

Exhibit "A" to the Affidavit of Elizabeth Creary,
sworn before me this 31st day of December, 2013.



Commissioner for Taking Affidavits, etc.

Sandra Diana Wendy Kleinert,
a Commissioner, etc., Province of Ontario
for Dentons Canada LLP
Barristers and Solicitors. Expires June 7, 2016

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

)				
In re:)	Chapter 11)		
))		
LIGHTSQUARED INC., <i>et al.</i> ,)	Case No. 12-12080 (SCC))		
))		
Debtors. ¹)	Jointly Administered)		

LIGHTSQUARED’S MOTION SEEKING APPROVAL OF (A) MODIFICATIONS TO LIGHTSQUARED’S FIRST AMENDED PLAN PURSUANT TO CHAPTER 11 OF BANKRUPTCY CODE WITHOUT NEED FOR FURTHER SOLICITATION OF VOTES, OR, IN ALTERNATIVE, (B) LIGHTSQUARED’S SECOND AMENDED SPECIFIC DISCLOSURE STATEMENT AND SHORTENED TIME TO OBJECT TO CONFIRMATION OF LIGHTSQUARED’S SECOND AMENDED PLAN AND STREAMLINED RE-SOLICITATION THEREOF

¹ The debtors in these Chapter 11 Cases (as defined below), along with the last four digits of each debtor’s federal or foreign tax or registration identification number, are: LightSquared Inc. (8845), LightSquared Investors Holdings Inc. (0984), One Dot Four Corp. (8806), One Dot Six Corp. (8763), SkyTerra Rollup LLC (N/A), SkyTerra Rollup Sub LLC (N/A), SkyTerra Investors LLC (N/A), TMI Communications Delaware, Limited Partnership (4456), LightSquared GP Inc. (6190), LightSquared LP (3801), ATC Technologies, LLC (3432), LightSquared Corp. (1361), LightSquared Finance Co. (6962), LightSquared Network LLC (1750), LightSquared Inc. of Virginia (9725), LightSquared Subsidiary LLC (9821), Lightsquared Bermuda Ltd. (7247), SkyTerra Holdings (Canada) Inc. (0631), SkyTerra (Canada) Inc. (0629), and One Dot Six TVCC Corp. (0040). The location of the debtors’ corporate headquarters is 10802 Parkridge Boulevard, Reston, VA 20191.



TABLE OF CONTENTS

	Page
Preliminary Statement.....	2
Jurisdiction.....	6
Background.....	7
Background to Motion	7
A. Path to Value-Maximizing Transaction.....	7
B. Solicitation of Votes on First Amended Plan.....	9
C. Second Amended Plan, Proposed Modifications, and Streamlined Re-Solicitation	10
Relief Requested	11
Basis for Relief	11
A. Modifications Are Not Material and Do Not Require Further Solicitation	11
B. Alternatively, Court Should Approve Second Amended Specific Disclosure Statement and Shorten Time for Re-Solicitation of the Second Amended Plan	14
Notice.....	17
Motion Practice.....	18
No Previous Request.....	18

TABLE OF AUTHORITIES

	Page(s)
CASES	
<u>In re Am. Solar King Corp.</u> , 90 B.R. 808 (Bankr. W.D. Tex. 1988).....	12, 13
<u>In re Boylan Int’l, Ltd.</u> , 452 B.R. 43 (Bankr. S.D.N.Y. 2011).....	12
<u>In re Cellular Info. Sys., Inc.</u> , 171 B.R. 926 (Bankr. S.D.N.Y. 1994).....	12
<u>In re Enron Corp.</u> , Case No. 01-16034 (AJG), 2004 Bankr. LEXIS 2549	12
<u>In re Temple Zion</u> , 125 B.R. 910, 915 (Bankr. E.D. Pa. 1991)	12
STATUTES	
11 U.S.C. § 105.....	1, 7, 11
11 U.S.C. § 1107(a)	7
11 U.S.C. § 1108.....	7
11 U.S.C. § 1122.....	11
11 U.S.C. § 1123.....	11
11 U.S.C. § 1125.....	passim
11 U.S.C. § 1126.....	1, 7, 11
11 U.S.C. § 1127.....	passim
28 U.S.C. § 157(b)(2)	6
28 U.S.C. § 1334.....	6
28 U.S.C. § 1408.....	6
28 U.S.C. § 1409.....	6
OTHER AUTHORITIES	
9 COLLIER ON BANKRUPTCY 113019.01 (15th ed. Rev. 2004).....	12

FED. R. BANKR. P. 2002	passim
FED. R. BANKR. P. 3017	passim
FED. R. BANKR. P. 3019	7, 11, 12, 13
FED. R. BANKR. P. 9006	passim
S.D.N.Y. Local Rule 3017	passim
S.D.N.Y. Local Rule 9013-1(a)	18

LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, "LightSquared" or the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), at the request and direction of the special committee of the boards of directors (the "Special Committee") for LightSquared Inc. and LightSquared GP Inc., file this motion (the "Motion"), pursuant to sections 105, 1125, 1126, and 1127 of title 11 of the United States Code, §§ 101-1532 (as amended, the "Bankruptcy Code"), rules 2002, 3017, and 9006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and rule 3017-1 of the Local Bankruptcy Rules for the Southern District of New York (the "Local Rules"), for entry of an order substantially in the form attached hereto as Exhibit A (the "Order") (i) approving modifications to the *Debtors' First Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, dated October 7, 2013 [Docket No. 919] (the "First Amended Plan") without the need for further solicitation of votes or, in the alternative, (ii) (a) approving the *Specific Disclosure Statement for Debtors' Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, dated December 24, 2013 [Docket No. 1134] (the "Second Amended Specific Disclosure Statement"), (b) shortening time for re-solicitation of the Second Amended Plan (as defined below), (c) applying to the Second Amended Plan all plan-related deadlines set forth in the Order Modifying Previously Scheduled Hearing Dates and Deadlines in Connection with Chapter 11 Plan Process [Docket No. 1061] (the "Modified Scheduling Order"), and (d) approving, *nunc pro tunc* to the date of the filing of this Motion, the streamlined re-solicitation process with respect to the Second Amended Plan. In support of the Motion, LightSquared attaches the following exhibits:

- Exhibit B: *Debtors' Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 1133] (the "Second Amended Plan"),

- Exhibit C: A blackline of the Second Amended Plan compared against the First Amended Plan,
- Exhibit D: Second Amended Specific Disclosure Statement, and
- Exhibit E: A blackline of the Second Amended Specific Disclosure Statement compared against the *Specific Disclosure Statement for Debtors' First Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, dated October 7, 2013 [Docket No. 921] (the "First Amended Specific Disclosure Statement").

In further support of this Motion,² LightSquared respectfully states as follows:

PRELIMINARY STATEMENT

1. LightSquared – at the direction of the Special Committee – is focused on maximizing value for the benefit of *all* stakeholders. Notwithstanding the filing of, and commencement of the solicitation of votes for, the First Amended Plan – which contemplated incorporating the results of an auction and sale process for the sale of substantially all of LightSquared's assets (the "Assets") – LightSquared continued to pursue any alternative transactions that provide greater value for LightSquared's estates and its stakeholders. Thus, whether it has been in connection with a sale process or separate discussions regarding a standalone reorganization, the Special Committee has explored and evaluated all value-maximizing possibilities. These efforts have been productive. LightSquared has reached an agreement on a standalone reorganization with each of (a) Fortress Investment Group LLC ("Fortress"), (b) JPMorgan Chase & Co. ("JPM"), (c) Melody Capital Advisors, LLC ("Melody"), and (d) Harbinger Capital Partners, LLC and its affiliates ("Harbinger" and, collectively with Fortress, JPM, and Melody, the "Plan Support Parties").

2. The Second Amended Plan represents the culmination of significant negotiations and efforts by LightSquared and certain key constituents and investors – including all existing

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in Second Amended Plan or Second Amended Specific Disclosure Statement, as applicable.

stakeholders in LightSquared's capital structure and certain independent third parties that believe in the future viability and value of LightSquared – to develop a restructuring plan that will achieve maximum returns for LightSquared's estates and stakeholders. Specifically, the Second Amended Plan contemplates, among other things (a) \$2.5 billion in senior secured exit facility financing (the "Exit Facility Financing"), (b) a \$250 million senior secured loan (the "Reorganized LightSquared Inc. Senior Secured Loan"), (c) at least \$1.25 billion in new equity contributions (the "New Equity"), (d) the issuance of new debt and equity instruments, (e) the assumption of certain liabilities, (f) the satisfaction in full of all Allowed Claims and Allowed Equity Interests with cash and other consideration, as applicable, and (g) the preservation of value of certain of LightSquared's litigation claims for the benefit of LightSquared's stakeholders. Effectiveness of the Second Amended Plan is conditioned upon, among other things, approval by the Federal Communications Commission (the "FCC") of LightSquared's license modification applications and grant of related relief, and the satisfaction of certain conditions precedent in connection with the Exit Facility Financing. To fund LightSquared's operations from confirmation of the Second Amended Plan (the "Confirmation") through the effective date of the Second Amended Plan (the "Effective Date") (and to repay in full the DIP Inc. Facility), Melody has agreed, subject to negotiation and definitive documentation, to provide a debtor in possession facility in an amount of not less than \$285 million.

3. The Second Amended Plan constitutes the only all-inclusive restructuring proposal that will leave LightSquared (a) with a sustainable capital structure, (b) stronger and better positioned to avail itself of the tremendous upside value resulting from the approval of the pending spectrum license modification application, and (c) able to maximize creditor and

stakeholder recoveries to the fullest extent possible. In summary, the modifications reflected in the Second Amended Plan (the “Modifications”) include the following:³

- Upon satisfaction of certain conditions precedent, proceeds from the Exit Facility Financing, New Equity, and the Reorganized LightSquared Inc. Senior Secured Loan will satisfy all Allowed Claims and Allowed Equity Interests in full through a distribution of cash or other consideration, as applicable;
- Class 5 containing the Prepetition Inc. Facility Non-Subordinated Claims is now unimpaired;
- Holders of Prepetition LP Facility Non-SPSO Claims will be entitled to a different form of Plan Consideration (i.e., an equity stake in NewCo) if Class 7A votes to accept the Second Amended Plan; and
- The inclusion of a “toggle” option contemplating either (i) the confirmation of the Second Amended Plan, or (ii) to the extent the Bankruptcy Court does not approve the transactions embodied in the Second Amended Plan, the confirmation of an alternate chapter 11 plan for the Inc. Debtors (the “Alternate Inc. Debtors Plan”).⁴

4. LightSquared believes that implementing the Second Amended Plan *does not* require a complete re-solicitation of votes on such plan. More specifically, the Modifications are not material within the meaning of well-settled law because the Modifications do not materially adversely affect any holder of a Claim or Equity Interest or change the classification previously set forth in the First Amended Plan such that any stakeholder that originally accepted the First Amended Plan would change its vote to reject the Second Amended Plan. In fact, the majority of Classes of Claims and Equity Interests under the Second Amended Plan receive the same treatment as, or better treatment than, if the Second Amended Plan did not otherwise include the

³ This summary is qualified in its entirety by reference to the provisions of the Second Amended Plan. To the extent that there is any conflict between the summary contained in this Motion and the Second Amended Plan, the Second Amended Plan shall control.

⁴ The Alternate Inc. Debtors Plan is described in detail in the Second Amended Specific Disclosure Statement.

Modifications.⁵ Accordingly, LightSquared submits that there is no need for any further solicitation.

5. Notwithstanding the foregoing, however, LightSquared recognizes that its Court-ordered deadline to file the Second Amended Plan under the Modified Scheduling Order – December 24, 2013 – is only seven (7) days before the plan objection and voting deadlines provided therein. Thus, although LightSquared does not believe re-solicitation of the Second Amended Plan is necessary, out of an abundance of caution, LightSquared has, concurrently with the filing of this Motion, conducted a streamlined re-solicitation process with respect to the Second Amended Plan (such process, the “Streamlined Re-Solicitation”), which process included: (a) serving a limited solicitation package containing only (i) the Second Amended Plan, (ii) the Second Amended Specific Disclosure Statement, (iii) blacklines comparing the foregoing to their prior versions, and (iv) ballots; and (b) serving such materials on all parties who previously received solicitation materials in connection with the First Amended Plan other than Holders of the Prepetition Inc. Non-Subordinated Facility Claims (who are now unimpaired under the Second Amended Plan). If the Court requires re-solicitation of the Second Amended Plan, LightSquared respectfully requests that the Court determine that the Second Amended Specific Disclosure Statement contains adequate information pursuant to section 1125 of the Bankruptcy Code and that the Streamlined Re-Solicitation – which has already been completed as described above – is sufficient pursuant to and in compliance with Bankruptcy Rule 3017 and Local Rule 3017.

⁵ LightSquared recognizes that, because of the election afforded to certain holders of Prepetition LP Facility Claims under the Second Amended Plan, such holders are entitled to receive and complete new ballots. The Streamlined Re-Solicitation process described below was crafted with this in mind.

6. Furthermore, if the Court finds any re-solicitation in connection with the Modifications necessary, LightSquared also respectfully requests that the Court shorten Bankruptcy Rule 2002(b)'s twenty-eight (28)-day timeframe for objecting to a chapter 11 plan so as to require objections to the Second Amended Plan be submitted by December 30, 2013 at 4:00 p.m. (prevailing Eastern time) and votes on the Second Amended Plan be submitted by December 30, 2013 at 4:00 p.m. (prevailing Pacific time), each as was previously established by the Modified Scheduling Order entered by this Court on December 3, 2013. LightSquared submits that there would be no prejudice to existing parties because the Modifications are not material for purposes of section 1127 of the Bankruptcy Code, and the only parties that would be objecting are aware of the general nature of the transactions set forth in the Second Amended Plan and have substantially prepared objections already in anticipation of the December 30, 2013 deadline. Moreover, few parties have voted to date, and it is unlikely that any party who has voted will change their vote.

7. In light of the upcoming confirmation hearing scheduled to commence on January 9, 2014 (the "Confirmation Hearing") and the already tight timeframe all parties have been and continue to be working within to resolve these Chapter 11 Cases, LightSquared respectfully submits that any further solicitation – to the extent even necessary – than that proposed and already provided for herein would constitute an unnecessary waste of all parties' time and resources.

Jurisdiction

8. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

9. Venue in the Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

10. The statutory bases for the relief requested herein are sections 105, 1125, 1126, and 1127 of the Bankruptcy Code, Bankruptcy Rules 2002, 3017, 3019, and 9006, and Local Rule 3017-1.

Background

11. On May 14, 2012 (the "Petition Date"), LightSquared filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

12. LightSquared continues to operate its businesses and manage its properties as debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No official committee has been appointed in the Chapter 11 Cases. No trustee or examiner has been appointed in the Chapter 11 Cases.

Background to Motion

A. Path to Value-Maximizing Transaction

13. On July 24, 2013, the Court entered the *Order Scheduling Certain Hearing Dates and Establishing Deadlines in Connection with Chapter 11 Plan Process* [Docket No. 772] (the "Initial Scheduling Order") which, among other things, initially set (a) December 6, 2013 as the deadline for the conclusion of the auction for LightSquared's assets and (b) December 10, 2013 at 10:00 a.m. (prevailing Eastern time) for the Confirmation Hearing.

14. As mentioned above, on August 30, 2013, LightSquared filed a plan (which it subsequently amended on October 7, 2013) providing for the sale of all of its Assets, or any grouping or subset thereof, but reserved its rights to pursue alternative value-maximizing transactions. In connection therewith, LightSquared – at the direction, and with the participation, of the Special Committee – undertook a process (the "Sale Process") to sell substantially all of the Assets of its estates at an auction (the "Auction") pursuant to certain procedures (the "Bid Procedures") approved by order of the Court on October 1, 2013 [Docket No. 892] (the "Bid

Procedures Order”). On a dual track, however, LightSquared also continued to welcome any opportunity to engage with any party, both within and outside of LightSquared’s capital structure, to discuss and negotiate potential alternative transactions to the extent such alternatives could result in greater recoveries for LightSquared’s estates (the “Alternative Transaction Process”). To ensure the integrity of such Sale Process and Alternative Transaction Process, on September 16, 17, and 27, 2013, LightSquared’s board of directors elected Alan J. Carr, Neal P. Goldman, and Christopher Rogers to serve as independent directors and as members of the Special Committee, which was delegated the authority to oversee the potential sale of LightSquared’s Assets in connection with any Auction or Sale Process and evaluate potential restructuring plans or plans of reorganization filed by LightSquared or any other parties.

15. On December 3, 2013, due to the current facts and circumstances in these Chapter 11 Cases, the Court entered the Modified Scheduling Order. The Modified Scheduling Order, among other things, modified the Initial Scheduling Order, the Bid Procedures Order, and the Disclosure Statement Order (as defined below) to establish certain new dates and other deadlines in connection with the timeline for LightSquared’s Chapter 11 Cases. In particular, the Modified Scheduling Order rescheduled, among other things, (a) December 11, 2013 as the date of the Auction for LightSquared’s assets, (b) December 30, 2013 at 4:00 p.m. (prevailing Eastern time) as the deadline to file plan objections, (c) December 30, 2013 at 4:00 p.m. (prevailing Pacific time) as the deadline to vote on filed chapter 11 plans, and (d) January 9, 2014 at 10:00 a.m. (prevailing Eastern time) as the commencement of the Confirmation Hearing.

16. After engaging in the Sale Process, thoroughly marketing its Assets, and expending considerable time and effort evaluating all bids received pursuant to the Bid Procedures Order, LightSquared, at the direction of the Special Committee, determined not to

hold the Court-scheduled Auction for LightSquared's Assets, or any grouping or subset thereof, under the First Amended Plan, and did not deem any bid received for the Assets or any grouping or subset thereof, the Successful Bid (as defined in the Bid Procedures) under its First Amended Plan [Docket Nos. 1086 and 1108]. Indeed, LightSquared's advisors (including the Special Committee's advisors) were informed that, in light of the current circumstances surrounding these Chapter 11 Cases and the nature of the \$2.22 billion stalking horse bid submitted by LBAC, multiple potential bidders were reluctant to participate in the Auction and noted their belief that the Sale Process and Auction would not lead to a transaction for LightSquared's estates that would optimize value and recoveries. Ultimately, no qualified bids were received from third parties outside of LightSquared's capital structure.

17. LightSquared did, however, receive interest in the Alternative Transaction Process from third parties interested in providing LightSquared with debt and equity to reorganize. Thus, after working diligently with such third parties over the course of two (2) months to solidify a new value reorganization proposal, the Plan Support Parties proposed to LightSquared a restructuring of all of LightSquared's estates to be implemented through the Second Amended Plan.

B. Solicitation of Votes on First Amended Plan

18. On October 7, 2013, LightSquared filed the First Amended Plan and, by order dated October 10, 2013, the Court entered an order (the "Disclosure Statement Order") approving, among other things, the First Amended Specific Disclosure Statement as containing adequate information pursuant to section 1125 of the Bankruptcy Code. On October 10, 2013, LightSquared and its voting agent began soliciting Holders of Claims in Classes entitled to vote on the First Amended Plan. Pursuant to the Modified Scheduling Order, the deadline to file

objections to the First Amended Plan is December 30, 2013 at 4:00 p.m. (prevailing Eastern time) and the deadline to vote on the First Amended Plan is December 30, 2013 at 4:00 p.m. (prevailing Pacific time). The hearing to consider confirmation of the First Amended Plan is scheduled to commence on January 9, 2014 at 10:00 a.m. (prevailing Eastern time).

C. Second Amended Plan, Proposed Modifications, and Streamlined Re-Solicitation

19. On December 24, 2013, LightSquared reached an agreement with the Plan Support Parties which proposes to provide all stakeholders with a greater recovery than any bid submitted in connection with the Auction. In accordance with the Modified Scheduling Order, on December 24, 2013, LightSquared – with the support of a substantial portion of LightSquared’s stakeholders – filed with the Court the (a) Second Amended Plan and (b) corresponding Second Amended Specific Disclosure Statement. Additionally, recognizing that the deadline for submitting plan objections under the Modified Scheduling Order was quickly approaching, on December 26, 2013, LightSquared, out of an abundance of caution, also completed the Streamlined Re-Solicitation, which effected wide distribution of the foregoing documents and other related materials. As reflected in the Second Amended Plan, LightSquared proposes to make certain Modifications to its chapter 11 plan, including incorporating the negotiated settlement as set forth in the Second Amended Plan. These Modifications provide, among other things, that, (a) upon satisfaction of certain conditions precedent, proceeds from the Exit Facility Financing, Reorganized LightSquared Inc. Senior Secured Loan, and New Equity will satisfy all Allowed Claims and Allowed Equity Interests in full through a distribution of cash or other consideration, as applicable, (b) Class 5 containing the Prepetition Inc. Facility Non-Subordinated Claims will be rendered unimpaired, (c) LightSquared’s litigation claims will be preserved post-confirmation for the benefit of all LightSquared’s stakeholders, (d) Holders of

Prepetition LP Facility Non-SPSO Claims will be entitled to a different form of Plan Consideration (i.e., an equity stake in NewCo) if Class 7A votes to accept the Second Amended Plan, and (e) the inclusion of a “toggle” option providing that, to the extent the Bankruptcy Court does not approve the transactions embodied by the Second Amended Plan, the confirmation of an alternate chapter 11 plan for the Inc. Debtors.

RELIEF REQUESTED

20. By this Motion, LightSquared respectfully requests, pursuant to sections 105, 1125, 1126, and 1127 of the Bankruptcy Code, Bankruptcy Rules 2002, 3017, 3019, and 9006, and Local Rule 3017-1, entry of an order (a) approving the Modifications without the need for further solicitation of votes or, in the alternative, (b)(i) approving the Second Amended Specific Disclosure Statement, (ii) shortening time for re-solicitation of the Second Amended Plan, (iii) applying to the Second Amended Plan all plan-related deadlines set forth in the Modified Scheduling Order, and (iv) approving, *nunc pro tunc* to the date of the filing of this Motion, the Streamlined Re-Solicitation with respect to the Second Amended Plan.

BASIS FOR RELIEF

A. Modifications Do Not Require Further Solicitation Under Applicable Bankruptcy Law

21. Section 1127(a) of the Bankruptcy Code provides, in relevant part, that “[t]he proponent of a plan may modify such plan at any time before confirmation” so long as the modified plan meets the requirements of sections 1122 and 1123 of the Bankruptcy Code (i.e., the provisions governing classification of claims or interests under a plan, and the mandatory and permissive contents of a plan, respectively). 11 U.S.C. § 1127(a). Section 1127(c) further provides that “[t]he proponent of a modification shall comply with section 1125 of this title with respect to the plan as modified.” 11 U.S.C. § 1127(c). “Section 1125, in turn, mandates

particular postpetition disclosure and solicitation requirements by the plan proponent.” In re Boylan Int’l, Ltd., 452 B.R. 43, 51 (Bankr. S.D.N.Y. 2011).

22. Courts applying section 1127, including those in the Second Circuit, have held that post-solicitation plan modifications do not necessarily mandate re-solicitation of a chapter 11 plan. See, e.g., In re Cellular Info. Sys., Inc., 171 B.R. 926, 929 n.6 (Bankr. S.D.N.Y. 1994) (finding changes made to plan after solicitation process was completed to be “nonmaterial modifications which do not require resolicitation of the respective impaired classes of creditors and equity security holders”). Rather, additional disclosure is required only when the proposed modifications (a) *materially and adversely impact* a claimant’s treatment and (b) would cause such claimant to change their prior vote to accept to a vote to reject the plan. See In re Enron Corp., Case No. 01-16034 (AJG), 2004 Bankr. LEXIS 2549, *259-60 (Bankr. S.D.N.Y. July 15, 2004) (“The best test is whether the modification so affects any creditor or interest holder who accepted the plan that such entity, if it knew of the modification, would be likely to reconsider its acceptance.”) (quoting 9 COLLIER ON BANKRUPTCY 113019.01 (15th ed. Rev. 2004)); see also In re Temple Zion, 125 B.R. 910, 915 (Bankr. E.D. Pa. 1991) (“The modification . . . does not affect, either adversely or otherwise, any other allegedly impaired class in any direct way. Therefore, further disclosure pursuant to 11 U.S.C. § 1125 clearly appears unnecessary.”); In re Am. Solar King Corp., 90 B.R. 808, 823 (Bankr. W.D. Tex. 1988) (stating that re-solicitation required “only when and to the extent that . . . the modification materially and adversely impacts parties who previously voted for the plan”). Such an approach is also consistent with Bankruptcy Rule 3019(a) – the rule designed to implement section 1127 – which provides, in relevant part that: “If the court finds . . . that the proposed modification does not adversely change the treatment of the claim of any creditor or the interest of any equity security holder . . . ,

[the modified plan] shall be deemed accepted by all creditors and equity security holders who have previously accepted the plan.” Fed. R. Bankr. P. 3019(a); see also Solar King., 90 B.R. at 825 n. 32, 826 (“Bankruptcy Rule 3019 implements section 1127 . . . [and] allows a court to attribute prior acceptances to an amended plan where the modification “does not adversely change” a claimant's treatment . . . Thus, if a modification does not “materially” impact a claimant's treatment, the change is not adverse and the court may deem that prior acceptances apply to the amended plan as well.”).

23. Here, the Modifications reflected in the Second Amended Plan do not adversely impact any creditor under the Second Amended Plan. To the contrary, the Second Amended Plan provides numerous benefits to LightSquared’s creditors and other stakeholders, including, among other things: (a) satisfying all Allowed Claims and Allowed Equity Interests in full through a distribution of cash or other Plan Consideration, as applicable; (b) allowing constituents from across the existing capital structure to participate in LightSquared’s upside upon emergence; and (c) preserving LightSquared’s litigation claims post-confirmation for the benefit of all LightSquared’s stakeholders. Additionally, the holders of Prepetition LP Facility Non-SPSO Claims will be entitled to different forms of Plan Consideration (i.e., cash or equity) depending on whether Class 7A votes to accept or reject the Second Amended Plan. Thus, the Modifications will not adversely affect any creditor or equity interest holder, and instead, will only improve the treatment of all Claims and Equity Interests. Accordingly, no stakeholder that accepted the First Amended Plan would change its acceptance as a result of the Modifications, and LightSquared respectfully requests that the Court approve the Modifications without further solicitation.

B. Alternatively, Court Should Approve Second Amended Specific Disclosure Statement and Streamlined Re-Solicitation Process and Apply Modified Scheduling Order to Second Amended Plan

24. If the Court, however, determines that solicitation of the Second Amended Plan is required, LightSquared respectfully requests that the Court (a) approve the Second Amended Specific Disclosure Statement as containing “adequate information” under section 1125(a) of the Bankruptcy Code, (b) shorten the time for re-solicitation of the Second Amended Plan, (c) apply to the Second Amended Plan all plan-related deadlines set forth in the Modified Scheduling Order, and (d) approve, on a *nunc pro tunc* basis, the Streamlined Re-Solicitation with respect to the Second Amended Plan.

(i) Second Amended Specific Disclosure Statement Should Be Approved

25. Section 1125(a) of the Bankruptcy Code requires that, before a proponent may solicit votes on a chapter 11 plan of reorganization, such plan proponent must provide creditors with a disclosure statement that is “approved, after notice and a hearing, by the court as containing adequate information.” 11 U.S.C. § 1125(a).

26. LightSquared respectfully submits that the Second Amended Specific Disclosure Statement, like the First Amended Specific Disclosure Statement, contains ample and adequate information that clearly and succinctly will allow parties in interest to make informed judgments to vote, to the extent appropriate, on the Second Amended Plan. In particular, the Second Amended Specific Disclosure Statement provides parties in interest with (a) an overview of the terms of the Second Amended Plan, (b) a description of the specific treatment and estimated recovery to each class of creditors and interests; (c) the relevant risk factors associated with the Second Amended Plan; and (d) a description of both the “toggle” option embedded in the Second Amended Plan and the Alternate Inc. Debtors Plan contemplated thereby. The Second Amended Specific Disclosure Statement thus provides adequate information and should be approved.

(ii) *Time for Objecting to Confirmation of the Second Amended Plan Should Be Shortened*

27. Bankruptcy Rule 2002(b) requires “not less than 28 days’ notice ... of the time fixed (1) for filing objections and the hearing to consider approval of a disclosure statement . . . and (2) for filing objections and the hearing to consider confirmation of a . . . chapter 11 . . . plan.” FED. R. BANKR. P. 2002(b). Additionally, Bankruptcy Rule 3017(a) states:

[A]fter a disclosure statement is filed . . . the court shall hold a hearing on at least 28 days’ notice to the debtor, creditors, equity security holders and other parties in interest as provided in Rule 2002 to consider the disclosure statement and any objections or modifications thereto Objections to the disclosure statement shall be filed and served . . . at any time before the disclosure statement is approved or by an earlier date as the court may fix.

FED. R. BANKR. P. 3017(a).

28. Notwithstanding the foregoing, courts have the discretion to shorten time periods where the circumstances require. Bankruptcy Rule 9006(c)(1) provides that:

Except as provided in paragraph (2) of this subdivision, when an act is required or allowed to be done at or within a specified time by these rules or by a notice given thereunder or by order of court, the court for cause shown may in its discretion with or without motion or notice order the period reduced.

FED. R. BANKR. P. 9006(c)(1). Notably, while Bankruptcy Rule 9006(c)(2) limits 9006(c)(1) by providing that courts may not shorten time with respect to certain Bankruptcy Rules, neither Bankruptcy Rule 2002(b) or Bankruptcy Rule 3017 is among such exceptions. See FED. R. BANKR. P. 9006(c)(2).

29. LightSquared respectfully submits that good cause exists to set December 30, 2013 at 4:00 p.m. (prevailing Pacific time) (i.e., the deadline contemplated by the modified Scheduling Order) as the deadline for voting to accept or reject the Second Amended Plan and the deadline to object to confirmation of the Second Amended Plan.

30. **First**, LightSquared, out of an abundance of caution, has already completed the Streamlined Re-Solicitation so as to provide all creditors, stakeholders, and other interested parties with as much time as possible to consider and vote on the Second Amended Plan. **Second**, the Modifications, as compared with the First Amended Plan that was originally solicited, only improve the treatment of certain creditors and other stakeholders, to the extent the Modifications affect stakeholders at all. **Third**, the vast majority of creditors, stakeholders, and interested parties are well aware of the compressed timeline in these Chapter 11 Cases established by the Modified Scheduling Order and understand that confirmation objections in these Chapter 11 Cases must be submitted by December 30, 2013 in anticipation of the January 9, 2013 Confirmation Hearing, which all parties have recognized – and some have vehemently argued – cannot be further delayed. **Fourth**, the primary economic stakeholders in these Chapter 11 Cases have been aware since the entry of the Modified Scheduling Order that LightSquared was potentially pursuing a plan of reorganization and would announce any such transaction on December 24, 2013. Such parties have thus likely substantially prepared their plan objections already in anticipation of the December 30, 2013 deadline set forth in the Modified Scheduling Order. Thus, any additional burden on objecting parties is minimal.

31. Applying such deadline to the Second Amended Plan is appropriate because the current ballot provides creditors and interest holders the ability to vote on each of the four (4) competing plans on a single ballot. Maintaining this feature will reduce the confusion to creditors in the event re-solicitation is required. Moreover, LightSquared proposes the Court adopt the same voting record date set forth in the Modified Scheduling Order.

(iii) Court Should Apply Deadlines Set Forth in Modified Scheduling Order

32. Bankruptcy Rule 3017(c) provides that “[o]n or before approval of the disclosure statement, the court shall fix a time within which the holders of claims and interests

may accept or reject the plan . . .” Fed. R. Bankr. P. 3017(c). Thus, if additional solicitation is required, LightSquared respectfully requests that the Court set December 30, 2013 at 4:00 p.m. (prevailing Pacific time) as the deadline for voting to accept or reject the Second Amended Plan. Applying such deadline to the Second Amended Plan is appropriate because the current ballot provides creditors and interest holders the ability to vote on each of the four (4) competing plans on a single ballot. Maintaining this feature will reduce the confusion to creditors in the event re-solicitation is required. Moreover, LightSquared proposes the Court adopt the same voting record date set forth in the Modified Scheduling Order.

(iv) Court Should Approve Streamlined Re-Solicitation of Second Amended Plan

33. Additionally, LightSquared respectfully requests that, if any further solicitation of the Second Amended Plan is deemed necessary, the Court determine that LightSquared’s proactive Streamlined Re-Solicitation of all parties who previously received solicitation materials in connection with the First Amended Plan other than Holders of the Prepetition Inc. Facility Non-Subordinated Claims (which Holders are now rendered unimpaired under the Second Amended Plan) is sufficient pursuant to, and in compliance with, Bankruptcy Rule 3017 and Local Rule 3017. Specifically, the Streamlined Re-Solicitation package included copies of (a) the Second Amended Plan, (b) the Second Amended Specific Disclosure Statement, (c) blacklines comparing the foregoing to their prior versions, and (d) revised ballots. The original solicitation packages for the First Amended Plan were extremely voluminous and LightSquared’s Streamlined Re-Solicitation appropriately tailored re-solicitation so as to save significant time and resources while imposing no prejudice on any party.

Notice

34. Notice of this Motion will be provided by electronic mail, facsimile, regular or overnight mail, and/or hand delivery to (a) the U.S. Trustee, (b) the entities listed on the

Consolidated List of Creditors Holding the 20 Largest Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d), (c) counsel to the Special Committee, (d) counsel to the Prepetition Agents, (e) counsel to the DIP Agent, (f) counsel to the ad hoc secured group of Prepetition LP Lenders, (g) counsel to Harbinger, (h) counsel to the Plan Support Parties, (i) the Internal Revenue Service, (j) the United States Attorney for the Southern District of New York, (k) the FCC, (l) Industry Canada, and (m) all parties who have filed a notice of appearance in the Chapter 11 Cases. LightSquared respectfully submits that no other or further notice is required or necessary.

Motion Practice

35. This Motion includes citations to the applicable rules and statutory authorities upon which the relief requested herein is predicated and a discussion of their application to this Motion. Accordingly, LightSquared submits that this Motion satisfies Local Rule 9013-1(a).

No Previous Request

36. Other than the *Motion for Entry of Order Approving Adequacy of LightSquared Disclosure Statement* [Docket No. 819], no prior motion for the relief requested herein has been made by LightSquared to this or any other court.

WHEREFORE, LightSquared respectfully requests entry of (i) the Order, substantially in the form attached hereto as Exhibit A, and (ii) any other and further relief as this Court deems just and proper.

New York, New York
Dated: December 24, 2013

/s/ Matthew S. Barr
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