers' mobile core networks and using only the RAN of an MNO partner.

The market for IaaS is derived from the growth in the wireless / mobile wholesale market driven by Mobile Virtual Network Operators ("MVNOs") focusing on the Machine-to-Machine ("M2M") and Internet of Things ("IoT") market, which is expanding rapidly, as well as those targeting more traditional voice driven consumer and business users.

Historically, the services which can now be provided by the Debtor were only available through major MNOs or through a dedicated investment in infrastructure. The latter course is expensive and time-consuming, requiring the organization to also acquire significant specialist technical skills as well as hardware and software assets. These factors represent significant hurdles and make the Debtor's proposition an attractive option for MVNOs serving both the M2M/IoT as well as the consumer/business user market.

Major MNOs have relatively rigid systems of operation which provide little if any flexibility for customization and therefore are sub-optimal for most potential customers. Therefore, there is a strong demand in the marketplace for a smaller and more agile company to provide more flexible solutions, often tailored to the needs of the customers, which the Debtor can offer.

Access and connectivity solutions are aimed primarily at MVNOs who serve either the M2M/IoT or consumer/business user market using their own brands. These services need to have an MNO backbone but the major carriers tend to be very restrictive in the way they handle MVNO customers. The Debtor is a registered MNO in its own right but because of its size it can be far more flexible and creative than the major MNOs in the solutions it offers.

The Debtor's cost base is characterized by relatively high fixed costs: It has to pay fixed fees for back haul, billing and other support services as well as paying salaries and benefits for the cost of a fixed operations workforce. Customers pay a mix of fixed charges and transaction related variable charges, with the latter representing bulk of the revenue in most opportunities.

C. Management and Employees

1. *Management*

The Debtor is managed by its board of directors and its management team. The board of directors consists of Richard Worley, who acts as Chairman, Sarah Miller Coulson, Peter Morse, and Robert Martin ~~and Linda Martin~~. Amir ~~Rajwani~~Rajwany is the Debtor's Chief Operating Officer and is assisted by various vice-presidents. The Debtor also receives services from three individuals who have contracts with one of two related non-debtor entities. Atte Miettinen is the Chief Executive Officer of Limitless Mobile Holdings, LLC ("Holdings"), the Debtor's parent, and in this capacity provides like services to the Debtor. Jim Croal is a contractor of Limitless Mobile Holdings, Inc. ("LMHI"), which is also a subsidiary of Holdings, and is LMHI's Chief Technology Officer. In this capacity, he provides CTO services to the Debtor. Jeremy Brett is also a contractor of LMHI and serves as its Chief Financial Officer. In this capacity, he provides CFO services to the Debtor. Because these three individuals provide services to the Debtor as well as to these other two entities, the Debtor is typically responsible for 75% of their gross base compensation, with the balance the obligation of the other entity.

The Debtor expects that its current management team will continue to provide services in their current capacities for the Reorganized Debtor.

2. *Employees*

As of the Petition Date, the Debtor had 39 employees in full and part-time positions. Since that date a number of terminations have taken place and currently the Debtor has 16 full-time employees and 1 part-time employee. All employees are employed on at-will contracts, with varying notice terms.

In addition, the Debtor currently has 4 contractors employed on a month-to-month basis who are working full time for the business.

None of the Debtor's employees or contractors are members of unions recognized by the Debtor.

D. Summary of Assets

The Debtor filed Schedules with the Bankruptcy Court that detail the assets which are either owned by the Debtor or in which the Debtor has an interest. Such assets include cash on hand, bank accounts and investments, deposits, accounts receivable, furnishings, fixtures, equipment and supplies used in operations, and other items of personal property. The Schedules provide asset values on a net book basis, which is not reflective of actual values. The Schedules may be reviewed on the Bankruptcy Court electronic case filing system or during business hours in the offices of the Clerk of the Bankruptcy Court. Additionally, the Schedules may be reviewed at www.omnimgt.com/limitlessmobile. Information regarding the Debtor's assets is also available in the Liquidation Analysis attached hereto as Exhibit B.

E. The Debtor's Capital Structure

The Debtor is a Delaware limited liability company. 100% of the membership interests in the Debtor were transferred to Holdings on November 1, 2013, and have been owned by Holdings since that date.

On or about September 24, 2010, the Debtor's predecessor-in-interest, Keystone Wireless, LLC, entered into the RUS Agreement with RUS (the "RUS Award"). The RUS Award provided for a term loan (the "RUS Loan") in the original principal amount of $11,096,780, purportedly secured by first priority liens on and security interests in substantially all of the Debtor's real and personal property, including accounts, inventory, other tangible property, and intangibles acquired with RUS Award proceeds, and the proceeds of the foregoing whether or not acquired with RUS Award proceeds (collectively, the "Collateral").

The RUS Award also provided for a grant of $25,286,105 (the "RUS Grant"), awarded to the Debtor in conjunction with the RUS Loan for the purpose of building out telecom infrastructure and providing wireless broadband access to the rural communities the Debtor serves.

As of the Petition Date, the Debtor is obligated under the RUS Loan in the approximate aggregate amount of $9,219,000. The Debtor believes that, as of the Petition Date, the aggregate amount of the RUS Loan exceeds the value of the Collateral on which RUS has a valid, enforceable lien. While the Debtor recognizes that, subject to the Committee's lien challenge discussed in Article V.F.5., *supra*, RUS may have a lien on the Debtor's tangible personal property and accounts receivable, the. The Debtor does not believe itsthat the RUS lien extends to the Debtor's real property in Harrisburg, as a search of real property records shows that RUS has never obtained or filed a mortgage describing this asset. In addition,Finally, the Debtor does not believe that the RUS lien extends to the Spectrum Proceeds because the Communications Act of 1934, as amended, and the rules and regulations of the Federal Communications Commission do not permit the granting of security interests in FCC licenses. TheMoreover, the Debtor believes that section 552(b) of the Bankruptcy Code operates to prevent RUS's prepetition lien on proceeds of assets on which RUS did not also have a prepetition lien from attaching to proceeds from the sale of eight of the Debtor's FCC licenses, which is discussed in Article V.F.3., *supra*.

In early 2016, as the Debtor neared completion of the buildout of its network, it required additional capital to achieve a retail-side network launch. Accordingly, on or about May 24, 2016, the Debtor entered into a $9,000,000 credit facility with Tower Bridge (the "Tower Bridge Loan"), which facility is purportedly secured on a *pari passu* basis with the RUS Loan on the same Collateral pursuant to that certain intercreditor agreement dated as of April 12, 2016, between and among the Debtor, Tower Bridge and RUS (the "Intercreditor Agreement"). As of the Petition Date, the Debtor is obligated under the Tower Bridge Loan in the approximate aggregate amount of $8,900,000.

The Debtor believes that the Tower Bridge Loan is unsecured for purposes of this Chapter 11 Case due to Tower Bridge's failure to file a UCC-1 financing statement until the day before the Petition Date, as set forth in the Committee's lien challenge discussed in Article V.F.5., *supra*. While Tower Bridge may nevertheless have rights against RUS pursuant to the

Intercreditor Agreement, the Plan treats Tower Bridge's claim arising from the Tower Bridge Loan as unsecured. However, it does not prejudice Tower Bridge's ability to pursue its rights against RUS under the Intercreditor Agreement.

In addition to debt, the Debtor has benefited from infusions of equity from Holdings, which approximate $35 million over the last three years, as well as from the contribution of the Debtor's FCC licenses.

F. Events Leading to the Commencement of the Chapter 11 Case

The Debtor operated as an independent rural wireless company, known as Keystone Wireless, providing 2G mobile telephone services to parts of central Pennsylvania for many years. However, the business was generally declining as competitors introduced 3G services and the company did not have the funds available to invest in upgrading its infrastructure.

In November 2013 it was acquired by Holdings, which had recently been formed by a syndicate of investors who provided funding to reinvigorate the business. At the same time Holdings acquired a European business headquartered in the UK, which carried on or established businesses in a number of European countries.

In 2010 the Debtor had successfully applied for the RUS Award to implement a new network in its rural service area through the Broadband Infrastructure Program ("BIP"). However, the only funding drawn down initially was used to acquire the Debtor's current operations base in Harrisburg. Changes to mobile telephony technology and challenges in selecting critical suppliers delayed the rest of the project by several years.

At this time the number of subscribers to the original 2G network continued to decline, resulting in steadily decreasing revenues. As maintenance costs on the network's aging equipment increased a number of towers were switched off. This meant customers' devices often roamed on other networks which resulted in significant "in market" roaming costs being incurred which significantly eroded gross margin.

In September 2014 the board of directors of Holdings confirmed that they would support the business through its investment phase and two funding rounds, in November 2014 and July 2015, were organized. The project to build the new 4G network then started in earnest. The original intention was to complete the build-out by June 2015. This short timespan was considered feasible because the company already had leases on a large number of towers and it was planned for these to be reused with the new equipment replacing the old equipment fitted on them.

However, during the spring of 2015 it became increasingly evident that progress was much slower than expected. Historic legal issues delayed the necessary permissions required to start re-equipping some towers; in other instances the need to optimize coverage meant new locations had to be found and new leases negotiated which took considerably more time than expected. Zoning issues also added to the delays. The deadline for completing the network was put back to the latest date permitted under the BIP program and even then it was acknowledged that a small number of sites, known as "greenfield sites", where new towers needed to be constructed, would not be available until later. In the end a phased introduction of the new

service was developed whereby districts within the coverage area would be switched on in waves and a rolling marketing plan was put in place. However, this meant a much slower increase in revenues from the new service would be achievable than had originally been planned. In turn this meant the operating losses being incurred by the Debtor would continue longer than originally expected.

At the same time a number of unbudgeted costs were identified: The tower companies imposed tower strengthening fees on a significant number of sites; the need to build platforms and make other adaptions to sites had not been included in the budget. In other cases the cost of rigging the equipment had been underestimated as the complexity of working on sites, often in remote areas, had not been fully taken into consideration.

Eventually it became clear that the Debtor would have to raise additional funding to complete the network. At the same time Holdings' European business had also run into financial difficulties. In particular, the UK business had not had the expected impact on its marketplace, mainly due to pricing issues with its suppliers. The investors in Holdings therefore concluded that they would prefer to put funds directly into the Debtor to protect it from any downside risks associated with Holdings' other subsidiaries. Consequently, in May 2016 Tower Bridge was formed and agreed to provide up to $9 million in secured loans directly to the Debtor. As part of the financial reorganization RUS agreed to a twelve month moratorium on repayments of the RUS Loan and permitted the Tower Bridge Loan to be made to the Debtor.

Meanwhile, in April 2016 the new 4G service had gone live in a limited area as planned. Over the next few months service launches took place in a widening area and new customer numbers were closely monitored. Initially the new service appeared to be a success with a greater average revenue per user being achieved than planned. However, the number of new connections being made fell below expectations and a number of contract cancellations meant overall subscriber numbers were below target.

At the same time the wholesale business had not developed as quickly as expected. It was always envisaged that an expansion of the Debtor's wholesale revenues would be a significant part of the overall financial plan but delays in completing elements of the network core in Harrisburg had delayed marketing plans and reduced the potential for finding new customers in the short term. This in turn lead to further revenue and gross margin shortfalls against the financial projections used to secure the Tower Bridge Loan.

By the end of September 2016 it had become evident that the Debtor only had sufficient cash reserves to last until December 2016 and that further new investment would be required for it to achieve its business plan. By this stage the 4G network was materially complete and operational but customer uptake was still well below expectations.

Negotiations took place between the various stakeholders in the business during October and November but with the business still incurring heavy losses and with the value of additional working capital required being substantial, it became clear there was little prospect of the investors agreeing to fund what was needed. The board of directors of the Debtor therefore reluctantly concluded that there was no alternative but to file a petition under Chapter 11.

V. THE CHAPTER 11 CASE

A. Continuation of Operations; Stay of Litigation

On December 2, 2016, the Debtor filed its petition for relief under chapter 11 of the Bankruptcy Code.

Since the Petition Date, the Debtor has continued to operate as a debtor in possession subject to the supervision of the Bankruptcy Court and in accordance with the Bankruptcy Code. The Debtor is authorized to operate its business and manage its property in the ordinary course, with transactions outside of the ordinary course of business requiring Bankruptcy Court approval.

An immediate effect of the filing of the Debtor's bankruptcy petition was the imposition of the automatic stay under the Bankruptcy Code which, with limited exceptions, enjoins the commencement or continuation of all collection efforts by creditors, the enforcement of liens against property of the Debtor and the continuation of litigation against the Debtor. The relief provides the Debtor with the "breathing room" necessary to assess its operations and prevents creditors from obtaining an unfair recovery advantage while the Chapter 11 Case is pending.

B. First Day Motions

On the first days of the Chapter 11 Case the Debtor filed several applications and motions seeking certain relief by virtue of so-called "first day orders." First day motions and orders are intended to facilitate the transition between a debtor's prepetition and post-petition business operations by approving certain regular business practices that may not be specifically authorized under the Bankruptcy Code or as to which the Bankruptcy Code requires prior approval by the Bankruptcy Court. The first day motions filed in the Chapter 11 Case are typical of motions filed in other Chapter 11 cases across the country. Such motions sought, among other things, the following relief:

- the maintenance of the Debtor's bank accounts and operation of its cash management system substantially as such system existed prior to the Petition Date;
- payment of employees' prepetition compensation, benefits and expense reimbursement amounts;
- payment of prepetition taxes and fee amounts;
- authority to administer customer programs and honor certain prepetition obligations to customers;
- an extension of the statutory period during which utilities are prohibited from altering, refusing or discontinuing services and/or requiring adequate assurance of payment as a condition of receiving services;
- continued use of the cash collateral of the Debtor's pre-petition secured lenders, and granting adequate protection to the lenders; and

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- a debtor-in-possession financing facility from Tower Bridge (the "DIP Facility"), which enabled the Debtor to continue to meet operating expenses in the ordinary course, while pursuing a wind down of retail operations and reorganizing its wholesale business. Tower Bridge provided the DIP Facility on an unsecured, administrative priority basis pursuant to 11 U.S.C. § 364(b).

The First Day Motions were all approved by the Bankruptcy Court, with certain revisions to the relief sought by the Debtor.

C. Retention of Professionals

The Debtor is represented in the Chapter 11 Case by Dilworth Paxson LLP ("Dilworth"). Rust Omni was authorized to provide claims, noticing and balloting services to the Debtor. Wilkinson Barker Knauer ("WBK") was retained as special counsel relating to the Debtor's oversight by and dealings with the Federal Communications Commission.

D. Appointment of Creditors' Committee

On December 16, 2016, the Office of the United States Trustee for the District of Delaware appointed the Committee. The Committee is represented by Saul Ewing LLP ("Saul") and has retained Gavin Solmonese ("Gavin") as its financial advisor.

E. Provision of Operational and Financial Information to Committee

From the outset of the case, the Debtor has provided the Committee with extensive information and documents about its operations and financial condition to permit the Committee to perform its oversight role.

Each week, the Debtor has also provided the Committee with a running analysis of its revenues and expenses and any variance from the Debtor's thirteen week budget and cash flow projections. The Debtor's controller also had a regular weekly call with the Committee's financial advisors to discuss the budget and cash flow and answer any questions.

In addition to the foregoing, on June 9, 2017, the Debtor provided the Committee with a confidential detailed business plan describing its strategies and goals in developing its wholesale business, and shared various comprehensive proposals the Debtor has made to potential customers. The Debtor has also provided the Committee with an earlier draft of the five-year financial projections that are attached as Exhibit A to this Disclosure Statement.

F. Significant Post-Petition and Restructuring Events

1. *Rejection of Store Leases and Tower Leases; Abandonment of Certain Equipment*

Due to its significant reduction in retail operations, the Debtor took steps at the outset of the case to reject certain unexpired leases related to these operations, so that the estate would not be unnecessarily burdened with the rent and other obligations under these leases.

On December 20, 2016, the Debtor filed a *Motion for Entry of an Order Authorizing the Rejection of Certain Real Property Leases, and Any Amendments Thereto, Effective as of the Later of (A) the Petition Date, or (B) the Date the Premises Were Vacated by the Debtor* [D.I. 62], which sought to reject five of the Debtor's six retail store leases. This motion was granted on January 23, 2017 [D.I. 155].

The Debtor also no longer needed most of its leases of space on cellular towers, on which it had installed its RAN equipment, which equipment was purchased in part with RUS Award funds. On January 6, 2017, the Debtor filed its *Omnibus Motion for Entry of an Order Authorizing (A) The Rejection of Certain Tower Leases, and Any Amendments Thereto, and (B) the Abandonment of Certain Equipment* [D.I. 116]. This motion sought rejection of the subject tower leases effective as of January 8, 2017, and abandonment of any equipment installed thereon to the extent it was not economical for the equipment to be removed and sold. The Committee objected to the relief requested in this motion [D.I. 129], arguing that the rejection date and date of abandonment of the equipment should be coterminous, suggesting a date of January 31, 2017. Other objections raising similar issues were also filed [D.I. 145, 152, 153, 154]. In order to resolve these objections, the Debtor agreed that the date of rejection and abandonment would be January 30, 2017. On January 30, 2017, the Court granted the Motion to Reject with the agreed modifications [D.I. 174].

2. *Sale of Excess Equipment to Telecyling LLC*

The reduction in the Debtor's retail operations also left it with certain excess equipment that was no longer needed for ongoing operations, but which the Debtor was incurring costs to store. The Debtor sought bids for the equipment and obtained one from Telecycling LLC in the amount of $73,400. On January 20, 2017, the Debtor filed its *Motion for Authority to Sell Certain Equipment Free and Clear of Liens, Claims and Encumbrances Pursuant to 11 U.S.C. § 363* [D.I. 147], which sought to approve the sale of the equipment to Telecycling under 11 U.S.C. § 363(b) and (f), subject to higher and better offers. A second party did make a higher bid for the assets; however, Telecyling increased its bid and the second party declined to submit further bids. On February 28, 2017, the Court entered an order approving the sale of the excess equipment to Telecyling for $90,700 [D.I. 239]. The Debtor continues to hold the sale proceeds for distribution pursuant to the Plan.

3. *Auction of Spectrum Assets*

On March 3, 2017, the Debtor filed its *Motion for Entry of an Order (I) Authorizing the Debtor to Sell Certain Wireless Licenses Free and Clear of Liens and Encumbrances and (II) Approving Sale and Auction Procedures in Connection Therewith* [D.I. 242], which sought approval of procedures to conduct a competitive auction of eight of the Debtor's PCS licenses (the "Spectrum Assets"). As part of its efforts to scale back its retail operations and focus its attention on the wholesale opportunities enabled by its infrastructure, the Debtor identified those PCS licenses necessary for its more limited retail services and its growing wholesale business. The remaining licenses, the Spectrum Assets, while no longer necessary for the Debtor's business, nevertheless have considerable value to other MNOs seeking to add capacity in the regions they cover.

On March 16, 2017, the Bankruptcy Court entered an order approving bidding procedures for the Spectrum Assets [D.I. 263], which established a bid deadline of March 31, 2017. The Debtor received four bids from each of the four largest U.S. wireless carriers: Verizon, AT&T, Sprint and T-Mobile (the "Bidders"). The bids ranged from $10,500,000 for the entire portfolio of Spectrum Assets, to $2,000,000 for a subset of the Spectrum Assets.

Thereafter, after consulting with the Debtor and the Committee, the Debtor's investment banker, MVP Capital, LLC ("MVP") devised detailed procedures for a competitive auction of the Spectrum Assets (the "Bidding Procedures"). The Bidding Procedures were designed to permit the Bidders flexibility to bid on either the entire portfolio of Spectrum Assets, or on individuals licenses. MVP and the Debtor decided that an appropriate minimum overbid both for the entire portfolio of Spectrum Assets, and for each individual license, was $0.01 per MHz Pop. The Bidders could therefore bid the minimum overbid for either the entire portfolio, or for any one or more of the individual licenses. The auction would continue for so long as any bid was made in the minimum requisite amount. This encouraged competitive bidding by allowing Bidders who wished to bid for the entire portfolio to do so, while also allowing Bidders who only wanted certain individual licenses to compete for them.

MVP conducted a live auction at Dilworth's Philadelphia offices on Thursday, April 13, 2017, beginning around 11:00 a.m. Representatives of each of the Bidders were present. The auction continued all day on Thursday, April 13, and did not conclude until around 4:30 a.m. on Friday, April 14. The final round of bidding was round 57, at which point all Bidders ceased bidding.

The highest bid received was from Verizon, for the entire portfolio of Spectrum Assets, in the amount of $24,260,000, representing an approximately 231% increase above the highest initial bid of $10,500,000 received on March 31. Verizon was declared the winner of the auction based on this bid.

On April 25, 2017, the Bankruptcy Court approved the sale of the Spectrum Assets to Verizon, subject to approval by the FCC [D.I. 324]. The FCC granted its approval of the proposed sale on June 19, 2017. The closing is scheduled to take place on August 9, 2017.

4. *Request to Increase DIP Facility*

The initial DIP Facility approved by the Bankruptcy Court as one of the Debtor's first day motions was in the amount of $5 million. The Debtor's budget projected that it would exhaust this facility by the end of June 2017. Thus, on June 7, the Debtor sought to approve an increase in this DIP Facility by $2 million, to $7 million, on the same terms as the initial DIP Facility [D.I. 351]. The Debtor also sought continued use of cash collateral until December 31, 2017 [D.I. 350]. This relief was necessary to permit the Debtor to close the sale of the Spectrum Assets to Verizon and confirm a chapter 11 plan. Both Tower Bridge and RUS consented to the requested relief.

The Committee filed an objection to both the requested increase in DIP funding and the continued use of cash collateral on June 21, 2017 [D.I. 370], arguing, *inter alia*, that any additional financing provided by Tower Bridge should not be an administrative expense, but should be in the form of an equity contribution.

At a hearing on July 6, 2017, the Debtor and the Committee reached an agreement whereby the DIP Facility would be increased on an interim basis by $750,000, with the entire amount of the increase to have administrative priority status upon the Debtor's providing a draft of the Plan to the Committee by July 21. The Committee also consented to the continued use of cash collateral. An order reflecting this agreement and approving the increase in the DIP Facility was entered by the Bankruptcy Court on July 10, 2017 [D.I. 400]. The Debtor has met the requirement of providing the Committee with a draft of the Plan; therefore, the $750,000 increase constitutes an administrative priority claim. By agreement between the Debtor and the Committee, a second order approving an additional $500,000 increase in the DIP Facility was entered on August 15, 2017 [D.I. 441]; this increase also constitutes an administrative priority claim. Again by agreement between the Debtor and the Committee, a third order approving a further $600,000 increase in the DIP Facility was entered on September 15, 2017 [D.I. 477]; this amount constitutes a commensurate administrative priority claim. A further hearing is scheduled for ~~August 14,~~October 5, 2017 to consider an additional increase ~~to~~in the DIP Facility~~.~~ of $150,000, which will bring the total amount borrowed to $7 million.

5. *PADOR Negotiations*

On or about February 21, 2017, the Pennsylvania Department of Revenue ("PADOR") filed a proof of claim in the amount of $3,712,748.66 (the "PADOR Claim") in the Chapter 11 Case and in the proof of claim indicated that the PADOR Claim was fully secured by a lien. The documentation submitted with the PADOR Claim suggests that the PADOR Claim arises from certain sales, use, and gross receipts taxes, plus penalties and interest accruing as early as 2004.

While PADOR has asserted in the PADOR Claim that it is has security interests in all of the Debtor's real and personal property, PADOR and RUS may have competing claims for lien priority in the Debtor's personal property. Nevertheless, the Debtor believes that PADOR may have a senior lien on the Debtor's real property because records do not reflect that RUS has ever obtained or filed a mortgage describing this asset. The Debtor believes that the fair market value of its real property is approximately $1.1 million.

Prior to the Petition Date, the Debtor had appealed the assessment of gross receipts taxes for tax years 2004 to 2010 and sales and use tax assessments for tax years 2011 to 2014 (collectively, the "Tax Appeals"). The Tax Appeals were pending as of the Petition Date, but stayed as a result of the Debtor's chapter 11 filing.

In light of the Tax Appeals and the various components of the PADOR Claim, the Debtor has been actively engaged in negotiations with PADOR regarding the actual principal amount of the Debtor's liability, the interest charges and penalties assessed, and the relative security and priority of the PADOR Claim. To the extent that the Debtor and PADOR cannot reach a negotiated agreement about the extent and priority of the PADOR Claim, these issues will be resolved by the Court.

Due to the nature of the PADOR Claim, the Plan proposes to treat the Allowed PADOR Claim as a Class 3 secured claim to the extent PADOR has a senior lien on any collateral. The amount of the Allowed PADOR Claim that is in excess of the Allowed PADOR Secured Claim shall be classified as either a Priority Tax Claim and/or a Class 6 General Unsecured Claim, as appropriate under the Bankruptcy Code.

6. ~~5.~~ *Committee's Suit Challenging the Liens of Tower Bridge and RUS*

On July 14, 2017, the Committee filed a complaint against both RUS and Tower Bridge, Adv. No. 17-50881, alleging that the loans made by both lenders are unsecured.

The complaint alleges that Tower Bridge failed to file a UCC-1 financing statement when it made the Tower Bridge Loan to the Debtor in May 2016, and only did so one day before the Petition Date. This filing, the Committee alleges, is an avoidable preference under 11 U.S.C. § 547(b).

As to RUS, the complaint alleges that while RUS did initially perfect the security interest securing the RUS Loan when it was made in September 2010, RUS subsequently failed to file a continuation statement under 6 Del. C. § 9-515, causing the security interest to lapse. The complaint also asserts that RUS does not have a valid security interest in a deposit account in the amount of $238,858.19 held at Northern Trust, N.A. (the "RUS Pledge Account") because the security agreement does not correctly describe a deposit account as collateral, as required under the Uniform Commercial Code. Finally, the Complaint asserts that RUS Grant does not give rise to any claim against the estate, because by its terms it was not required to be repaid, and when RUS filed its proof of claim it did not assert any claim for the RUS Grant. Simultaneously with the filing of the complaint, the Committee also filed a motion for summary judgment as to all counts in the complaint [Adv. D.I. 5]. ~~The Committee has proposed a briefing schedule whereby answers to the complaint will be due August 14, 2017, responses to the motion for summary judgment will be due August 21, 2017 and the Committee's reply brief will be due September 4, 2017.~~

On September 1, 2017, RUS filed a Motion to Dismiss Counts I, III, IV, and V of the complaint [Adv. D.I. 14]. In its Motion to Dismiss, RUS asserts that it had no obligation to file a continuation statement because in its financing statements RUS designated the Debtor as a "transmitting utility." Second, RUS contends that the RUS Agreement grants RUS a security interest in the Debtor's deposit accounts and proceeds from the sale of the Debtor's assets, whether or not acquired with funds from RUS loans or grants and such security interest in proceeds is not affected by section 552 of the Bankruptcy Code. Third, RUS asserts that its proof of claim does not supersede any scheduled claim that is not specifically asserted in the proof of claim. Finally, RUS argues that the grant claim is otherwise valid on the merits.

While the Debtor takes no position as to the merits of certain claims asserted in the adversary, the Debtor believes that there are no amounts owed on account of the RUS Grant because, among other things, the objectives of the RUS Grant have been fulfilled. The Debtor also believes that any pre-petition lien that RUS may have had on the Spectrum Proceeds, if any, was severed by operation of section 552(b)(1) of the Bankruptcy Code.

On September 5, 2017, Tower Bridge filed an Answer to the complaint [Adv. D.I. 15]. On September 7, 2017, RUS filed a Motion to Extend Time to Respond to the Motion for Summary Judgment [Adv. D.I. 18]. The Plan provides for the allowance of Tower Bridge's pre-petition claim as a General Unsecured Claim. Therefore, confirmation of the Plan will render the adversary moot as to Tower Bridge.

Notwithstanding the positions asserted in the adversary action, the Debtor believes that RUS may have a lien on the following: (1) the Debtor's tangible personal property (consisting of a network core, RAN, other equipment, and miscellaneous assets), (2) accounts receivable, (3) proceeds of the sale of certain equipment, and (4) the Debtor's RUS Pledge Account, which is subject to a control agreement in favor of RUS. The Debtor believes that the fair market value of this collateral is between $1 million and $1.5 million. In a liquidation, the Debtor believes that the value of its hard assets may be much less. As set forth above, the Debtor does not believe that the RUS lien extends to the Debtor's real property in Harrisburg, because, to the Debtor's knowledge, RUS has never obtained or filed a mortgage describing this asset. Finally, the Debtor does not believe that the RUS lien extends to the Spectrum Proceeds because the Communications Act of 1934, as amended, and the rules and regulations of the Federal Communications Commission do not permit the granting of security interests in FCC licenses. Moreover, the Debtor believes that section 552(b) of the Bankruptcy Code operates to prevent RUS's prepetition lien on proceeds of assets on which RUS did not also have a prepetition lien from attaching to proceeds from the sale of eight of the Debtor's FCC licenses.

Irrespective of the Committee's adversary action against RUS, the Plan proposes to treat the Allowed RUS Claim as a Class 2 Secured Claim to the extent of RUS's Collateral, provided that RUS is the senior lienholder for such collateral. The Amount of the Allowed RUS Claim that is in excess of the Allowed RUS Secured Claim shall be classified as a Class 6 General Unsecured Claim and shall be entitled to the treatment provided in the Plan for such Claims.

VI. SUMMARY OF THE PLAN

THIS SECTION PROVIDES A SUMMARY OF THE STRUCTURE AND IMPLEMENTATION OF THE PLAN AND THE CLASSIFICATION AND TREATMENT OF CLAIMS UNDER THE PLAN AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE PLAN WHICH ACCOMPANIES THIS DISCLOSURE STATEMENT.

THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT INCLUDE SUMMARIES OR EXCERPTS OF THE PROVISIONS CONTAINED IN THE PLAN AND IN DOCUMENTS REFERRED TO THEREIN. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT DO NOT PURPORT TO BE PRECISE OR COMPLETE STATEMENTS OF ALL THE TERMS AND PROVISIONS OF THE PLAN OR DOCUMENTS REFERRED TO THEREIN, AND REFERENCE IS MADE TO THE PLAN AND TO SUCH DOCUMENTS FOR THE FULL AND COMPLETE STATEMENTS OF SUCH TERMS AND PROVISIONS.

THE PLAN ITSELF AND THE DOCUMENTS REFERRED TO THEREIN WILL CONTROL THE TREATMENT OF CLAIMS AGAINST, AND INTERESTS IN, THE DEBTOR UNDER THE PLAN AND WILL, UPON THE EFFECTIVE DATE, BE BINDING UPON HOLDERS OF CLAIMS AGAINST, OR INTERESTS IN, THE DEBTOR AND OTHER PARTIES IN INTEREST. IN THE EVENT OF ANY CONFLICT BETWEEN THIS DISCLOSURE STATEMENT AND THE PLAN OR ANY OTHER OPERATIVE DOCUMENT, THE TERMS OF THE PLAN AND/OR SUCH OTHER OPERATIVE DOCUMENT WILL CONTROL.

A. OverallClassification Structure of the Plan

Under the Plan, Claims against and Interests in the Debtor are divided into Classes according to their relative seniority and other criteria, in accordance with the provisions of the Bankruptcy Code.

If the Plan is confirmed by the Bankruptcy Court and either the Reorganization or Liquidation Alternative is consummated: (a) the Claims in certain Classes will receive distributions equal to the full amount of such Claims, (b) the Claims of certain other Classes will receive distributions constituting a partial recovery on such Claims, and (c) the Claims and Interests in certain other Classes will receive no recovery on such Claims or Interests. On the Effective Date and at certain times thereafter, the DebtorLiquidating Trustee will distribute Cash and other property in respect of certain Classes of Claims as provided in the Plan. The Classes of Claims against and Interests in the Debtor created under the Plan, the treatment of those Classes under the Plan and the securities and other property to be distributed under the Plan are described below.

B. Necessity of Funding For the Plan

The Debtor intends to fund the Plan primarily through (i) the Spectrum Proceeds and (ii) the at least $11 million Capital Contribution provided by Tower Bridge. In addition,the New Money Investors, which may include any Holder of a Claim that will receive a Plan Distribution of at least $90,000 may opt110,000 that opts to contribute such Plan Distribution as part of the Capital Contribution to be provided by Tower Bridge to purchase a *pro rata* percentage of the ownership interests in the Reorganized Debtor that otherwise would have been issued to Tower Bridge.

Obtaining sufficient funding for the Capital Contribution is a condition to the Effectivenessoccurrence of the PlanReorganization Effective Date. If the Debtor is unable to raise sufficient funding, it may be asserted by the Debtor as a reason not to declare an Effective Date, provided that the Debtor determines that such condition cannot reasonably be satisfied. In such event, the Debtor shall file a motion to modify or withdraw the Plan, and creditors and parties in interest shall have the right to be heard with respect to such motion. within seventy-five (75) days of the Confirmation Date, on the seventy-sixth (76th) day the Debtor will file a Notice of Liquidation and commence proceeding under the Liquidation Alternative. The Debtor may, in its discretion after consultation with the Committee, file the Notice of Liquidation before the 76th day after the Confirmation Date if the Debtor deems necessary it or appropriate to do so.

During the time that the Debtor is seeking to obtain sufficient funding for the Capital Contribution for the Reorganization, Tower Bridge will advance portions of the Capital Contribution to fund the Debtor's operations and the fees of Debtor's bankruptcy counsel. This advance funding will be in the form of an equity contribution to the Debtor so as not to affect the interests of creditors while the Debtor seeks to raise sufficient capital to reorganize in accordance with the Plan.

C. Classification and Treatment of Claims and Interests

Section 1122 of the Bankruptcy Code provides that a plan must classify the claims and interests of a debtor's creditors and equity interest holders. In accordance with section 1122 of the Bankruptcy Code, the Plan divides Claims and Interests into Classes and sets forth the treatment for each Class (other than Administrative Claims and Priority Tax Claims which, pursuant to section 1123(a)(1), do not need to be classified). The Debtor is required, under section 1122 of the Bankruptcy Code, to classify Claims against and Interests in the Debtor into Classes that contain Claims and Interests that are substantially similar to the other Claims and Interests in such Class.

The Debtor believes that the Plan has classified all Claims and Interests in compliance with the provisions of section 1122 of the Bankruptcy Code and applicable case law, but it is possible that a Holder of a Claim or Interest may challenge the Debtor's classification of Claims and Interests and that the Bankruptcy Court may find that a different classification is required for the Plan to be confirmed. In that event, the Debtor intends, to the extent permitted by the Bankruptcy Code, the Plan and the Bankruptcy Court, to make such reasonable modifications of the classifications under the Plan to permit confirmation and to use the Plan acceptances received for purposes of obtaining the approval of the reconstituted Class or Classes of which each accepting Holder ultimately is deemed to be a member. Any such reclassification could adversely affect the Class in which such Holder initially was a member, or any other Class under the Plan, by changing the composition of such Class and the vote required of that Class for approval of the Plan.

Except as to Claims specifically Allowed in the Plan, the amount of any Impaired Claim that ultimately is Allowed by the Bankruptcy Court may vary from any estimated Allowed amount of such Claim and accordingly the total Claims ultimately Allowed by the Bankruptcy Court with respect to each Impaired Class of Claims may also vary from any estimates contained herein with respect to the aggregate Claims in any Impaired Class. Thus, the value of the property that ultimately will be received by a particular Holder of an Allowed Claim under the Plan may be adversely or favorably affected by the aggregate amount of Claims ultimately Allowed in the applicable Class.

The classification of Claims and Interests and the nature of distributions to members of each Class are summarized below. The Debtor believes that the consideration, if any, provided under the Plan to Holders of Claims and Interests reflects an appropriate resolution of its Claims and Interests, taking into account the differing nature and priority of such Claims and Interests and the fair value of the Debtor's assets.

In the event any Class rejects the Plan, the Debtor will seek confirmation of the Plan pursuant to the "cramdown" provisions of the Bankruptcy Code as to any dissenting Class. Section 1129(b) of the Bankruptcy Code permits confirmation of a chapter 11 plan in certain circumstances even if the plan has not been accepted by all Impaired classes of Claims and Interests. Although the Debtor believes that the Plan can be confirmed under section 1129(b) of the Bankruptcy Code, there can be no assurance that the Bankruptcy Court will find that the requirements to do so have been satisfied.

1. *Treatment of Unclassified Claims under the Plan*

(a) *Administrative Claims*

An Administrative Claim is a Claim for: (a) any cost or expense of administration (including, without limitation, the fees and expenses of Professionals) of the Chapter 11 Case asserted or arising under sections 503, 507(a)(1), 507(b) or 1114(e)(2) of the Bankruptcy Code including, but not limited to (i) any actual and necessary post-Petition Date cost or expense of preserving the Debtor's Estate or operating the organization of the Debtor, (ii) any post-Petition Date cost, indebtedness or contractual obligation duly and validly incurred or assumed by the Debtor in the ordinary course of operations, (iii) compensation or reimbursement of expenses of Professionals to the extent Allowed by the Bankruptcy Court under sections 330(a) or 331 of the Bankruptcy Code, and (iv) all Allowed Claims that are entitled to be treated as Administrative Claims pursuant to a Final Order of the Bankruptcy Court under section 546 of the Bankruptcy Code, including but not limited to the Administrative Claim of Tower Bridge pursuant to the DIP Loan; and (b) any fees or charges assessed against the Debtor's Estate under section 1930 of title 28 of the United States Code.

Under ~~the Plan~~both the Reorganization and the Liquidation Alternative, Administrative Claims are Unimpaired. Unless otherwise provided for in the Plan or agreed to between the Debtor and the Holder of the Claim, ~~Holders~~each Holder of an Allowed Administrative ~~Claims~~Claim shall be paid the full amount of their Allowed Administrative Claim, in Cash, as soon as reasonably practicable after the later of: (a) the Effective Date; or (b) ten (10) days after the date such Administrative Claim becomes Allowed by a Final Order. All fees payable pursuant to section 1930 of title 28 of the United States Code, as determined by the Bankruptcy Court at the Confirmation Hearing, will be paid as soon as reasonably practicably after the Effective Date.

Any professionals asserting a Professional Fee Claim against the Debtor shall file their final application for allowance of such Professional Fee Claim no later than sixty (60) days after the Effective Date. Any Professional Fee Claim that is Allowed by the Court after the Effective Date shall be paid by the Debtor as soon as practicable after allowance of such Claim by the Court. Applications that are not timely filed will not be considered by the Court. The Debtor may pay any Post-Effective Date Professional Fees and expenses for services rendered after the Effective Date without any application to the Bankruptcy Court.

(b) *Priority Tax Claims*

Priority Tax Claims are any and all Claims accorded priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code. Such Priority Tax Claims may include Claims of governmental units for taxes owed by the Debtor that are entitled to a certain priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code. The taxes entitled to priority are (a) taxes on income or gross receipts that meet the requirements set forth in section 507(a)(8)(A) of the Bankruptcy Code, (b) property taxes meeting the requirements of section 507(a)(8)(B) of the Bankruptcy Code, (c) taxes that were required to be collected or withheld by the Debtor and for which the Debtor is liable in any capacity as described in section 507(a)(8)(C) of the Bankruptcy Code, (d) employment taxes on wages, salaries or commissions that are entitled to priority pursuant to section 507(a)(4) of the Bankruptcy Code, to the extent that such taxes also meet the

requirements of section 507(a)(8)(D), (e) excise taxes of the kind specified in section 507(a)(8)(E) of the Bankruptcy Code, (f) customs duties arising out of the importation of merchandise that meet the requirements of section 507(a)(8)(F) of the Bankruptcy Code and (g) prepetition penalties relating to any of the foregoing taxes to the extent such penalties are in compensation for actual pecuniary loss as provided in section 507(a)(8)(G) of the Bankruptcy Code.

Under both the Reorganization and the Liquidation Alternative, Priority Tax Claims are Unimpaired. Unless otherwise provided for in the Plan or agreed to between the Debtor and the Holder of the Claim, Holders of Allowed Priority Tax Claims shall be paid the full amount of their Allowed Priority Tax Claim, in Cash, as soon as reasonably practicable after the later of: (a) the Effective Date; or (b) ten (10) days after the date such Priority Tax Claim becomes Allowed by a Final Order.

2. *Treatment of Classified Claims and Interests under the Plan*

(a) *Class 1: Priority Claims*

Under both the Reorganization and the Liquidation Alternative, Class 1 Priority Claims are Unimpaired. ~~Unless~~A Priority Claim means any Claim against the Debtor entitled to priority pursuant to section 507(a) of the Bankruptcy Code, other than a Priority Tax Claim or an Administrative Claim.

Under either alternative, unless otherwise provided for in the Plan or agreed to between the Debtor and the Holder of the Claim, ~~Holders~~each Holder of an Allowed Class 1 Priority ~~Claims~~Claim shall be paid the full amount of their Allowed Priority Claim, in Cash, ~~as soon as reasonably practicable after~~on the later of: (a) the Effective Date; or (b) ten (10) days after the date such Priority Claim becomes Allowed by a Final Order.

(b) *Class 2: RUS Secured Claim*

~~The~~Under both the Reorganization and the Liquidation Alternative, the Class 2 RUS Secured Claim is Impaired. ~~Unless RUS elects the alternative cash option treatment described below, in full satisfaction of its Allowed Secured Claim~~

Under the Reorganization, RUS shall receive, at its option, either: (a) amortized quarterly payments equal to the amount of the Allowed RUS Secured Claim over a ~~two~~five (~~2~~5) year period, with interest at the Wall Street Journal prime rate (in effect on the Confirmation Date) plus one percent (1%) per annum~~. The first payment shall be made on the later of (a) the Effective Date; or (b) ten (10) days after the date the RUS Secured Claim becomes Allowed by a Final Order. Subsequent payments shall be made on the first Business Day of each quarter thereafter with the final payment to be made on the second anniversary of the Effective Date. The foregoing is the default treatment of the RUS Secured Claim.As indicated above, RUS shall have the right to elect~~; or (b) payment of an amount equal to ninety percent (90%) of the Allowed RUS Secured Claim, with such payment to be made on the ~~Effective Date (the "Class 2 Cash Option"); provided, however, that RUS must affirmatively elect such treatment in its ballot voting to approve or reject the Plan. RUS's failure to make such affirmative election shall result in treatment of the Allowed RUS Secured Claim as provided for by the default treatment set forth~~

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above. Any payment made pursuant to the Class 2 Cash Option of the Plan shall effect a full and final satisfaction of such Claim such that neither the Debtor, nor the Reorganized Debtor, nor any other person shall have any liability on account of such Claim, except as provided for in the Plan.later of (i) the Reorganization Effective Date, or (ii) ten (10) days after the date that such Secured Claim becomes Allowed.

Under the Liquidation Alternative, RUS shall receive, in the discretion of the Debtor after consultation with the Committee, either: (a) Cash equal to the net proceeds of a sale of the RUS Collateral after deducting the costs of sale (including any commissions owed to professionals who facilitate the sale) and any amounts necessary for the satisfaction of any senior Liens in such collateral, up to the amount of the Allowed RUS Claim; or (b) the RUS Collateral, but only to the extent that RUS is determined to have a senior Lien on such RUS Collateral. In the event the RUS Collateral is sold as part of a sale of the Debtor's business operations as a going concern, then the allocation of the net proceeds of the sale to the RUS Collateral shall be determined either by agreement of the Debtor and RUS (which agreement shall be subject to Bankruptcy Court approval) or by the Bankruptcy Court if the Debtor and RUS cannot reach agreement. All payments to RUS on account of its Secured Claim shall be made as soon as reasonably practicable after the later of (i) ten (10) days following the closing of the sale of the RUS Collateral or the Debtor as a going concern, (ii) ten (10) days following the date on which the Bankruptcy Court approves by Final Order the allocation of the sale proceeds to the RUS Collateral, (iii) the Liquidation Effective Date; or (iv) ten (10) days after the date the RUS Claim becomes Allowed by a Final Order.

The treatment of the RUS Secured Claim provided in the Plan shall in no way impact any rights that Tower Bridge may have against RUS pursuant to the Intercreditor Agreement made by and among Limitless Mobile, LLC, The United States of America Rural Utilities Service and Tower Bridge LLM Partners, LLC Dated as of April 12, 2016.

The amount of the Allowed RUS Loan Claim that is in excess of the Allowed RUS Secured Claim shall be classified as a Class 56 General Unsecured Claim and shall be entitled to the treatment in accordance therewith, as set forth in the Plan.

(c) *Class 3: PADOR Secured Claim*

TheUnder both the Reorganization and the Liquidation Alternative, the Class 3 PADOR Secured Claim is Impaired. Unless PADOR elects the alternative cash option treatment described below

Under the Reorganization, PADOR shall receive, in full satisfaction, settlement, release, extinguishment and discharge of its Allowed Secured Claim, PADOR shall receiveat its option, either: (a) amortized quarterly payments equal to the amount of the Allowed PADOR Secured Claim over a two (2) year period, with interest at the Wall Street Journal prime rate (in effect on the Confirmation Date) plus one percent (1%) per annum. The first payment shall be made on the later of (a) the Effective Date; or (b) ten (10) days after the date the PADOR Secured Claim becomes Allowed by a Final Order. Subsequent payments shall be made on the first Business Day of each quarter thereafter with the final payment to be made on the second anniversary of the Effective Date. The foregoing is the default treatment of the PADOR Secured Claim.As indicated above, PADOR shall have the right to elect; or (b) payment of an amount equal to

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ninety percent (90%) of the Allowed PADOR Secured Claim, with such payment to be made on the ~~Effective Date (the "Class 3 Cash Option"); provided, however, that PADOR must affirmatively elect such treatment in its ballot voting to approve or reject the Plan. PADOR's failure to make such affirmative election shall result in treatment of the Allowed PADOR Secured Claim as provided for by the default treatment set forth above. Any payment made pursuant to the Class 3 Cash Option of the Plan shall effect a full and final satisfaction of such Claim such that neither the Debtor, nor the Reorganized Debtor, nor any other person shall have any liability on account of such Claim, except as provided for in the Plan~~later of (i) the Effective Date, or (ii) ten (10) days after the date that such Secured Claim becomes Allowed.

Under the Liquidation Alternative, PADOR shall receive, in the discretion of the Debtor after consultation with the Committee, either: (a) Cash equal to the net proceeds of a sale of the Property securing the PADOR Claim, after deducting the costs of sale (including any commissions owed to professionals who facilitate the sale) and any amounts necessary for the satisfaction of any senior Liens in such collateral, up to the amount of the Allowed PADOR Claim; or (b) the Property securing the PADOR Claim, but only to the extent PADOR is determined to have a senior Lien on such Property. In the event that such Property is sold as part of a sale of the Debtor's business operations as a going concern, then the allocation of the net proceeds of the sale to such Property shall be determined either by agreement of the Debtor and PADOR (which agreement shall be subject to Bankruptcy Court approval) or by the Bankruptcy Court if the Debtor and PADOR cannot reach agreement. All payments to PADOR on account of its Secured Claim shall be made as soon as reasonably practicable after the later of (i) ten (10) days following the closing of the sale of the Property or the Debtor as a going concern, (ii) ten (10) days following the date on which the Bankruptcy Court approves by Final Order the allocation of the sale proceeds to the Property securing the PADOR Claim, (iii) the Liquidation Effective Date; or (iv) ten (10) days after the date the PADOR Claim becomes Allowed by a Final Order.

The amount of the Allowed PADOR Claim that is in excess of the Allowed PADOR Secured Claim shall be classified as: (i) to the extent such Allowed Claim is entitled to the priority set forth in section 507(a)(8) of the Bankruptcy Code, a Priority Tax Claim~~ and shall be~~, and (ii) to the extent such Allowed Claim is not entitled to ~~treatment in accordance therewith, as~~the priority set forth in ~~the Plan~~section 507(a)(8) of the Bankruptcy Code, a Class 6 General Unsecured Claim.

(d) *Class 4: Other Secured Claims*

Under both the Reorganization and the Liquidation Alternative, Class 4 Other Secured Claims are Unimpaired. ~~Unless otherwise agreed to between the Debtor and the~~

Under the Reorganization, each Holder of ~~the Claim, Holders of~~an Allowed Class 4 Other Secured ~~Claims~~Claim shall receive, in the discretion of the Debtor, one of the following: (a) Cash equal to the full amount of their Allowed Other Secured Claim as soon as reasonably practicable after the later of: (i) the Effective Date; or (ii) ten (10) days after the date such Other Secured Claim becomes Allowed by a Final Order; (b) Reinstatement of such Allowed Other Secured Claim; or (c) the Property securing such Other Secured Claim.

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Under the Liquidation Alternative, holders of Allowed Class 4 Other Secured Claims shall receive, in the discretion of the Debtor after consultation with the Committee, either: (a) Cash equal to the net proceeds of a sale of the Property securing such Other Secured Claim, after deducting the costs of sale (including any commissions owed to professionals who facilitate the sale) and any amounts necessary for the satisfaction of any senior Liens in such collateral, up to the amount of the Other Secured Claim; or (b) the Property securing the Other Secured Claim, but only to the extent the holder of such Other Secured Claim is determined to have a senior Lien on such Property. In the event that such Property is sold as part of a sale of the Debtor's business operations as a going concern, then the allocation of the net proceeds of the sale to such Property shall be determined either by agreement of the Debtor and the holder of the Other Secured Claim (which agreement shall be subject to Bankruptcy Court approval) or by the Bankruptcy Court if the Debtor and the holder of the Other Secured Claim cannot reach agreement. All payments made on account of Allowed Other Secured Claims shall be made as soon as reasonably practicable after the later of (i) ten (10) days following the closing of the sale of the Property or the Debtor as a going concern, (ii) ten (10) days following the date on which the Bankruptcy Court approves by Final Order the allocation of the sale proceeds to the Property securing such Other Secured Claim; (iii) the Liquidation Effective Date; or (iv) ten (10) days after the date the Other Secured Claim becomes Allowed by a Final Order.

(e) *Class 5: Convenience Class*

Under both the Reorganization and the Liquidation Alternative, Class 5 Convenience Class Claims are Unimpaired. Convenience Class claims are any and all General Unsecured Claims that are below $1,000. Unless

Under either Plan alternative, unless otherwise agreed to between the Debtor and the Holder of the Claim, Holders of Allowed Class 5 Convenience Class Claims shall be paid the full amount of their Allowed Convenience Class Claim, in Cash, as soon as reasonably practicable after the later of: (a) the Effective Date; or (b) ten (10) days after the date such Convenience Class Claim becomes Allowed by a Final Order.

(f) *Class 6: General Unsecured Claims*

Under both the Reorganization and the Liquidation Alternative, Class 6 General Unsecured Claims are Impaired. Class 6 General Unsecured Claims means all Claims, including Rejection Claims, that are not Administrative Claims, Priority Tax Claims, Class 1 Claims, Class 2 Claims, Class 3 Claims, Class 4 Claims, Class 5 Claims or Class 7 Interests.

UnlessUnder the Reorganization, unless otherwise agreed to between the Debtor and the Holder of the Claim, Holderseach Holder of a Class 6 Allowed Class 6 General Unsecured Claims shall be paidClaim shall receive, in full satisfaction, settlement, release, extinguishment and discharge of such Claim (i) their *pro rata* share of the Net Spectrum Proceeds after payment in full of all Administrative Expense Claims, Priority Tax Claims, Class 1 Priority Claims, the Class 2 RUS Secured Claim, but only if and to the extent that RUS is determined to have a lienLien against the Spectrum Proceeds and then only after further Order of the Court through the Marshalling Proceeding, and Class 5 Convenience Class Claims; and (ii) the Additional General Unsecured Claim Distribution of $1.5 million (as defined below at C.2.(f)(iv) and collectively, the "Reorganization Proceeds").

Under the Reorganization, Cash distributions on account of Allowed Class 6 General Unsecured Claims will be made as follows:

(i) Initial Distribution. As soon as reasonably practicable after the Claims Objection Deadline, and subject to subparagraph (v) below, an initial distribution shall be made to Holders of Allowed Class 6 General Unsecured Claims offrom the net Spectrum Proceeds after (i) payment in full of all Allowed Administrative Expense Claims, Allowed Priority Tax Claims, Allowed Class 1 Priority Claims, and Allowed Class 5 Convenience Class Claims; (ii) the establishment of the reserve for payment of Professional Fee Claims; and (iii) the establishment of the reserve for Disputed ClaimsNet Spectrum Proceeds.[4]

(ii) Distributions on Account of Disputed Claims that Become Allowed Claims. If a Disputed General Unsecured Claim becomes an Allowed General Unsecured Claim, then the initial distribution owed to the Holder of such Allowed General Unsecured Claim shall be paid on or before ten (10) days after such General Unsecured Claim becomes Allowed by a Final Order.

(iii) Subsequent Distributions. As soon as reasonably practicable after the resolution by Final Order of all Disputed Claims, a final distribution shall be made to Holders of Allowed Class 6 General Unsecured Claims equal to their *pro rata* share of the Spectrum Proceeds that have not been distributed in accordance with thisthe Plan. Solely in the discretion of the Reorganized DebtorLiquidating Trustee, interim distributions may be made to Holders of Allowed Class 6 General Unsecured Claims if such interim distributions make practical and economic sense.

At the election and sole discretion of Tower Bridge to be exercised on or before the Effective Date, Holders of Allowed Class 6 General Unsecured Claims shall receive one of the following additional recoveries (the "Additional General Unsecured Claim Distribution"):

(i) *Equity Distribution*. Subject to adjustment as provided herein, as soon as reasonably practicable after the Effective Date, 11.11% of the common voting interests of the Reorganized Debtor shall be issued in the name of an appointed agent to be administered for the benefit of Holders of Allowed Class 6 General Unsecured Claims pursuant to an Agency Agreement to be provided. The percentage of equity provided for assumes a Capital Contribution (as defined in Section 5.01(b) of the Plan) of $8

[4] The Net Spectrum Proceeds constitute the Spectrum Proceeds after (i) payment in full of all Allowed Administrative Expense Claims, Allowed Priority Tax Claims, Allowed Class 1 Priority Claims, the Class 2 RUS Secured Claim, but only if and to the extent that RUS is determined to have a lienLien against the Spectrum Proceeds and after further Order of the Court through the Marshalling Proceeding, and Allowed Class 5 Convenience Class Claims; (ii) the establishment of the reserve for payment of Professional Fee Claims; and (iii) the establishment of the reserve for Disputed Claims.

million and a total value of equity in the Reorganized Debtor of $9 million (i.e., $1 million is 11.11% of the total equity value of $9 million). If the Capital Contribution is greater than $8 million, then the percentage of equity provided for herein shall be adjusted pursuant to the following formula: $1 million / (the amount of the Capital Contribution plus $1 million) (For example, if the Capital Contribution is $9 million, then the percentage of equity provided herein shall be 10%.)

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(iv) Additional Cash Distribution *on Effective Date*. Holders of Allowed Class 6 General Unsecured Claims shall be paid their *pro rata* share of $1 millionthe Additional Cash Distribution on or before the later of: (a) the Reorganization Effective Date; or (b) ten (10) days after the date such General Unsecured Claim becomes Allowed by a Final Order.

(v) Allowance of Tower Bridge Claim, Reclassification of Tower Bridge Claim, and Limited Deferral of Distributions on Account of Allowed Tower Bridge Unsecured Claim. Effective as of the Effective Date, the Tower Bridge Claim is reclassified as an Allowed General Unsecured Claim in the amount of $8,871,288 (the "Allowed Tower Bridge Unsecured Claim"). If, at the time of the Initial Distribution, the Liquidating Trustee determines that the aggregate distributions to Holders of Allowed Class 6 General Unsecured Claims under this Section will result in a distribution of less than 5% of the face amount of all Allowed Class 6 General Unsecured Claims, no distribution shall be made on account of the Allowed Tower Bridge Unsecured Claim unless and until such time as all other Holders of Allowed Class 6 General Unsecured Claims have received at least 5% of the face amount of such Allowed Claims. Thereafter, Tower Bridge shall be entitled to receive a distribution equal to 5% of the Allowed Tower Bridge Unsecured Claim prior to any further distributions on account of the other Allowed Class 6 General Unsecured Claims. Additional distributions to all Holders of Allowed Class 6 General Unsecured Claims (including Tower Bridge), if any, shall be made on a *pro rata* basis.

Under the Liquidation Alternative, unless otherwise agreed to between the Debtor and the Holder of the Claim, Holders of Allowed Class 6 General Unsecured Claims shall receive, through distributions from the Liquidating Trustee pursuant to the Liquidating Trust Agreement, which will be filed with the Bankruptcy Court within sixty (60) days of the Debtor filing the Notice of Liquidation: (i) their *pro rata* share of the Net Spectrum Proceeds after payment in full of all Administrative Expense Claims, Priority Tax Claims, Class 1 Priority Claims, the Class 2 RUS Secured Claim, but only if and to the extent that RUS is determined to have a Lien against the Spectrum Proceeds and then only after further Order of the Court through the Marshalling

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Proceeding, and Class 5 Convenience Class Claims; (ii) their *pro rata* share of any proceeds remaining following distributions made to secured and priority creditors; (iii) the proceeds of the sale of any Property of the Debtor that is unencumbered by Liens, and (iv) additional distributions, if any, on account of unliquidated assets that are transferred to the Liquidating Trust, including Causes of Action (collectively, the "Liquidation Proceeds").

Under either the Liquidation Alternative or the Reorganization, the proceeds of the Liquidation Trust Assets shall be distributed to the Holders of Allowed Claims and Interests by the Liquidating Trustee in accordance with the Plan and the Liquidating Trust Agreement.

(g) *Class 7: Interests*

Under both the Reorganization and the Liquidation Alternative, Class 7 Interests are Impaired. This Class consists of equity Interests in the Debtor or the rights to acquire the same. On

Under the Effective DateReorganization, the equity Interests in the Debtor shall be cancelled as soon as reasonably practicable after the Reorganization Effective Date and the Holders of equity Interests in the Debtor shall receive no distribution or Property on account of such equity Interests.

Under the Liquidation Alternative, the Holders of equity Interests in the Debtor shall receive their *pro rata* share of the Liquidation Proceeds after payment in full of all Allowed Administrative Expense Claims, Allowed Priority Tax Claims, and all Allowed Claims in Classes 1 through 6. Distributions of the Liquidation Proceeds, if any, to equity Interests shall be made by the Liquidating Trustee in accordance with the Liquidating Trust Agreement.

D. Reservation of Rights Regarding ClaimsReservation of Rights Regarding Claims

Except as otherwise explicitly provided in the Plan, nothing will affect the Debtor's rights and defenses, both legal and equitable, with respect to any Claims, including, but not limited to, all rights with respect to legal and equitable defenses to alleged rights of setoff or recoupment. The Debtor specifically reserves all rights, remedies, claims, defenses and Causes of Action.

The Debtor specifically preserves any Causes of Action held by the Estate. Confirmation and effectiveness of this Plan shall not be deemed to release any such Causes of Action. However, if the Reorganization Effective Date occurs, the Reorganized Debtor does not intend to pursue such Causes of Action. If the Liquidation Effective Date occurs, the Liquidating Trustee shall decide whether or not to pursue the Causes of Action. In the event that the Plan does not become effective, all settlements, releases and proposed treatments in the Plan are void *ab initio* and all parties reserve their rights to pursue or defend any matter as if the Plan had never been confirmed.

E. Executory Contracts and Unexpired Leases

The Plan provides thatUnder the Reorganization, all executory contracts and unexpired leases that exist between the Debtor and any Person or Entity shall be deemed **assumed** by the Debtor on the Confirmation Date and effective as of the Reorganization Effective Date, except

for any executory contract or unexpired lease: (i) that has been assumed or rejected pursuant to a Final Order of the Bankruptcy Court entered prior to the ConfirmationReorganization Effective Date; or (ii) as to which a motion for approval of the assumption or rejection of such executory contract or unexpired lease has been filed and served prior to the Reorganization Effective Date.The If the Reorganization Effective Date occurs, the Debtor shall pay any cure amounts owed to the non-debtor parties of executory contracts or unexpired leases that are assumed by the Debtor pursuant to thethis Plan on the Reorganization Effective Date from the Capital Contribution (as defined in the Plan).

Under the Liquidation Alternative, all executory contracts and unexpired leases that exist between the Debtor and any Person or Entity shall be deemed **rejected** by the Debtor effective as of the Liquidation Effective Date, except for any executory contract or unexpired lease: (i) that has been assumed or rejected pursuant to a Final Order of the Bankruptcy Court entered prior to the Liquidation Effective Date; (ii) as to which a motion for approval of the assumption or rejection of such executory contract or unexpired lease has been filed and served prior to the Liquidation Effective Date; or (iii) that has been assumed and assigned to a third party buyer pursuant to a Final Order of the Bankruptcy Court. If the Liquidation Effective Date occurs, and there is assumption and assignment of any executory contract or unexpired lease, the assignee of such executory contract or unexpired lease shall pay any cure amount owed.

F. Means for Implementation of the Plan

Depending on whether the Debtor pursues the Reorganization or the Liquidation Alternative, the means for implementation of the Plan will vary.

1. *Continued Existence/StructureImplementation of Reorganization*

Except as otherwise provided in the Plan, the Debtor shall, as a Reorganized Debtor, continue to exist after the Effective Date as a separate legal entity, with all the powers of a limited liability company under the laws of the State of Delaware and without prejudice to any right to alter or terminate such existence (whether by merger or otherwise) under applicable state law.

2. *Plan Funding*

The payments required to be made pursuant to the provisions of the Plan will be made from the following sources and in the manner described:

(a) *Distributions from Spectrum Proceeds*. Unless RUS is determined to have a valid lien against the Spectrum Proceeds, the Spectrum Proceeds shall not be used to make any payments on account of Secured Claims under this Plan. If RUS is determined to have a valid lien against the Spectrum Proceeds, the Allowed RUS Secured Claim shall be paid in full from the Spectrum Proceeds.

(b) *Capital Contribution from Tower Bridge*. It is expected that, on the Effective Date or pursuant to such other terms and conditions agreed to between the Debtor and Tower Bridge, Tower Bridge will make a capital contribution to the Reorganized Debtor of $9 million (the "Capital Contribution"), provided

~~however, that if Tower Bridge elects the Equity Distribution provided for in Section 3.10(c)(i) of the Plan, then the amount of the Capital Contribution will be $8~~

(a) Capital Contribution: As specifically set forth in the Plan, if the Debtor is successful in attracting sufficient capital from Tower Bridge, other potential investors, and Electing Creditors[5] (collectively, the "New Money Investors"), then the New Money Investors will fund a Capital Contribution to the Debtor of at least $11 million. The Capital Contribution ~~shall~~ will be used to fund certain payments under the Plan, including distributions to PADOR and RUS in satisfaction of their respective Allowed Secured Claims[6], the $1.5 million Additional Cash Distribution to General Unsecured Creditors, and cure amounts for contracts assumed under the reorganization. The remainder of the Capital Contribution shall be retained by the Reorganized Debtor as working capital.

(b) Advance of Capital Contribution to Fund Interim Operations: The Debtor has determined that it needs approximately seventy-five (75) days from the Confirmation Date to raise the Capital Contribution. During the interim period between the Confirmation Date and the earlier of (i) the Reorganization Effective Date; and (ii) the date on which the Debtor files a Notice of Liquidation in accordance with the Plan (the "Interim Operations Period"), Tower Bridge shall advance to the Debtor the amounts needed to fund the Debtor's operations and Professional Fee Claims incurred by counsel for the Debtor, Dilworth Paxson LLP, during the Interim Operations Period[7]. The Capital Contribution shall be advanced by Tower Bridge as an equity contribution to the Reorganized Debtor.

(c) ~~(c)~~ Equity in Reorganized Debtor~~.~~: On or as soon as reasonably practicable after the Reorganization Effective Date, new equity interests shall be issued in the Reorganized Debtor. In exchange for the Capital Contribution, ~~Tower Bridge shall own either: (i) 88.89% of the voting interests in the Reorganized Debtor if Tower Bridge elects the Equity~~

[5] "Electing Creditors" are any Holders of a Claim or Claims against the Debtor that will receive a Cash distribution pursuant to the Plan who have elected in writing on a completed Ballot to contribute the amount of their Plan Distribution as part of the Capital Contribution in exchange for a *pro rata* percentage of the ownership interests in the Reorganized Debtor, provided however, that in order to participate in the Capital Contribution, the amount of the Plan Distribution contributed by such Creditor must be at least $110,000 (the amount required to own at least 1% of the equity interests in the Reorganized Debtor based on a total equity value of $11 million) or such other amount necessary for the Electing Creditor to own at least 1% of the equity interests in the Reorganized Debtor if the Capital Contribution is greater than $11 million.

[6] Provided however that if RUS is determined to have a Lien on the Spectrum Proceeds, then the Allowed RUS Secured Claim may be satisfied from the Spectrum Proceeds, subject to further Order of the Court entered by agreement of the Debtor and the Committee or through the Marshalling Proceeding.

[7] During the Interim Operations Period, quarterly fees owed to the United States Trustee, Professional Fee Claims incurred by professionals other than those retained by the Debtor (i.e., Dilworth Paxson LLP) and fees incurred by the Claims Agent shall be paid by the Debtor from the Spectrum Proceeds.

Distribution provided for in Section 3.10(c)(i) of the Plan (subject to adjustment as provided in Section 3.10(c)(i)); or (ii)the New Money Investors shall own 100% of the common voting equity in the Reorganized Debtor if Tower Bridge elects the additional cash distribution set forth in Section 3.10(c)(ii) of the Plan. If Tower Bridge elects the Equity Distribution provided for in Section 3.10(c)(i) of the Plan, the remaining 11.11% of the voting interests in the Reorganized Debtor (subject to adjustment as provided in Section 3.10(c)(i)) shall be issued for the benefit of Holders of Allowed Class 6 General Unsecured Creditors as set forth in section 3.10(c)(i) of the Plan. The percentages set forth above in this paragraph 5.01(c) will be reduced *pro rata* to the extent that other creditors participate in the Capital Contribution by making the election provided for in section 5.01(d) of the Plan..

(d) (d) *Participation by Other Creditors in Capital Contribution.* At their election, made in writing on a completed Ballot on or before the Voting Deadline, any Holder of a Claim that will receive a Cash distribution pursuant to the Plan (a "Plan Distribution") may opt to contribute such Plan Distribution as part of the Capital Contribution defined above to purchase a *pro rata* percentage of the ownership interests in the Reorganized Debtor that otherwise would have been issued to Tower Bridge; provided however, that in order to participate in the Capital Contribution, the amount of the Plan Distribution contributed by such Creditor must be at least $90,000 (the amount required to own at least 1% of the equity interests in the Reorganized Debtor based on a total equity value of $9 million) or such other amount necessary for the Creditor to own at least 1% of the equity interests in the Reorganized Debtor if the total equity value of the Reorganized Debtor is greater than $9 million.

2. *Implementation of Liquidation Alternative*

(a) Notice of Liquidation: In the event the Debtor is not able to raise the Capital Contribution within 75 days of the Confirmation Date, then on the 76th day the Debtor shall file the Notice of Liquidation. Nothing shall prevent the Debtor from filing the Notice of Liquidation prior to the 76th day following the Confirmation Date in the Debtor's discretion.

(b) Sale of Remaining Assets: Within twenty-one (21) days of filing the Notice of Liquidation, the Debtor shall, after consultation with the Committee, file a motion to establish sale procedures for substantially all of its remaining assets. Such sale procedures shall be designed by the Debtor in its discretion, and in consultation with the Debtor's advisors and after consultation with the Committee, to effectuate a sale of the Debtor's remaining assets as expeditiously as reasonably possible while maximizing their value.

(c) Operations of Debtor During Sale Period: If the Debtor, in consultation with the Committee and the Debtor's investment banker, concludes that

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the value of the Debtor's assets will be maximized through a sale as a going concern, then the Debtor may continue to operate its business pending the closing of such sale. If the Debtor, in consultation with the Committee and the Debtor's investment banker, determines that a sale as a going concern is not advisable, then the Debtor may continue to operate its business for the minimum amount of time necessary to comply with FCC regulations and transition its remaining subscribers. From and after the date the Notice of Liquidation is filed, all Administrative Expenses shall be funded from the Spectrum Proceeds. All Administrative Expenses other than Professional Fee Claims shall be paid subject to a budget to be submitted, after consultation with the Committee, to the Bankruptcy Court for approval pursuant to a Final Order that shall contain appropriate variance allowances. All Professional Fee Claims shall be paid as and when permitted to be paid in accordance with Final Orders entered by the Bankruptcy Court (including the interim compensation procedures that were approved at the beginning of the Chapter 11 Case).

(d) *Abandonment and Surrender of Assets:* The Debtor, in consultation with the Committee, may at any time after filing the Notice of Liquidation, surrender any Property to the Secured Creditor(s) that have a Lien on such Property by filing an appropriate motion to abandon (a "Motion to Abandon") such Property with the Bankruptcy Court. Any Property that is encumbered by one of more Liens that is not sold by the Debtor pursuant to the Plan shall be deemed abandoned and surrendered to the Secured Creditor(s) holding such Liens on the Liquidation Effective Date. To the extent any Property abandoned and/or surrendered under this paragraph is located on or at a wireless communications facility, tower, or other structure (collectively, the "Towers" and any Property located on or at a Tower, the "Tower Equipment") and the Debtor or any Secured Creditor intends to remove any Tower Equipment, the Debtor or the Secured Creditor shall provide written notice (the "Written Notice") to the counterparty (the "Counterparty") under any written agreement relating to the applicable Tower (the "Tower Agreement") no later than five business days prior to the date that the Debtor or any Secured Creditor intends to remove any Tower Equipment. In any Motion to Abandon, the Debtor shall list the addresses and names of the party or parties to whom Written Notices are to be sent under each applicable Tower Agreement pursuant to the foregoing sentence. The Written Notice shall be, for each affected Tower, (a) addressed to the party or parties to whom notices are to be sent under the applicable Tower Agreement, and (i) served by overnight delivery and (ii) served electronically if electronic service of notices is specified or otherwise contemplated in the applicable Tower Agreement, (b) served on any counsel for a Counterparty that has entered an appearance in this Chapter 11 Case, and shall be served on such counsel via (i) electronic mail and (ii) hand-delivery if such counsel has an office in Wilmington, Delaware or, if such counsel does not have an office in Wilmington, Delaware, overnight delivery, and (c) served on the

Committee or the Liquidating Trustee, as applicable. To the extent that any Secured Creditor, either through its respective employees, contractors, or other agents, or through any third party (collectively, a "Service Provider"), removes or otherwise modifies any Tower Equipment on a Tower, the Secured Creditor and all Service Providers shall comply with all requirements of the applicable Tower Agreement and applicable law for the removal or modification of Tower Equipment on the applicable Tower, including, without limitation, any requirement under the applicable Tower Agreement or applicable law that any Service Provider be licensed by the Commonwealth of Pennsylvania or any other governmental entity, or any requirement under the applicable Tower Agreement or applicable law that the Secured Creditor or Service Provider obtain a report, certification, or otherwise consult an architect, engineer, or other professional regarding the proposed removal or modification of Tower Equipment. If any Tower Equipment has not been physically removed subject to the provisions of this paragraph from the affected Tower within twenty-eight days after the later of: (i) entry of an Order granting any Motion to Abandon; or (ii) the Liquidation Effective Date, the automatic stay of section 362 of the Bankruptcy Code and any stay or injunction imposed by the Plan will automatically be deemed to be vacated to the extent necessary to permit any Counterparty to a Tower Agreement to access, remove, and/or otherwise dispose of any Tower Equipment without liability to the Debtor or any Secured Creditor relating to the Tower Equipment. Nothing in this paragraph shall be deemed to allow or authorize the Debtor, the Reorganized Debtor, the Committee, or the Liquidating Trustee to produce to a third party any Tower Agreement that is confidential pursuant to its own terms or otherwise confidential under applicable law.

(e) Liquidating Trust: On the Effective Date and pursuant to the Liquidation Trust Agreement to be filed with the Bankruptcy Court, the Debtor shall establish the Liquidating Trust and irrevocably transfer to the Liquidating Trust, for and on behalf of the beneficiaries of the Liquidating Trust, with no reversionary interest in the Debtor, the Liquidating Trust Assets. The provisions governing the Liquidating Trust shall be set forth in detail in the Liquidating Trust Agreement. Subject to the terms of the Liquidating Trust Agreement, all right, title, and interest in the Liquidating Trust Assets shall be transferred, assigned, and delivered to the Liquidating Trust, free and clear of all Claims, Liens, and Interests, to be managed as Liquidating Trust Assets by the Liquidating Trustee for the sole purposes of consummating and carrying out the Plan. All other necessary steps shall be taken to establish the Liquidating Trust and the beneficial interests therein.

i. Selection of Liquidating Trustee. The Liquidating Trustee shall be selected by the Committee with the consent of the Debtor, which consent shall not be unreasonably withheld.

Any disputes regarding the selection of the Liquidating Trustee shall be resolved by the Court upon Motion filed by either the Debtor or the Committee.

ii. Liquidating Trust Agreement. An appropriate Liquidating Trust Agreement shall be negotiated by and among the Debtor, the Committee, and the proposed Liquidating Trustee and approved by the Court.

iii. Post-Confirmation Oversight Committee. The Liquidating Trust shall be governed by a three member oversight committee selected by the Committee (the "Post-Confirmation Oversight Committee") to whom the Liquidating Trustee shall report, and which shall direct the Liquidating Trustee's actions, all pursuant to the Liquidating Trust Agreement and the Plan. All actions of the Liquidating Trust and the Liquidating Trustee shall require approval of at least two members of the Post-Confirmation Oversight Committee. Notwithstanding anything to the contrary contained in the Plan, all actions of the Liquidating Trustee shall be made in consultation with, and subject to the prior approval of, the Post-Confirmation Oversight Committee unless otherwise expressly provided in the Liquidating Trust Agreement.

3. *Plan Funding*

(a) Reorganization: Under the Reorganization, the payments required to be made pursuant to the Plan to Holders of Allowed Class 6 Claims will be made by the Liquidating Trustee from the Reorganization Proceeds. The payments required to be made to Holders of other Allowed Claims will be made either by the Reorganized Debtor or the Liquidating Trustee in accordance with the Liquidating Trust Agreement.

(b) Liquidation Alternative: Under the Liquidation Alternative, the payments required to be made pursuant to the Plan will be made by the Liquidating Trustee from the proceeds of the Liquidating Trust Assets.

(c) Distributions from Spectrum Proceeds, and Allocation and Marshalling of Collateral. Unless RUS or another Holder of an Allowed Secured Claim is determined to have a valid Lien against the Spectrum Proceeds, no portion of the Spectrum Proceeds shall be used to make any payments on account of Secured Claims under the Plan. If RUS or any other Holder of an Allowed Secured Claim is determined to have a valid Lien against the Spectrum Proceeds through the Committee Adversary Proceeding or otherwise, the Allowed RUS Secured Claim, or such other Allowed Secured Claim, may be paid from some or all of the Spectrum Proceeds pursuant to Final Order of the Court either pursuant to agreement between

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the Debtor and the Committee or after a contested matter or adversary proceeding (a "Marshalling Proceeding") initiated by the Debtor, the Committee, the Liquidating Trustee, RUS, or any other holder of an Allowed Secured Claim through which the Court may determine, without limitation, (a) the extent to which the Allowed RUS Secured Claim or any other Allowed Secured Claim must be first satisfied from the Spectrum Proceeds, the Capital Contribution, or any other property of the Debtor's estate under the doctrine of marshalling or any other similar doctrine with respect to any collateral, including the Spectrum Proceeds, (b) the allocation of the Allowed RUS Secured Claim or any other Allowed Secured Claim among the Spectrum Proceeds, property vested with the Reorganized Debtor, if any, and any other property of the Debtor or the Debtor's estate, and (c) all parties' respective rights regarding any property of the Debtor or proceeds thereof not previously determined through the Plan or other Final Order of the Court. All parties' rights and defenses in any Marshalling Proceeding are hereby reserved and preserved, and confirmation of this Plan shall not prejudice any parties' rights or defenses.

4. ~~3.~~ *Reserve for Professional Fees and Disputed Claims*

On or before the Effective Date, the Debtor or the Liquidating Trustee, as appropriate, shall place in a reserve account Cash sufficient to make payments on account of Professional Fee Claims, Post-Effective Date Professional Fees, and Disputed Claims ~~pursuant to the Plan~~.

5. ~~4. *Organization*~~*Organizational Action*

The entry of the Confirmation Order shall constitute authorization for the Debtor to take or cause to be taken all actions necessary or appropriate to consummate and implement the provisions of the Plan prior to, on and after the Effective Date, and all such actions taken or caused to be taken shall be deemed to have been authorized and approved by the Bankruptcy Court. ~~On or, as applicable, before the Effective Date, the appropriate officers and~~Each of the members of the Debtor and/or the Reorganized Debtor is authorized, in accordance with his or her authority under any resolution of the board of directors of the Debtor ~~are authorized and directed to execute and deliver the~~and/or the Reorganized Debtor to execute, deliver, file or record such contracts, instruments, releases, indentures and/or other agreements~~,~~ or documents and ~~instruments contemplated by the Plan in the name and on behalf of the Debtor~~to take such action as may be necessary and appropriate to effectuate the terms and provisions of the Plan.

G. Confirmation and/or Consummation

Described below are certain important considerations under the Bankruptcy Code in connection with confirmation of the Plan.

1. *Requirements for Confirmation of the Plan*

Before the Plan can be confirmed, the Bankruptcy Court must determine at the Confirmation Hearing that the requirements for confirmation set forth in section 1129 of the

Bankruptcy Code are met. The Debtor believes that, upon receipt of the votes required to confirm the Plan, the Plan will satisfy the requirements of section 1129 of the Bankruptcy Code.

Even if all of the foregoing are satisfied, if any Class of Claims is Impaired and votes to reject the Plan, the Debtor must satisfy the applicable "cramdown" standard with respect to that Class. Section 1129(b) of the Bankruptcy Code requires that the plan "not discriminate unfairly" and be "fair and equitable" with respect to such class. The Debtor does not anticipate that any Class of Claims will vote to reject the Plan. However, in the event any Class votes to reject the Plan, the Debtor believes it will satisfy the cramdown standards in section 1129(b) with respect to any such rejecting class.

2. *Conditions Precedent to Confirmation Date and Respective Effective Date*

The Plan specifies conditions precedent to the Confirmation Date and the respective Effective Date, be it the Reorganization Effective Date or the Liquidation Effective Date. Each of the specified conditions must be satisfied or waived in whole or in part by the Debtor, without any notice to parties-in-interest or the Bankruptcy Court and without a hearing, except as otherwise set forth in the Plan.

The conditions precedent to the occurrence of the Confirmation Date, which is the date of entry by the clerk of the Bankruptcy Court of the Confirmation Order, are that: (a) the Bankruptcy Court shall have entered an order or orders, which may be the Confirmation Order, approving the Plan, authorizing the Debtor to execute, enter into and deliver the Plan and any documents relating thereto and to execute, implement and to take all actions otherwise necessary or appropriate to give effect to the transactions contemplated by the Plan; and (b) that the form and substance of the Confirmation Order shall be acceptable to the Debtor ~~and~~, Tower Bridge, and the Committee.

The conditions that must be satisfied ~~on or~~ prior to the occurrence of the Reorganization Effective Date are that: (a) the Confirmation Order shall have been entered by the Bankruptcy Court through a Final Order and shall be in full force and effect and not be subject to any stay or injunction; (b) all actions, documents and agreements necessary to implement the Plan, including with respect to the issuance of new equity interests in the Reorganized Debtor and the Capital Contribution, shall have been effected or executed as determined by the Debtor in its sole and absolute discretion; ~~and~~ (c) the Debtor shall have raised ~~adequate funding for~~ the entire Capital Contribution ~~to effectuate the Cash payments under the Plan and provide the Reorganized Debtor with working capital.~~; (d) the Debtor shall have filed the Liquidating Trust Agreement; and (e) the Liquidating Trust Agreement shall have been approved by the Bankruptcy Court through a Final Order.

The conditions that must be satisfied prior to the occurrence of the Liquidation Effective Date are that: (a) the Confirmation Order shall have been entered by the Bankruptcy Court through a Final Order and shall be in full force and effect and not be subject to any stay or injunction; (b) the Debtor shall have filed the Notice of Liquidation and the Liquidating Trust Agreement; (c) the Liquidating Trust Agreement shall have been approved by the Bankruptcy Court through a Final Order; and (d) any and all sales of Property pursuant to Section 5.02(b) of the Plan (i.e., sales of remaining assets) shall have closed.

The failure to satisfy any condition other than ~~Section 7.02(a)~~entry of the ~~Plan~~Confirmation Order that is a requirement to occurrence of the respective Effective Date may be asserted by the Debtor as a reason not to declare an Effective Date, provided that the Debtor determines that such condition cannot reasonably be satisfied. In such event, the Debtor shall file a motion to modify or withdraw the Plan, and creditors and parties in interest shall have the right to be heard with respect to such motion.

H. Effects of Confirmation

1. ~~*Vesting of Assets*~~*Vesting of Assets*

~~Upon the Effective Date, pursuant to sections 1141(b) and (c) of the Bankruptcy Code, all property of the Debtor shall vest in the Reorganized Debtor free and clear of all Claims, Liens, encumbrances, charges and other interests, except as otherwise specifically provided in the Plan. All Liens, Claims, encumbrances, charges and other interests shall be deemed fully released and discharged as of the Effective Date, except as otherwise provided in the Plan. Except as otherwise provided in the Plan or the Confirmation Order, all Avoidance Actions shall automatically revert to and become the property of the Reorganized Debtor. The Reorganized Debtor will waive the right to enforce and prosecute such Avoidance Actions against any Person or Entity, that arose before the Effective Date, other than those expressly preserved or retained as part of or pursuant to the Plan or Confirmation Order. Except as otherwise provided in the Plan or Confirmation Order, nothing herein shall constitute the Debtor's waiver or release of claims, Causes of Action, or defenses not arising under chapter 5 of the Bankruptcy Code.~~

If the Reorganization Effective Date occurs, then on the Reorganization Effective Date (a) the Reorganized Debtor shall be vested with all interests and property other than the Reorganization Proceeds, including Causes of Action, of the Debtor's estate free and clear of all claims, Liens, charges and other interests of Creditors or Interest holders arising prior to the Petition Date, except as expressly provided for in this Plan and (b) the Liquidating Trust shall be vested with the Liquidating Trust Assets free and clear of all claims, Liens, charges and other interests of Creditors or Interest holders arising prior to the Petition Date, except as expressly provided for in the Plan.

If the Liquidation Effective Date occurs, then on the Liquidation Effective Date, the Liquidating Trust shall be vested with all Liquidating Trust Assets free and clear of all claims, Liens, charges and other interests of Creditors or Interest holders arising prior to the Petition Date, except as expressly provided for in the Plan.

2. *Injunction*

(a) *Claims and Interests*

Except as provided for in the Plan or the Confirmation Order, as of the Effective Date, all Claimants that have held, currently hold, or may hold a Claim or other debt or liability that is discharged, are permanently enjoined from taking any of the following actions against the Debtor, the Reorganized Debtor, or its property on account of any of its discharged claims, debts or liabilities: (i) commencing or continuing, in any manner or in any place, any action or other proceeding; (ii) enforcing, attaching, collecting or recovering in any manner any judgment,

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award, decree or order; (iii) creating, perfecting or enforcing any lienLien or encumbrance; (iv) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to the Debtor or the Reorganized Debtor, except as provided for in the Plan; and (v) commencing or continuing any action, in any manner, or in any place, that does not comply with or is inconsistent with the provisions of the Plan. By accepting any payment pursuant to the Plan, each holder of an Allowed Claim shall be deemed to have specifically consented to the injunctions set forth above.

(b) *Exculpation and Limitation of Liability*

The Plan contains standard exculpation provisions applicable to certain of the key parties in interest with respect to conduct in the Chapter 11 Case. Specifically, the Plan provides that neither the Debtor, its Estate, the Reorganized Debtor, the Committee, Tower Bridge, nor any of their respective officers, directors, employees, advisors, professionals, agents or members shall have or incur any liability to, or be subject to any right of action by, the Debtor, any holder of a Claim or Interest or any other party-in-interest for any act or omission in connection with, related to, or be subject to any right of action, by the Debtor arising out of, the Chapter 11 Case, negotiations regarding or concerning the Plan, the pursuit of confirmation of the Plan, the consummation of the Plan, the administration of the Plan or the property to be distributed under the Plan, or any act taken or omitted to be taken after the Petition Date, except for willful misconduct or gross negligence, and, in all respects, the Debtor, its Estate, the Reorganized Debtor, and their respective officers, directors, employees, advisersadvisors, professionals and agents shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

3. *Releases*

(a) *Releases by Debtor in Favor of Third Parties*

The Plan provides for certain releases to be granted by the Debtor on and as of the applicable Effective Date. Specifically, effective on the Effective Date, and except as otherwise provided in the Plan or the Confirmation Order, for good and valuable consideration, the Debtor and the Reorganized Debtor will be deemed to have forever released, waived and discharged the Released Parties (as defined in the Plan) from any and all Claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action and liabilities (other than the rights of the Debtor or the Reorganized Debtor to enforce the Plan and the contracts, instruments, releases, indentures and other agreements or documents delivered thereunder), whether for tort, contract, violations of federal or state securities laws, or otherwise, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that are based in whole or in part on any act, omission, transaction, event or other occurrence, including actions in connection with indebtedness for money borrowed by the Debtor, taking place on or prior to the Effective Date in any way relating to the Debtor, the Chapter 11 Case, or the Plan, provided, however, the Retained Avoidance Actions against Insiders shall only be released pursuant to the Plan if the Reorganization Effective Date occurs, and if the Liquidation Effective Date occurs, the Retained Avoidance Actions are not released pursuant to the Plan.

(b) *Releases by Holders of Claims and Interests*

The Plan also provides for certain releases by Holders of Claims and Interests. Effective on the Effective Date, in consideration for the obligations of the Debtor under the Plan and the payments, contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, each Person (excluding the Debtor) that has held, currently holds or may hold a Claim or Interest, and any Affiliate of any such Person (as well as any trustee or agent on behalf of each such Person), shall be deemed to have forever waived, released and discharged the Released Parties from any and all Claims, obligations, suits, judgments, damages, rights, Causes of Action and liabilities whatsoever (other than the right to enforce the performance of their respective obligations, if any, to the Debtor or the Reorganized Debtor under the Plan, and the contracts, instruments releases and other agreements delivered under the Plan), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity or otherwise that are based in whole or in part on any act or omission, transaction, event or other occurrence taking place on or prior to the Effective Date in any way relating to the Debtor or the Chapter 11 Case other than Claims or liabilities arising out of or relating to any act or omission that constitutes a failure to perform the duty to act in good faith and where such failure to perform constitutes willful misconduct, gross negligence, or fraud.

This release does not extend to any Claim or Cause of Action existing as of the Effective Date, based on (x) the Internal Revenue Code or any other domestic state, city or municipal tax code, (y) any liability that the Person may have as an owner or operator of real property after Confirmation under the environmental laws of the United States or any domestic state, city or municipality or (z) any criminal laws of the United States or any domestic state, city or municipality.

(c) *Releases by Debtor of Non-Insider Avoidance Actions.*

If the Reorganization Effective Date occurs, and effective on the Reorganization Effective Date, for good and valuable consideration, the Debtor and the Reorganized Debtor will be deemed to have forever released, waived and discharged all Non-Insiders from any and all Non-Insider Avoidance Actions. If the Liquidation Effective Date occurs, all Non-Insider Avoidance Actions shall be preserved.

(d) *Committee Adversary Proceeding Against RUS Unaffected.*

Nothing contained in the Plan shall be deemed to release the claims and causes of action that were or could have been asserted against RUS through the Committee Adversary Proceeding. Effective as of the Effective Date, the Liquidating Trustee shall automatically be deemed to be substituted for the Committee as plaintiff in the Committee Adversary Proceeding. The Liquidating Trustee is hereby authorized to note the substitution through a notice filed in the Committee Adversary Proceeding.

4. *No Successor Liability*

Except as otherwise expressly provided in the Plan or the Liquidating Trust Agreement, the Debtor and the Reorganized Debtor do not, pursuant to the Plan or otherwise, assume, agree

to perform, pay, or indemnify or otherwise have any responsibilities for any liabilities or obligations of the Debtor or any other party relating to or arising out of the operations of or assets of the Debtor, whether arising prior to, on, or after the Effective Date.

I. Retention of Jurisdiction

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain after the Effective Date exclusive jurisdiction of all matters arising out of, arising in or related to, the Chapter 11 Case to the fullest extent permitted by applicable law, including, without limitation, jurisdiction to:

- classify or establish the priority or secured or unsecured status of any Claim (whether filed before or after the Effective Date and whether or not contingent, Disputed or unliquidated) or resolve any dispute as to the treatment of any Claim or Interest pursuant to the Plan;

- grant or deny any applications for allowance of compensation or reimbursement of expenses pursuant to sections 330, 331 or 503(b) of the Bankruptcy Code or otherwise provided for in the Plan, for periods ending on or before the Effective Date;

- determine and resolve any matters related to the assumption, assumption and assignment or rejection of any executory contract or unexpired lease to which the Debtor is a party or with respect to which the Debtor may be liable, and to hear, determine and, if necessary, liquidate any Claims arising therefrom;

- ensure that all payments due under the Plan and performance of the provisions of the Plan are accomplished as provided herein and resolve any issues relating to distributions to Holders of Allowed Claims pursuant to the provisions of the Plan;

- construe, take any action and issue such orders, prior to and following the Confirmation Date and consistent with section 1142 of the Bankruptcy Code, as may be necessary for the enforcement, implementation, execution and consummation of the Plan and all contracts, instruments, releases, indentures and other agreements or documents created in connection with the Plan, including, without limitation, the Disclosure Statement and the Confirmation Order, for the maintenance of the integrity of the Plan and protection of the Debtor in accordance with sections 524 and 1141 of the Bankruptcy Code following consummation;

- determine and resolve any case, controversies, suits or disputes that may arise in connection with the consummation, interpretation, implementation or enforcement of the Plan (and all Exhibits to the Plan) or the Confirmation Order, including the indemnification and injunction provisions set forth in and contemplated by the Plan or the Confirmation Order, or any Entity's rights arising under or obligations incurred in connection therewith;

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- hear any application of the Debtor or, if the Liquidation Effective Date occurs, the Liquidating Trustee, to modify the Plan after the Effective Date pursuant to section 1127 of the Bankruptcy Code and the Plan or modify this Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, or remedy any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan, to the extent authorized by the Bankruptcy Code and the Plan;

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

- enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;

- determine any other matters that may arise in connection with or relating to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, the Disclosure Statement or the Confirmation Order, including the Liquidating Trust Agreement, except as otherwise provided in the Plan;

- determine such other matters and for such other purposes as may be provided in the Confirmation Order;

- hear and determine any other matters related hereto and not inconsistent with chapter 11 of the Bankruptcy Code;

- hear and determine disputes arising in connection with the interpretation, implementation or enforcement of the Plan;

- enter a final decree closing the Chapter 11 Case;

- determine and resolve any and all controversies relating to the rights and obligations of the Debtor in connection with the Chapter 11 Case;

- allow, disallow, determine, liquidate, reduce, re-classify or estimate any Claim, including the compromise, settlement and resolution of any request for payment of any Claim, the resolution of any Objections to the allowance of Claims and to hear and determine any other issue presented hereby or arising hereunder,

including during the pendency of any appeal relating to any Objection to such Claim (to the extent permitted under applicable law);

- permit the Debtor, the Reorganized Debtor, or the Liquidating Trustee as applicable, to the extent provided for in the Plan, to recover all assets of the Debtor and Property of its Estate, wherever located;

- hear and determine any motions or contested matters involving taxes, tax refunds, tax attributes and tax benefits and similar or related matters with respect to the Debtor or the Debtor's Estate arising prior to the Effective Date or relating to the period of administration of the Chapter 11 Case, including, without limitation, matters concerning federal, state and local taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code; and

- hear and determine any motions, applications, adversary proceedings, contested matters and other litigated matters pending on, filed or commenced after the Effective Date that may be commenced by the Debtor, the Reorganized Debtor or the Liquidating Trustee, as applicable, thereafter, including Retained Avoidance Actions, proceedings with respect to the rights of the Debtor, the Reorganized Debtor or the Liquidating Trustee to recover Property under sections ~~542, 543~~502, 510, 541, 542, 543, 544, 545, 547, 548, 550, 551 or 553 of the Bankruptcy Code, to the extent not released pursuant to the Plan, or proceedings to otherwise collect to recover on account of any ~~claim~~Claim or Cause of Action that the Debtor ~~may have.~~or the Liquidating Trustee, as applicable, may have had to the extent not released pursuant to the Plan.

If the Bankruptcy Court abstains from exercising or declines to exercise jurisdiction over any matter arising under, arising in or related to the Debtor, including with respect to the matters set forth above, nothing in the Plan shall prohibit or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such subject matter.

J. Modification of Plan

At any point prior to entry of the Confirmation Order, the Debtor may modify the Plan but may not modify the Plan so that the Plan, as modified, fails to meet the requirements of sections 1122 and 1123 of the Bankruptcy Code. If the Debtor files a modified Plan with the Bankruptcy Court, the Plan as modified shall become the Plan.

At any time after entry of the Confirmation Order and before substantial consummation of the Plan, the Debtor may modify the Plan but may not modify the Plan so that the Plan, as modified, fails to meet the requirements of Sections 1122 and 1123 of the Bankruptcy Code. The Plan as modified under Section 10.2(b) of the Plan becomes the Plan only if the Bankruptcy Court, after notice and hearing, confirms such Plan as modified under Section 1129 of the Bankruptcy Code.

VII. CERTAIN RISK FACTORS TO BE CONSIDERED

The Holders of Claims in Classes 2, 3 and 6 should read and carefully consider the following factors, as well as the other information set forth in this Disclosure Statement (and the documents delivered together herewith and/or incorporated by reference herein), before deciding whether to vote to accept or reject the Plan. These risk factors should not, however, be regarded as constituting the only risks associated with the Plan and its implementation.

A. General Considerations

The Plan sets forth the means for satisfying the Claims against the Debtor. See Article VI.C. of this Disclosure Statement entitled "Classification and Treatment of Claims and Interests" for a description of the treatments of each class of Claims and Interests.

B. Certain Bankruptcy Considerations

Even if all voting Impaired Classes vote in favor of the Plan, and if with respect to any Impaired Class deemed to have rejected the Plan the requirements for "cramdown" are met, the Bankruptcy Court may choose not to confirm the Plan. Section 1129 of the Bankruptcy Code requires, among other things, a showing that confirmation of the Plan will not be followed by liquidation or the need for further financial reorganization of the Debtor, see Article IX.A., *supra*, and that the value of distributions to dissenting Holders of Claims and Interests will not be less than the value such Holders would receive if the Debtor liquidated under chapter 7 of the Bankruptcy Code. See Article IX.D., *supra*. Although the Debtor believes that the Plan will meet such tests, there can be no assurance that the Bankruptcy Court will reach the same conclusion. See Exhibit B for a liquidation analysis of the Debtor.

C. Claims Estimations

There can be no assurance that any estimated Claim amounts set forth in this Disclosure Statement are correct. The actual Allowed amount of Claims likely will differ in some respect from the estimates. The estimated amounts are subject to certain risks, uncertainties, and assumptions. Should one or more of these risks or uncertainties materialize, or should any underlying assumptions prove incorrect, the actual Allowed amount of Claims may vary from those estimated herein.

D. Conditions Precedent to Consummation

The Plan provides for certain conditions that must be satisfied (or waived) prior to confirmation of the Plan and for certain other conditions that must be satisfied (or waived) prior to the operative Effective Date. ~~As~~While it is the Debtor's objective to reorganize, as of the date of this Disclosure Statement, there can be no assurance that any or all of the conditions in the Plan for the occurrence of the Reorganization Effective Date will be satisfied (or waived). Accordingly, even if the Plan is confirmed by the Bankruptcy Court, there can be no assurance that the ~~Plan~~Restructuring will be consummated ~~and the restructuring completed~~. In that event, the Debtor will proceed under the Liquidation Alternative.

E. Inherent Uncertainty of Financial Projections

The Projections set forth in Exhibit A hereto have been prepared by management of the Debtor and cover the projected operations of the Debtor through fiscal year 2022. These Projections are based on numerous assumptions that are an integral part of the Projections, including confirmation and consummation of the Plan in accordance with its terms, realization of the operating strategy of the Debtor, success in acquiring new customers, achievement of projected gross margins, general business and economic conditions, competition, attraction and retention of key employees, and other matters.

Although the Projections are presented with numerical specificity and are based on assumptions considered reasonable by the Debtor, the assumptions and estimates underlying the Projections are subject to business, economic and competitive uncertainties and contingencies. Accordingly, the Projections are only the Debtor's educated, good faith estimates and are necessarily contingent in nature. It can be expected that some or all of the assumptions in the Projections will not be realized and that actual results will vary from the Projections, which variations may be material and may increase over time. The projected financial information contained herein should not be regarded as a guaranty by the Debtor, the Debtor's advisors or any other Person that the Projections can or will be achieved even if the Reorganization is consummated. However, the Debtor believes that the Projections are credible and that there is a reasonable likelihood that the results set forth in the Projections can be achieved.

F. Certain Tax Considerations

There are a number of income tax considerations, risks and uncertainties associated with consummation of the Plan. Interested parties should read carefully the discussions set forth in Article IX hereof regarding certain U.S. federal income tax consequences of the transactions proposed by the Plan to the Debtor and to Holders of Claims who are entitled to vote to accept or reject the Plan.

VIII. SECURITIES LAWS MATTERS

A. Applicability of the Bankruptcy Code and Federal and Other Securities Laws

The initial issuance and the resale of equity interests in the Reorganized Debtor under the ~~Plan~~Reorganization raise certain securities law issues under the Bankruptcy Code and federal and state securities laws that are discussed in this section. The information in this section should not be considered applicable to all situations or to all holders of Claims receiving equity interests in the Reorganized Debtor. Holders of Claims should consult their own legal counsel concerning the facts and circumstances relating to the transfer of these interests.

The Debtor does not intend to file a registration statement under the Securities Act of 1933 (the "Securities Act") or any state securities laws relating to the initial issuance on the Effective Date of equity interests pursuant to the Plan. The Debtor believes that the provisions of section 1145(a)(1) of the Bankruptcy Code exempt the initial issuance of equity interests in the Reorganized Debtor to holders of Claims on the Effective Date from federal and state securities registration requirements.

1. *Initial Issuance and Delivery of Securities*

~~The~~Under the Reorganization, the Reorganized Debtor will issue equity interests pursuant to Section ~~3.01(c)(i) of the Plan in the event Tower Bridge elects to make the Equity Distribution, and pursuant to Section 5.01(d~~5.01(c) of the Plan to the extent any Holder of an Allowed Claim elects to contribute its Plan Distribution as part of the Capital Contribution.

Section 1145(a)(1) of the Bankruptcy Code exempts the issuance of securities under a plan of reorganization from registration under the Securities Act and under state securities laws if three principal requirements are satisfied:

- the securities must be issued "under a plan" of reorganization and must be securities of the debtors, of an affiliate "participating in a joint plan" with the debtors or of a successor to the debtors under the plan;

- the recipients of the securities must hold a prepetition or administrative expense claim against the debtors or an interest in the debtors or such affiliate; and

- the securities must be issued entirely in exchange for the recipient's claim against or interest in the debtors, or "principally" in such exchange and "partly" for cash or property.

The Debtor believes that the equity interests in the Reorganized Debtor satisfy the requirements of section 1145(a)(1) of the Bankruptcy Code and are therefore exempt from registration under the Securities Act and state securities laws.

2. *Subsequent Transfers Under Federal Securities Laws*

In general, all resales and subsequent transactions involving equity interests in the Reorganized Debtor will be exempt from registration under the Securities Act under section 4(1) of the Securities Act, unless the holder is deemed to be an "underwriter" with respect to such securities, an "affiliate" of the issuer of such securities or a "dealer." Section 1145(b)(1) of the Bankruptcy Code defines four types of "underwriters":

- persons who purchase a claim against, an interest in, or a claim for administrative expense against the debtors with a view to distributing any security received or to be received in exchange for such a claim or interest ("accumulators");

- persons who offer to sell securities offered or sold under a plan for the holders of such securities ("distributors");

- persons who offer to buy securities offered or sold under a plan from the holders of the securities, if the offer to buy is (1) with a view to distributing such securities and (2) made under an agreement in connection with the plan or with the issuance of securities under the plan; and

- a person who is an "issuer" with respect to the securities, as the term "issuer" is defined in section 2(11) of the Securities Act.

Under section 2(11) of the Securities Act, an "issuer" includes any "affiliate" of the issuer, which means any person directly or indirectly controlling, or controlled by, the issuer, or any person under direct or indirect common control with the issuer. Under section 2(12) of the Securities Act, a "dealer" 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. The determination of whether a particular person would be deemed to be an "underwriter" or an "affiliate" with respect to any security to be issued under the Plan, or would be deemed a "dealer," would depend on various facts and circumstances applicable to that person. Accordingly, the Debtor expresses no view as to whether any person would be an "underwriter" or an "affiliate" with respect to any security to be issued under the Plan or would be a "dealer."

Any person intending to rely on such exemption is urged to consult his or her own counsel as to the applicability thereof to his or her circumstances.

3. *Subsequent Transfers Under State Law*

The state securities laws generally provide registration exemptions for subsequent transfers by a bona fide owner for his or her own account and subsequent transfers to institutional or accredited investors. Such exemptions are generally expected to be available for subsequent transfers of the equity interests in the Reorganized Debtor.

Any person intending to rely on these exemptions is urged to consult his or her own counsel as to their applicability to his or her circumstances.

The foregoing summary discussion is general in nature and has been included in this Disclosure Statement solely for informational purposes. The Debtor makes no representations concerning, and does not provide, any opinions or advice with respect to the securities or the bankruptcy matters described in this Disclosure Statement. In light of the uncertainty concerning the availability of exemptions from the relevant provisions of federal and state securities laws, the Debtor encourages each Holder and party-in-interest to consider carefully and consult with its own legal advisors with respect to all such matters. Because of the complex, subjective nature of the question of whether a security is exempt from the registration requirements under the federal or state securities laws or whether a particular holder may be an underwriter, the Debtor makes no representation concerning the ability of a person to dispose of the securities issued under the Plan.

IX. CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

THE FOLLOWING DISCUSSION SUMMARIZES CERTAIN ANTICIPATED U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE TRANSACTIONS PROPOSED BY THE PLAN TO THE DEBTOR AND HOLDERS OF CLAIMS THAT ARE ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN. THIS SUMMARY IS PROVIDED FOR INFORMATION PURPOSES ONLY AND IS BASED ON THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "IRC"), TREASURY REGULATIONS PROMULGATED THEREUNDER, JUDICIAL AUTHORITIES, AND CURRENT ADMINISTRATIVE RULINGS AND PRACTICE, ALL AS IN EFFECT AS OF THE DATE HEREOF AND ALL OF WHICH ARE SUBJECT TO CHANGE OR DIFFERING

INTERPRETATION, POSSIBLY WITH RETROACTIVE EFFECTS THAT COULD ADVERSELY AFFECT THE U.S. FEDERAL INCOME TAX CONSEQUENCES DESCRIBED BELOW.

THIS SUMMARY DOES NOT ADDRESS ALL ASPECTS OF U.S. FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER OF A CLAIM IN LIGHT OF ITS PARTICULAR FACTS AND CIRCUMSTANCES OR TO CERTAIN TYPES OF HOLDERS OF CLAIMS SUBJECT TO SPECIAL TREATMENT UNDER THE CODE (FOR EXAMPLE, NON-U.S. TAXPAYERS, FINANCIAL INSTITUTIONS, BROKER-DEALERS, INSURANCE COMPANIES, TAX-EXEMPT ORGANIZATIONS, AND THOSE HOLDING CLAIMS THROUGH A PARTNERSHIP OR OTHER PASS-THROUGH ENTITY). IN ADDITION, THIS SUMMARY DOES NOT DISCUSS ANY ASPECTS OF STATE, LOCAL, OR NON-U.S. TAXATION AND DOES NOT ADDRESS THE U.S. FEDERAL INCOME TAX CONSEQUENCES TO HOLDERS OF CLAIMS THAT ARE UNIMPAIRED UNDER THE PLAN, HOLDERS OF CLAIMS THAT ARE NOT ENTITLED TO VOTE UNDER THE PLAN, AND HOLDERS OF CLAIMS THAT ARE NOT ENTITLED TO RECEIVE OR RETAIN ANY PROPERTY UNDER THE PLAN.

THE TAX RULES DESCRIBED HEREIN ARE COMPLEX AND ITS APPLICATION IS UNCERTAIN IN CERTAIN RESPECTS. EACH HOLDER OF A CLAIM IS STRONGLY URGED TO CONSULT WITH ITS OWN TAX ADVISOR REGARDING THE TAX CONSEQUENCES (INCLUDING STATE, LOCAL AND NON-U.S.) OF THE PLAN TO SUCH HOLDER.

A SUBSTANTIAL AMOUNT OF TIME MAY ELAPSE BETWEEN THE DATE OF THIS DISCLOSURE STATEMENT AND THE RECEIPT OF A FINAL DISTRIBUTION UNDER THE PLAN. EVENTS SUBSEQUENT TO THE DATE OF THIS DISCLOSURE STATEMENT, SUCH AS ADDITIONAL TAX LEGISLATION, COURT DECISIONS, OR ADMINISTRATIVE CHANGES, COULD AFFECT THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN AND THE TRANSACTIONS CONTEMPLATED THEREUNDER. NO RULING HAS BEEN OR IS EXPECTED TO BE SOUGHT FROM THE INTERNAL REVENUE SERVICE (THE "IRS") WITH RESPECT TO ANY OF THE TAX ASPECTS OF THE PLAN AND NO OPINION OF COUNSEL HAS BEEN OR IS EXPECTED TO BE OBTAINED BY THE DEBTOR WITH RESPECT THERETO.

To ensure compliance with United States Internal Revenue Service Circular 230, (a) any discussion of U.S. federal tax issues in this Disclosure Statement is not intended or written to be relied upon, and cannot be relied upon by Holders, for purposes of avoiding penalties that may be imposed on such Holders under the Code; (b) such discussion is written to support the promotion of the Plan; and (c) each Holder of a claim should seek advice based on such Holder's particular circumstances from an independent tax advisor.

A. Federal Income Tax Consequences to the Debtor

There are multiple variables that may impact the U.S. federal income tax consequences to the Debtor. For U.S. federal tax purposes, the Debtor is a single-member limited liability company that is treated as a disregarded entity. Holdings, which owns 100% of the membership interests in the Debtor, is taxed as a partnership. This means that the U.S. federal income tax

consequences of the Plan will flow through to the members of Holdings (which include individuals and entities which have either a direct interest in Holdings or an indirect interest through another entity treated as a partnership or as disregarded entity). For purposes of this section VIII.A., such direct and indirect members of Holdings shall be generally referred to as "members of Limitless Mobile Holdings, LLC." There are three main tax events of the Plan that are relevant for U.S. federal income tax consequences:

1. The Debtor will realize taxable gain or loss on the Spectrum Proceeds, which, for U.S. federal income tax purposes, will pass through to the ultimate members of Limitless Mobile Holdings, LLC, to the extent the Debtor's adjusted basis in the assets sold was less than or exceeded, respectively, the Spectrum Proceeds.

2. The Capital Contribution from Tower Bridge to the Reorganized Debtor in exchange for membership interests of the Reorganized Debtor should be tax-free to the Debtor, Limitless Mobile Holdings, LLC and its members for U.S. federal income tax purposes. To the extent Other Creditors participate in the Capital Contribution pursuant to paragraph 5.01(dc) of the Plan, those contributions in exchange for a *pro rata* percentage of the ownership interest in the Reorganized Debtor should be tax-free to the Debtor, Holdings and its members for U.S. federal income tax purposes as well, provided that the fair market value of the membership interests is no less than the indebtedness exchanged. To the extent the Reorganized Debtor has more than 1 member, it will be taxed as a partnership for U.S. federal income tax purposes.

3. Any discharge of indebtedness (whether recourse or nonrecourse) of the Debtor that occurs as a result of the Plan will be treated as taxable income, and will be allocated separately to each of the members of Limitless Mobile Holdings, LLC. The taxable income may be treated as cancellation of indebtedness income pursuant to section 108 of the Internal Revenue Code of 1986, as amended (the "Code"), absent the application of any of the relevant exceptions. For these purposes, "discharge of indebtedness" means either any indebtedness of the Debtor or portion thereof that is discharged as a result of the Plan without consideration or any indebtedness of the Debtor that is exchanged for an interest in the Restructured Borrower (see 2 above) if the fair market value of the interest in the Restructured Debtor that the Other Creditor receives is less than the amount of outstanding indebtedness exchanged. However, to the extent any members of Limitless Mobiles Holdings, LLC (for members taxed as partnerships or disregarded entities, the relevant inquiry will be at the level of the ultimate taxpayer(s)) are "insolvent" for U.S. federal tax income purposes, this discharge of indebtedness income will be excluded from such member's taxable income, to the extent of such member's insolvency, but will then result in the reduction of certain tax attributions of the insolvent member (i.e., net operating losses and/or a member's basis in its assets).

B. Federal Income Tax Consequences to Claim Holders

The U.S. federal income tax consequences to a Holder receiving, or entitled to receive, a payment in partial or total satisfaction of a Claim may depend on a number of factors, including the nature of the Claim, the Holder's method of accounting, its tax basis in its claim, and its own particular tax situation. Because the Holders' Claims and tax situations differ, Holders should

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consult their own tax advisors to determine how the Plan affects them for federal, state and local tax purposes, based on its particular tax situations.

C. Other Tax Matters

1. *Information Reporting and Backup Withholding*

Certain payments or distributions pursuant to the Plan may be subject to information reporting to the IRS. Moreover, such reportable payments may be subject to backup withholding (at the then applicable rate (currently 28%)) unless the taxpayer: (i) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates this fact or (ii) provides or has provided a correct taxpayer identification number and certifies under penalty of perjury that the taxpayer identification number is correct and that the taxpayer is not subject to backup withholding because of a failure to report all dividend and interest income.

Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax and the appropriate information is supplied to the IRS.

2. *Importance of Obtaining Professional Tax Assistance*

THE FOREGOING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE ABOVE DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON A HOLDER'S INDIVIDUAL CIRCUMSTANCES. ACCORDINGLY, HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS ABOUT THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. INCOME AND OTHER TAX CONSEQUENCES OF THE PLAN.

X. FEASIBILITY OF THE PLAN AND BEST INTERESTS OF CREDITORS

A. Feasibility of the Plan

In connection with confirmation of the Plan, the Bankruptcy Court will be required to determine that the Plan is feasible pursuant to section 1129(a)(11) of the Bankruptcy Code, which means that the confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Debtor, unless such liquidation or reorganization is proposed in the plan.

To support its belief in the feasibility of the ~~Plan~~proposed Reorganization, the Debtor has prepared and relied upon the Projections with respect to the Reorganized Debtor's operations post-confirmation, which are annexed to this Disclosure Statement as Exhibit A.

~~The~~Under the Reorganization, the Plan contemplates that the Debtor will raise a certain amount of capital as of the Reorganization Effective Date. These amounts will ensure that the Debtor has sufficient Cash to make all distributions ~~called for under the Plan~~required by the

Reorganization and retain some working capital, and that no further financial restructuring will be necessary in the foreseeable future. In the event that the Debtor cannot raise sufficient capital to consummate the Reorganization, the Debtor will file a Notice of Liquidation and proceed to an orderly liquidation in accordance with the provisions of the Liquidation Alternative. Accordingly, the Debtor believes that the Plan complies with the financial feasibility standard of section 1129(a)(11) of the Bankruptcy Code.

The Projections were developed by the Debtor's management, and are based upon numerous assumptions that are an integral part of the Projections, including, without limitation, confirmation and consummation of the Plan in accordance with its terms, realization of the Debtor's business development goals, no changes in technology that adversely impact the value proposition upon which the Debtor's business plan is based, no material adverse changes in applicable legislation or regulations, or the administration thereof, exchange rates or generally accepted accounting principles, general business and economic conditions, competition, absence of material contingent or unliquidated litigation, indemnity or other claims, and other matters. To the extent that the assumptions inherent in the Projections are based upon future operational decisions and objectives, they are subject to change. In addition, although they are presented with numerical specificity and the assumptions on which they are based are considered reasonable by the Debtor, the assumptions and estimates underlying the Projections are subject to organizational, economic and competitive uncertainties and contingencies. Accordingly, the Projections are only an educated, good faith estimate and are necessarily contingent in nature. It can be expected that some or all of the assumptions in the Projections will not be realized and that actual results will vary from the Projections, which variations may be material and may be adverse. The Projections should therefore not be regarded as a guaranty by the Debtor or any other Person that the results set forth in the Projections will be achieved. The Projections were prepared by the Debtor, and not by any of its creditors, and the Debtor's creditors make no representations concerning the reasonableness of the Projections. In light of the foregoing, readers are cautioned not to place undue reliance on the Projections. The projected financial information contained herein and in the Projections should not be regarded as a representation or warranty by the Debtor, the Debtor's advisors or any other Person that the Projections can or will be achieved. The Projections should be read together with the assumptions set forth in the Projections and information in Article VII of this Disclosure Statement entitled "Certain Risk Factors to be Considered," which sets forth important factors that could cause actual results to differ from those in the Projections. The Debtor, however, believes that the Projections are credible and that there is a reasonable likelihood that the results set forth in the Projections can be achieved.

The Debtor does not intend to update or otherwise revise the Projections, including any revisions to reflect events or circumstances existing or arising after the date of the Projections or to reflect the occurrence of unanticipated events, even if any or all of the underlying assumptions do not come to fruition. Furthermore, the Debtor does not intend to update or revise the Projections to reflect changes in general economic or industry conditions.

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: This Disclosure Statement and the financial projections contained herein and in the Projections include "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934. All

statements other than statements of historical fact included in this Disclosure Statement are forward-looking statements, including, without limitation, financial projections, the statements, and the underlying assumptions, regarding the timing of, completion of and scope of the current restructuring, the Plan, debt and equity market conditions, current and future economic conditions, the potential effects of such matters on the Debtor's operating strategy, results of operations or financial position, and the adequacy of the Debtor's liquidity. The forward-looking statements are based upon current information and expectations. Estimates, forecasts and other statements contained in or implied by the forward-looking statements speak only as of the date on which they are made, are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to evaluate and predict. Although the Debtor believes that the expectations reflected in the forward-looking statements are reasonable, parties are cautioned that any such forward-looking statements are not guarantees of future performance, and involve risks and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements. Certain important factors that could cause actual results to differ materially from the Debtor's expectations or what is expressed, implied or forecasted by or in the forward-looking statements include developments in the Chapter 11 Case, adverse developments in the timing or results of the Debtor's business plan (including the time line to emerge from chapter 11), the timing and extent of changes in economic conditions, the demand for the Debtor's services, motions filed or actions taken in connection with the bankruptcy proceedings, the availability of and the Debtor's ability to attract or retain high-quality personnel. Additional factors that could cause actual results to differ materially from the Projections or what is expressed, implied or forecasted by or in the forward-looking statements are stated herein in cautionary statements made in conjunction with the forward-looking statements or are included elsewhere in this Disclosure Statement.

B. Acceptance of the Plan

As a condition to Confirmation, the Bankruptcy Code requires that each Class of Impaired Claims vote to accept the Plan, except under certain circumstances.

Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired claims as acceptance by holders of at least two-thirds (⅔) in dollar amount and more than one-half (½) in number of claims in that class, but for that purpose counts only those who actually vote to accept or to reject the Plan. Thus, Holders of Claims in Class 6 (General Unsecured Claims) will have voted to accept the Plan only if two-thirds (⅔) in amount and a majority in number of the Claims actually voting in such Class cast their ballots in favor of acceptance. Because they are the only members of their respective Classes, if either PADOR or RUS votes to reject the Plan, Class 2 or Class 3, as applicable, will have rejected the Plan. Holders of Claims who fail to vote are not counted as either accepting or rejecting the Plan.

C. Best Interests Test

As noted above even if a plan is accepted by each class of claims and interests, the Bankruptcy Code requires a bankruptcy court to determine that the plan is in the best interests of all holders of claims or interests that are impaired by the plan and that have not accepted the plan. The "best interests" test, as set forth in section 1129(a)(7) of the Bankruptcy Code, requires a bankruptcy court to find either that all members of an impaired class of claims or interests have

accepted the plan or that the plan will provide a member who has not accepted the plan with a recovery of property of a value, as of the effective date of the plan, that is not less than the amount that such holder would recover if the debtor were liquidated under chapter 7 of the Bankruptcy Code as of such date.

To calculate the probable distribution to holders of each impaired class of claims and interests if the debtor were liquidated, a bankruptcy court must first determine the aggregate dollar amount that would be generated from the debtor's assets if its chapter 11 case were converted to a chapter 7 case under the Bankruptcy Code. This "liquidation value" would consist primarily of the cash on hand and any additional proceeds from a forced sale of the debtor's assets by a chapter 7 trustee.

The amount of chapter 7 liquidation value available to unsecured creditors would be reduced by, first, the claims of secured creditors to the extent of the value of their collateral and, second, by the costs and expenses of liquidation, as well as by other administrative expenses and costs of both the chapter 7 case and the chapter 11 case. Costs of liquidation under chapter 7 of the Bankruptcy Code would include the compensation of a trustee, as well as of counsel and other professionals retained by the trustee, asset disposition expenses, all unpaid administrative expenses incurred by the Debtor in its chapter 11 case that are allowed in the chapter 7 case, litigation costs and claims arising from the operations of the debtor during the pendency of the chapter 11 case. The liquidation itself would trigger certain priority payments that otherwise would be due in the ordinary course of business. Those priority claims would be paid in full from the liquidation proceeds before the balance would be made available to pay general unsecured claims or to make any distribution in respect of equity security interests. The liquidation would also prompt the rejection of a large number of executory contracts and unexpired leases and thereby significantly enlarge the total pool of unsecured claims by reason of resulting rejection damages claims.

Once the bankruptcy court ascertains the recoveries in chapter 7 liquidation of secured creditors and priority claimants, it must determine the probable distribution to general unsecured creditors and equity security holders from the remaining available proceeds in liquidation. If such probable distribution has a value greater than the distributions to be received by such creditors and equity security holders under the plan, then the plan is not in the best interests of creditors and equity security holders.

D. Liquidation Analysis

For purposes of the best interests test, the Debtor prepared a chapter 7 liquidation analysis, annexed hereto as Exhibit B, which concludes that if a ~~forced~~distress liquidation of the Debtor's assets under chapter 7 were to occur, the aggregate value to be realized by the Debtor's unsecured creditors other than Holders of Administrative and Priority Claims would be approximately 33% or less. These conclusions are premised upon the assumptions set forth in Exhibit B, which the Debtor believes are reasonable.

The Debtor believes that any liquidation analysis with respect to the Debtor is inherently speculative. The Liquidation Analysis for the Debtor necessarily contains estimates of the net proceeds that would be received from a forced sale of assets, as well as the amount of Claims that would ultimately become Allowed Claims. Claims estimates are based solely upon the Debtor's

books and records and Claims filed to date in this case. No order or finding has been entered by the Bankruptcy Court estimating or otherwise fixing the amount of Claims at the projected amounts of Allowed Claims set forth in the Liquidation Analysis. In preparing the Liquidation Analysis, the Debtor has projected an amount of Allowed Claims that represents an estimate of the chapter 7 liquidation dividend to Holders of Allowed Claims. The estimate of the amount of Allowed Claims set forth in the Liquidation Analysis should not be relied on for any other purpose, including, without limitation, any determination of the value of any distribution to be made on account of Allowed Claims under the Plan.

E. Application of the "Best Interests" of Creditors Test

It is impossible to determine with certainty the value each Holder of a Claim will receive under the Plan as a percentage of any Allowed Claim. Notwithstanding the difficulty in quantifying recoveries with precision, the Debtor believes that the financial disclosures and projections contained herein imply the greatest potential recovery to Holders of Claims in Impaired Classes., whether the Reorganization or the orderly Liquidation Alternative is pursued. Accordingly, the Debtor believes that the "best interests" test of section 1129 of the Bankruptcy Code is satisfied.

F. Confirmation Without Acceptance of All Impaired Classes: The "Cramdown" Alternative

In the event any Class of Impaired Claims rejects the Plan, the Debtor may seek confirmation of the Plan pursuant to the "cramdown" provisions of the Bankruptcy Code.

Section 1129(b) of the Bankruptcy Code provides that a plan can be confirmed even if the plan is not accepted by all impaired classes, as long as at least one impaired class of claims has accepted it. The Bankruptcy Court may confirm a plan at the request of a debtor if the plan "does not discriminate unfairly" and is "fair and equitable" as to each impaired class that has not accepted the plan. A plan does not discriminate unfairly within the meaning of the Bankruptcy Code if a dissenting class is treated equally with respect to other classes of equal rank. The Debtor believes the Plan does not discriminate unfairly with respect to the Claims and Interests in Classes 6 and 7.

A plan is "fair and equitable" as to holders of unsecured claims that reject the plan if the plan provides either that: (a) each holder of a claim of such class receives or retains on account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or (b) the holder of any claim or interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or interest any property.

A plan is fair and equitable as to a class of equity interests that rejects a plan if the plan provides (a) that each holder of an interest included in the rejecting class receive or retain on account of that interest property that has a value, as of the effective date of the plan, equal to the greatest of the allowed amount of any fixed liquidation preference to which such holder is entitled, any fixed redemption price to which such holder is entitled or the value of such interest or (b) that the holder of any interest that is junior to the interests of such class will not receive or retain under the plan on account of such junior interest any property at all.

The Debtor believes that it could, if necessary, meet the "fair and equitable" requirements of section 1129(b) of the Bankruptcy Code with respect to Holders of Claims and Interests in Classes 6 and 7.

XI. ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF THE PLAN

The Debtor believes that the Plan affords creditors the potential for the greatest realization on the Debtor's assets and, therefore, is in the best interests of such Holders. If, however, the requisite acceptances are not received, or the Plan is not confirmed and consummated, the theoretical alternatives include (a) formulation of an alternative plan or plans of reorganization or (b) conversion of the Debtor's bankruptcy case to ~~Chapter~~a case under chapter 7 of the Bankruptcy Code.

A. Alternative Plan(s) of Reorganization

If the requisite acceptances are not received or if the Plan is not confirmed, the Debtor (or, if the Debtor's exclusive periods in which to file and solicit acceptances of a plan of reorganization have expired, any other party in interest) could attempt to formulate and propose a different plan or plans of reorganization. Such a plan or plans might involve either a reorganization and continuation of the Debtor's business, a sale of the Debtor's business as a going concern, or an orderly liquidation of assets.

The Debtor believes that the Plan enables Creditors to realize the greatest possible value under the circumstances and has the greatest chance to be confirmed and consummated.

B. Liquidation

If no plan is confirmed, the Debtor may be forced to liquidate outside of bankruptcy or to convert to a case under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be elected or appointed to liquidate the Debtor's assets for distribution in accordance with the priorities established by the Bankruptcy Code. It is impossible to predict with certainty how the proceeds of the liquidation would be distributed to the respective Holders of Claims against or Interests in the Debtor. However, the Debtor believes most of these proceeds would go to secured, administrative and priority claims.

The Debtor further believes that a distress liquidation would cause a substantial diminution in the Debtor's Estate given the premium in the distribution value pursuant to the Plan over the forced liquidation value of its assets, as well as the additional administrative expenses involved in the appointment of a trustee or trustees and attorneys, accountants and other professionals to assist such trustees. The assets available for distribution to Creditors would be reduced by such additional expenses and by Claims, some of which would be entitled to priority, arising by reason of the liquidation and from the rejection of leases and other executory contracts in connection with the cessation of operations and the failure to realize the greater going concern value of the Debtor's assets.

The Plan as proposed provides for a Reorganization with a Liquidation Alternative if the Reorganization cannot be funded, either of which the Debtor believes enable Creditors to realize

the greatest value and both of which the Debtor believes will yield greater recoveries for Creditors than a distress liquidation.

XII. THE SOLICITATION; VOTING PROCEDURES

A. Parties in Interest Entitled to Vote

In general, a holder of a claim or interest may vote to accept or to reject a plan if (a) the claim or interest is "allowed," which means generally that no party in interest has objected to such claim or interest, and (b) the claim or interest is "impaired" by the plan but entitled to receive or retain property under the plan.

Under section 1124 of the Bankruptcy Code, a class of claims or interests is deemed to be "impaired" under a plan unless (a) the plan leaves unaltered the legal, equitable and contractual rights to which such claim or interest entitles the holder thereof or (b) notwithstanding any legal right to an accelerated payment of such claim or interest, the plan cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy) and reinstates the maturity of such claim or interest as it existed before the default.

If, however, the holder of an impaired claim or interest will not receive or retain any distribution under the plan on account of such claim or interest, the Bankruptcy Code deems such holder to have rejected the plan and, accordingly, holders of such claims and interests do not actually vote on the plan. If a claim or interest is not impaired by the plan, the Bankruptcy Code deems the holder of such claim or interest to have accepted the plan and, accordingly, holders of such claims and interests are not entitled to vote on the plan.

B. Classes Entitled to Vote to Accept or Reject the Plan

Holders of Claims in Classes 2, 3 and 6 are Impaired and therefore entitled to vote to accept or reject the Plan. By operation of law, each Unimpaired Class of Claims is deemed to have accepted the Plan, therefore, the Holders of Claims in such Unimpaired Classes are not entitled to vote to accept or reject the Plan. Classes 1, 4, and 5 are deemed to have accepted the Plan, therefore, none of the Holders of Claims or Interests in such Classes are entitled to vote to accept or reject the Plan. Class 7 is deemed to have rejected the Plan and therefore also is not entitled to vote.

C. Solicitation Order

Upon approval of this Disclosure Statement, the Bankruptcy Court entered an order that, among other things, determines the dates, procedures and forms applicable to the process of soliciting votes on the Plan and establishes certain procedures with respect to the tabulation of such votes (the "Solicitation Order"). Parties in interest may obtain a copy of the Solicitation Order through the Bankruptcy Court's electronic case filing system, by downloading the Solicitation Order from the Debtor's case website at www.omnimgt.com/limitlessmobile or by making written request upon the Debtor's counsel or Voting Agent.

D. Waivers of Defects, Irregularities, Etc.

All questions with respect to the validity, form, eligibility (including time of receipt), acceptance and revocation or withdrawal of ballots will be determined by the Bankruptcy Court. As indicated below under "Withdrawal of Ballots; Revocation," effective withdrawals of ballots must be delivered to the Voting Agent prior to the Voting Deadline. The Debtor reserves the absolute right to contest the validity of any such withdrawal. The Debtor also reserves the right to seek rejection of any and all ballots not in proper form. The Debtor further reserve the right to seek waiver of any defects or irregularities or conditions of delivery as to any particular ballot. Ballots previously furnished (and as to which any irregularities have not theretofore been cured or waived) may be invalidated by the Bankruptcy Court.

E. Withdrawal of Ballots; Revocation

Any party who has delivered a valid ballot for the acceptance or rejection of the Plan may withdraw such acceptance or rejection by delivering a written notice of withdrawal to the Voting Agent at any time prior to the Voting Deadline. A notice of withdrawal, to be valid, must (a) contain the description of the Claim(s) to which it relates and the aggregate principal amount represented by such Claim(s), (b) be signed by the withdrawing party in the same manner as the ballot being withdrawn, (c) contain a certification that the withdrawing party owns the Claim(s) and possesses the right to withdraw the vote sought to be withdrawn and (d) be received by the Voting Agent in a timely manner via regular mail, overnight courier or hand delivery at Limitless Mobile LLC Administration, c/o Rust Omni, 5955 DeSoto Ave., Suite 100, Woodland Hills, CA 91367. The Debtor intends to consult with the Voting Agent to determine whether any withdrawals of ballots were received and whether the requisite acceptances of the Plan have been received. As stated above, the Debtor expressly reserves the absolute right to contest the validity of any such withdrawals of ballots.

Unless otherwise directed by the Bankruptcy Court, a purported notice of withdrawal of ballots which is not received in a timely manner by the Voting Agent will not be effective to withdraw a previously cast ballot.

Any party who has previously submitted to the Voting Agent prior to the Voting Deadline a properly completed ballot may revoke such ballot and change its vote by submitting to the Voting Agent prior to the Voting Deadline a subsequent properly completed ballot for acceptance or rejection of the Plan. In the case where more than one timely, properly completed ballot is received, only the ballot which bears the latest date will be counted for purposes of determining whether the requisite acceptances have been received.

F. Voting Rights of Disputed Claimants

Holders of Disputed Claims whose Claims are asserted as wholly unliquidated or wholly contingent in Proofs of Claim filed prior to the Distribution Record Date (collectively, the "Disputed Claimants") are not permitted to vote on the Plan except as provided in the Solicitation Order. Pursuant to the procedures outlined in the Solicitation Order, Disputed Claimants may obtain a ballot for voting on the Plan only by filing a motion under Bankruptcy Rule 3018(a) seeking to have its Claims temporarily Allowed for voting purposes (a "Rule 3018 Motion"). Any such Rule 3018 Motion must be filed and served upon the Debtor's counsel and

the Voting Agent no later than the Voting Deadline. The ballot of any creditor filing such a motion will not be counted unless temporarily allowed by the Bankruptcy Court for voting purposes, after notice and a hearing. Any party timely filing and serving a Rule 3018 Motion will be provided a ballot and be permitted to cast a provisional vote to accept or reject the Plan. If and to the extent that the Debtor and such party are unable to resolve the issues raised by the Rule 3018 Motion prior to the Confirmation Hearing, then at the Confirmation Hearing the Bankruptcy Court will determine whether the provisional ballot should be counted as a vote on the Plan. Nothing herein affects the Debtor's right to object to any Proof of Claim after the Distribution Record Date.

G. Further Information; Additional Copies

If you have any questions or require further information about the voting procedures for voting your Claim or about the package of materials you received, or if you wish to obtain an additional copy of the Plan or this Disclosure Statement, or any exhibits or appendices to such documents (at your own expense, unless otherwise specifically required by Bankruptcy Rule 3017(d) or the Solicitation Order), you may obtain documents at www.omnimgt.com/limitlessmobile or contact the Voting Agent at:

~~**If by regular mail:**~~

LIMITLESS MOBILE LLC ADMINISTRATION
c/o RUST OMNI
5955 DeSoto Ave., Suite 100
Woodland Hills, CA 91367

~~**If by overnight courier or hand delivery:**~~

~~LIMITLESS MOBILE LLC ADMINISTRATION~~
~~c/o RUST OMNI~~
~~5955 DeSoto Ave., Suite 100~~
~~Woodland Hills, CA 91367~~

~~**If by telephone:**~~

~~RUST OMNI~~
Telephone (818~~-~~) 906-8300

RECOMMENDATION AND CONCLUSION

For all of the reasons set forth in this Disclosure Statement, the Debtor believes that confirmation and consummation of the Plan is preferable to all other alternatives. Consequently, the Debtor urges all Holders of Claims in voting Classes to vote to ACCEPT the Plan, and to complete and return its ballots so that they will be RECEIVED on or before 4:00 PM prevailing Eastern time, on _________, 2017.

Dated: ~~July 31,~~October 4, 2017

DILWORTH PAXSON LLP

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Counsel for the Debtor and Debtor-in-Possession

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Rendering set	standard

Legend:	
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Style change	
Format change	
Moved deletion	
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Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	364
Deletions	240
Moved from	11
Moved to	11
Style change	0
Format changed	0
Total changes	626