

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C 36, AS AMENDED**

**APPLICATION OF LIGHTSQUARED LP  
UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT  
ACT*, R.S.C. 1985, c. C 36, AS AMENDED**

**AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE  
UNITED STATES BANKRUPTCY COURT WITH RESPECT TO  
LIGHTSQUARED INC., LIGHTSQUARED INVESTORS HOLDINGS INC., ONE  
DOT FOUR CORP., ONE DOT SIX CORP., SKYTERRA ROLLUP LLC,  
SKYTERRA ROLLUP SUB LLC, SKYTERRA INVESTORS LLC, TMI  
COMMUNICATIONS DELAWARE, LIMITED PARTNERSHIP,  
LIGHTSQUARED GP INC., LIGHTSQUARED LP, ATC TECHNOLOGIES LLC,  
LIGHTSQUARED CORP., LIGHTSQUARED FINANCE CO., LIGHTSQUARED  
NETWORK LLC, LIGHTSQUARED INC. OF VIRGINIA, LIGHTSQUARED  
SUBSIDIARY LLC, LIGHTSQUARED BERMUDA LTD., SKYTERRA  
HOLDINGS (CANADA) INC., SKYTERRA (CANADA) INC. AND ONE DOT SIX  
TVCC CORP. (COLLECTIVELY, THE "CHAPTER 11 DEBTORS")**

**MOTION RECORD  
(Returnable June 14, 2012)**

June 7, 2012

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# TAB 1

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
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**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
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**APPLICATION OF LIGHTSQUARED LP  
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SUBSIDIARY LLC, LIGHTSQUARED BERMUDA LTD., SKYTERRA  
HOLDINGS (CANADA) INC., SKYTERRA (CANADA) INC. AND ONE DOT SIX  
TVCC CORP. (COLLECTIVELY, THE "CHAPTER 11 DEBTORS")**

**NOTICE OF MOTION**

**(Returnable on June 14, 2012)**

LightSquared LP, on its own behalf and in its capacity as foreign representative of the Chapter 11 Debtors ("**LightSquared**" or the "**Foreign Representative**"), will make a motion to the Court on June 14, 2012 at 10:00 a.m. or as soon after that time as the motion can be heard at 330 University Avenue, Toronto, Ontario.

**PROPOSED METHOD OF HEARING:** The motion is to be heard orally.

**THE MOTION IS FOR:**

1. An order substantially in the form of the draft order attached hereto as Schedule "A", *inter alia*:
  - (a) Abridging the time for service and validating service of this Notice of Motion and Motion Record, such that this motion is properly returnable on June 14, 2012;
  - (b) Recognizing in Canada and giving full force and effect in all provinces and territories of Canada, pursuant to section 49 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C. 36, as amended (the "CCAA"), the following orders (collectively, the "**Foreign Orders**") of the United States Bankruptcy Court for the Southern District of New York (the "**U.S. Bankruptcy Court**") made in the cases commenced by the Chapter 11 Debtors in the U.S. Bankruptcy Court under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "**Chapter 11 Cases**"):
    - (i) Order Authorizing Restrictions on Certain Transfers of Interests and Claims in the Debtors and Establishing Notification Procedures Relating Thereto Pursuant to Sections 105(a) and 362 of the Bankruptcy Code;
    - (ii) Order Determining Adequate Assurance of Payment for Future Utility Services;
    - (iii) Order (A) Authorizing Debtors to Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay;
    - (iv) Final Order Authorizing LightSquared LP to Act as Foreign Representative Pursuant to 11 U.S.C. § 1505;
    - (v) Final Order (A) Authorizing Debtors to (I) Continue Using Existing Cash Management Systems, Bank Accounts and Business Forms and (II) Continue Intercompany Transactions, (B) Providing Postpetition Intercompany Claims Administrative Expense Priority, (C) Authorizing Debtors' Banks to Honor All Related Payment Requests, (D) Waiving Investment Guidelines of Sections 345(b) of Bankruptcy Code;



- (vi) Final Order (A) Authorizing, But Not Directing, Debtors to (I) Pay Certain Prepetition Wages and Reimbursable Employee Expenses, (II) Pay and Honor Employee Benefits, (III) Continue Employee Benefits Programs and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests;
  - (vii) Final Order (A) Authorizing, But Not Directing, (I) Continuation of Debtors' Insurance Policies and (II) Payment of Certain Obligations in Respect Thereof and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests; and
  - (viii) Final Order (A) Authorizing, But Not Directing, Debtors to Pay Taxes and Fees and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests; and
- (c) Approving the first report to court (the "**First Report**"), and the activities set out therein, of Alvarez & Marsal Canada Inc. ("**A&M Canada**") in its capacity as the Information Officer in respect of this proceeding (the "**Information Officer**"); and
2. Such further and other relief as counsel may request and this Honourable Court may deem just.

#### **THE GROUNDS FOR THE MOTION ARE:**

##### Background

1. On May 14, 2012, the Chapter 11 Debtors commenced the Chapter 11 Cases by each filing a voluntary petition for relief under chapter 11 of title 11 of the United States Code in the U.S. Bankruptcy Court;
2. Other than the Chapter 11 Cases and these proceedings, there are no other foreign proceedings in respect of the Chapter 11 Debtors;
3. On May 15, 2012, the Honourable Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the "**Canadian Court**") granted an order

providing certain interim relief to the Chapter 11 Debtors, including a stay of proceedings in respect of the Chapter 11 Debtors, the property and business of the Chapter 11 Debtors and the directors and officers of the Chapter 11 Debtors;

4. On May 15, 2012, the U.S. Bankruptcy Court in the Chapter 11 Cases made various “first day” orders, including an interim order authorizing LightSquared to act as the Foreign Representative of the Chapter 11 Debtors;
5. On May 18, 2012, the Honourable Justice Morawetz granted an Initial Recognition Order in these proceedings, which among other things: (i) recognized LightSquared as the “foreign representative” of the Chapter 11 Debtors; (ii) declared the Chapter 11 Cases to be a “foreign main proceeding” pursuant to Part IV of the CCAA; and (iii) stayed all proceedings against the Chapter 11 Debtors;
6. On May 18, 2012, the Honourable Justice Morawetz also granted a Supplemental Order in these proceedings, which among other things: (i) recognized and enforced in Canada certain orders of the U.S. Bankruptcy Court in the Chapter 11 Proceeding; (ii) appointed A&M Canada as Information Officer in these proceedings; (iii) stayed all claims and proceedings in respect of the Chapter 11 Debtors, the property and business of the Chapter 11 Debtors and the directors and officers of the Chapter 11 Debtors; and (iv) granted a super-priority charge over the Chapter 11 Debtors’ property, in favour of the Information Officer and its counsel, as security for their professional fees and disbursements incurred in respect of these proceedings;

#### Foreign Orders

7. On June 4, 2012, the U.S. Bankruptcy Court granted an order in the Chapter 11 Proceeding “Authorizing Restrictions on Certain Transfers of Interests and Claims in the Debtors and Establishing Notification Procedures Relating Thereto Pursuant to Sections 105(a) and 362 of the Bankruptcy Code”;

8. On June 11, 2012, the Chapter 11 Debtors will be seeking from the U.S. Bankruptcy Court in the context of the Chapter 11 Cases, certain orders, including the following (the “**June 11<sup>th</sup> Orders**”):
- (i) Order Determining Adequate Assurance of Payment for Future Utility Services;
  - (ii) Order (A) Authorizing Debtors to Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay;
  - (iii) Final Order Authorizing LightSquared LP to Act as Foreign Representative Pursuant to 11 U.S.C. § 1505;
  - (iv) Final Order (A) Authorizing Debtors to (I) Continue Using Existing Cash Management Systems, Bank Accounts and Business Forms and (II) Continue Intercompany Transactions, (B) Providing Postpetition Intercompany Claims Administrative Expense Priority, (C) Authorizing Debtors’ Banks to Honor All Related Payment Requests, (D) Waiving Investment Guidelines of Sections 345(b) of Bankruptcy Code;
  - (v) Final Order (A) Authorizing, But Not Directing, Debtors to (I) Pay Certain Prepetition Wages and Reimbursable Employee Expenses, (II) Pay and Honor Employee Benefits, (III) Continue Employee Benefits Programs and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests;
  - (vi) Final Order (A) Authorizing, But Not Directing, (I) Continuation of Debtors’ Insurance Policies and (II) Payment of Certain Obligations in Respect Thereof and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests; and
  - (vii) Final Order (A) Authorizing, But Not Directing, Debtors to Pay Taxes and Fees and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests.
9. Following the granting of the June 11<sup>th</sup> Orders by the U.S. Bankruptcy Court, the Foreign Representative intends to file a supplementary affidavit with the Canadian Court, attaching the orders granted.

10. The Foreign Representative is of the view that the recognition of the Foreign Orders by the Canadian Court is necessary for the protection of the Chapter 11 Debtor's property and the interest of their creditors;
11. Accordingly, the Foreign Representative requests that this Honourable Court recognize in Canada and enforce the Foreign Orders, pursuant to Section 49 of the CCAA;

General

12. The facts as further set out in the First Report and the affidavit of Elizabeth Creary sworn June 7<sup>th</sup>, 2012 (the "**Creary Affidavit**");
13. The provisions of the CCAA, including Part IV;
14. The *Rules of Civil Procedure*, including rules 2.03, 3.02 and 16; and
15. Such further and other grounds as counsel may advise and this Court may permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT  
THE HEARING OF THE MOTION:**

1. The Creary Affidavit and the exhibits referred to therein;
2. The Information Officer's First Report, to be filed separately;
3. The affidavit of Kate Stigler attaching the June 11, 2012 orders, to be filed separately; and
4. Such further and other material as counsel may advise and this Honourable Court may permit.

June 7, 2012

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**TO: THE SERVICE LIST**

# TAB A

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE ) THURSDAY, THE 14<sup>th</sup>  
JUSTICE MORAWETZ ) DAY OF JUNE, 2012  
)

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
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TVCC CORP. (COLLECTIVELY, THE "CHAPTER 11 DEBTORS")**

**RECOGNITION ORDER**

**THIS MOTION**, made by LightSquared LP in its capacity as the foreign representative (the "**Foreign Representative**") of the Chapter 11 Debtors, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order substantially in the form attached as Schedule "A" to the notice of motion of the Foreign Representative dated June 7, 2012 (the "**Notice of Motion**"), recognizing certain orders granted by the United States Bankruptcy Court for the Southern District of New York (the "**U.S. Bankruptcy Court**") in the cases commenced

by the Chapter 11 Debtors under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “**Chapter 11 Cases**”), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Notice of Motion, the affidavit of Elizabeth Creary sworn June 7, 2012, the affidavit of ● ● sworn June ●, 2012 and the first report of Alvarez & Marsal Canada Inc., in its capacity as court-appointed information officer (the “**Information Officer**”) of the Chapter 11 Debtors, dated June ●, 2012 (the “**First Report**”) and on hearing the submissions of counsel for the Foreign Representative and counsel for the Information Officer, no one else appearing although duly served as appears from the affidavits of service of Stephanie Waugh and ● sworn June 7, 2012 and June ●, 2012, respectively,

#### **SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

#### **RECOGNITION OF FOREIGN ORDERS**

2. **THIS COURT ORDERS** that the following orders (collectively, the “**Foreign Orders**”) of the U.S. Bankruptcy Court made in the Chapter 11 Cases are hereby recognized and given full force and effect in all provinces and territories of Canada pursuant to Section 49 of the CCAA:

- (a) Order Authorizing Restrictions on Certain Transfers of Interests and Claims in the Debtors and Establishing Notification Procedures Relating Thereto Pursuant to Sections 105(a) and 362 of the Bankruptcy Code;
- (b) Order Determining Adequate Assurance of Payment for Future Utility Services;
- (c) Order (A) Authorizing Debtors to Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay;



- (d) Final Order Authorizing LightSquared LP to Act as Foreign Representative Pursuant to 11 U.S.C. § 1505;
- (e) Final Order (A) Authorizing Debtors to (I) Continue Using Existing Cash Management Systems, Bank Accounts and Business Forms and (II) Continue Intercompany Transactions, (B) Providing Postpetition Intercompany Claims Administrative Expense Priority, (C) Authorizing Debtors' Banks to Honor All Related Payment Requests, (D) Waiving Investment Guidelines of Sections 345(b) of Bankruptcy Code;
- (f) Final Order (A) Authorizing, But Not Directing, Debtors to (I) Pay Certain Prepetition Wages and Reimbursable Employee Expenses, (II) Pay and Honor Employee Benefits, (III) Continue Employee Benefits Programs and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests;
- (g) Final Order (A) Authorizing, But Not Directing, (I) Continuation of Debtors' Insurance Policies and (II) Payment of Certain Obligations in Respect Thereof and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests; and
- (h) Final Order (A) Authorizing, But Not Directing, Debtors to Pay Taxes and Fees and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests;

each attached hereto as Schedules "A" to "H" respectively, provided, however, that in the event of any conflict between the terms of the Foreign Orders and the Orders of this Court made in the within proceedings, the Orders of this Court shall govern with respect to the Chapter 11 Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever in Canada.

**INFORMATION OFFICER'S REPORT**

3. **THIS COURT ORDERS** that the First Report and the activities of the Information Officer as described therein be and are hereby approved.

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**SCHEDULE "A"**

**SCHEDULE "B"**

**SCHEDULE "C"**

**SCHEDULE "D"**

**SCHEDULE "E"**

**SCHEDULE "F"**



## **SCHEDULE "G"**

**SCHEDULE "H"**

Court File No: CV-12-9719-00CL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C 36, AS AMENDED,  
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STATES BANKRUPTCY COURT WITH RESPECT TO THE CHAPTER 11 DEBTORS

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT  
TORONTO

**RECOGNITION ORDER**  
**(JUNE 14, 2012)**

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IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C 36, AS AMENDED,  
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**ONTARIO**

**SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT TORONTO

**NOTICE OF MOTION**

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## **TAB 2**

**ONTARIO**  
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**TVCC CORP. (COLLECTIVELY, THE "CHAPTER 11 DEBTORS")**

**AFFIDAVIT OF ELIZABETH CREARY**  
**(Sworn June 7<sup>th</sup>, 2012)**

I, Elizabeth Creary, of the City of Ottawa, in the Province of Ontario, **MAKE OATH**  
**AND SAY THAT:**

1. I am the Vice President and Assistant General Counsel of LightSquared LP ("LightSquared" or the "Foreign Representative"). As such, I have personal knowledge of the matters to which I herein depose. Where the source of my information or belief is other than my own personal knowledge, I have identified the source and the basis for my information and verily believe it to be true.

2. This Affidavit is filed in support of the Foreign Representative's motion for an order, *inter alia*, recognizing in Canada and giving full force and effect in all provinces and territories of Canada, pursuant to section 49 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C. 36, as amended (the "CCAA"), certain orders of the United States Bankruptcy Court for the Southern District of New York (the "**U.S. Bankruptcy Court**") made in the cases commenced by the Chapter 11 Debtors in the U.S. Bankruptcy Court under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "**Chapter 11 Cases**").

#### Corporate Overview

3. The Chapter 11 Debtors were collectively the first private satellite-communications company to offer mobile satellite services throughout North America, initially using two geostationary satellites, as well as a portion of the electromagnetic spectrum known as the L-Band.

4. The Chapter 11 Debtors are in the process of building the only 4<sup>th</sup> Generation Long Term Evolution open wireless broadband network that incorporates nationwide satellite coverage throughout North America and offers users, wherever they may be located, the speed, value and reliability of universal connectivity.

5. Through a unique wholesale business model, entities without their own wireless networks, or that have limited geographic coverage or spectrum, will be able to market and sell their own devices, applications and services at a competitive price using the Chapter 11 Debtors' network.

#### Background on Proceedings

6. On May 14, 2012, the Chapter 11 Debtors commenced the Chapter 11 Cases by each filing a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 in the U.S. Bankruptcy Court. Other than the Chapter 11 Cases and these proceedings, there are no other foreign proceedings in respect of the Chapter 11 Debtors.

7. On May 15, 2012, the Honourable Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the "**Canadian Court**") granted an order providing certain interim relief to the Chapter 11 Debtors (the "**Interim Order**"), including a stay of proceedings in respect of the Chapter 11 Debtors, the property and business of the Chapter 11 Debtors and the directors and officers of the Chapter 11 Debtors. A copy of the Interim Order is attached to this my affidavit at **Exhibit "A"**.

8. On May 15, 2012, the U.S. Bankruptcy Court in the Chapter 11 Cases made various "first day" orders, including an interim order authorizing LightSquared to act as the Foreign Representative of the Chapter 11 Debtors.

9. On May 18, 2012, the Honourable Justice Morawetz granted an Initial Recognition Order in these proceedings (the "**Initial Recognition Order**"), which among other things: (i) recognized LightSquared as the "foreign representative" of the Chapter 11 Debtors; (ii) declared the Chapter 11 Cases to be a "foreign main proceeding" pursuant to Part IV of the CCAA; and (iii) stayed all proceedings against the Chapter 11 Debtors. A copy of the Initial Recognition Order is attached to this my affidavit at **Exhibit "B"**.

10. On May 18, 2012, the Honourable Justice Morawetz also granted a Supplemental Order in these proceedings (the "**Supplemental Order**"), which among other things: (i) appointed Alvarez & Marsal Canada Inc. as Information Officer in these proceedings; (ii) stayed all claims and proceedings in respect of the Chapter 11 Debtors, the property and business of the Chapter 11 Debtors and the directors and officers of the Chapter 11 Debtors; (iii) granted a super-priority charge over the Chapter 11 Debtors' property, in favour of the Information Officer and its counsel, as security for their professional fees and disbursements incurred in respect of these proceedings; and (iv) recognized and enforced in Canada the following orders of the U.S. Bankruptcy Court in the Chapter 11 Cases:

- (a) Order Directing Joint Administration of Related Chapter 11 Cases;
- (b) Interim Order Authorizing LightSquared LP to Act as Foreign Representative Pursuant to 11 U.S.C. § 1505;



- (c) Interim Order (A) Authorizing Debtors to (I) Continue Using Existing Cash Management Systems, Bank Accounts and Business Forms and (II) Continue Intercompany Transactions, (B) Providing Postpetition Intercompany Claims Administrative Expense Priority, (C) Authorizing Debtors' Banks to Honor All Related Payment Requests, (D) Waiving Investment Guidelines of Sections 345(b) of Bankruptcy Code and (E) Scheduling a Final Hearing;
- (d) Interim Order (A) Authorizing, But Not Directing, Debtors to (I) Pay Certain Prepetition Wages and Reimbursable Employee Expenses, (II) Pay and Honor Employee Benefits, (III) Continue Employee Benefits Programs and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests and (IV) Scheduling a Final Hearing;
- (e) Interim Order (A) Authorizing, But Not Directing, (I) Continuation of Debtors' Insurance Policies and (II) Payment of Certain Obligations in Respect Thereof and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests;
- (f) Interim Order (A) Authorizing, But Not Directing, Debtors to Pay Taxes and Fees, (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests and (C) Scheduling a Final Hearing;
- (g) Interim Order Authorizing Restrictions on Certain Transfers of Interests and Claims in the Debtors and Establishing Notification Procedures Relating Thereto Pursuant to Sections 105(a) and 362 of the Bankruptcy Code; and
- (h) Order Authorizing and Approving the Employment and Retention of Kurtzman Carson Consultants LLC as Claims and Noticing Agent for Debtors and Debtors In Possession.

A copy of the Supplemental Order is attached to this my affidavit at **Exhibit "C"**.

Foreign Orders

11. On June 4, 2012, the U.S. Bankruptcy Court granted the following order in the Chapter 11 Cases: "Order Authorizing Restrictions on Certain Transfers of Interests and Claims in the Debtors and Establishing Notification Procedures Relating Thereto Pursuant to Sections 105(a) and 362 of the Bankruptcy Code" (the "**June 4<sup>th</sup> Order**"). A copy of the June 4<sup>th</sup> Order is attached to this my affidavit at **Exhibit "D"**.

12. On June 11, 2012, the Chapter 11 Debtors will be seeking from the U.S. Bankruptcy Court in the context of the Chapter 11 Cases, certain orders, including the following:

- (a) Order Determining Adequate Assurance of Payment for Future Utility Services;
- (b) Order (A) Authorizing Debtors to Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay (the "**Cash Collateral Order**");
- (c) Final Order Authorizing LightSquared LP to Act as Foreign Representative Pursuant to 11 U.S.C. § 1505;
- (d) Final Order (A) Authorizing Debtors to (I) Continue Using Existing Cash Management Systems, Bank Accounts and Business Forms and (II) Continue Intercompany Transactions, (B) Providing Postpetition Intercompany Claims Administrative Expense Priority, (C) Authorizing Debtors' Banks to Honor All Related Payment Requests, (D) Waiving Investment Guidelines of Sections 345(b) of Bankruptcy Code;
- (e) Final Order (A) Authorizing, But Not Directing, Debtors to (I) Pay Certain Prepetition Wages and Reimbursable Employee Expenses, (II) Pay and Honor Employee Benefits, (III) Continue Employee Benefits Programs

and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests;

- (f) Final Order (A) Authorizing, But Not Directing, (I) Continuation of Debtors' Insurance Policies and (II) Payment of Certain Obligations in Respect Thereof and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests; and
- (g) Final Order (A) Authorizing, But Not Directing, Debtors to Pay Taxes and Fees and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests,

(the "**June 11<sup>th</sup> Orders**", together with the June 4<sup>th</sup> Order, the "**Foreign Orders**"). Copies of the motions filed by the Chapter 11 Debtors in the U.S. Bankruptcy Court in support of the June 11<sup>th</sup> Orders are attached to this my affidavit, respectively, at **Exhibits "E" through "K"**. Copies of each of the Foreign Orders will be subsequently filed with the court.

13. One of the Foreign Orders which the Foreign Representative is seeking recognition of by the Canadian Court is the order authorizing the Chapter 11 Debtors to continue using cash collateral and granting adequate protection liens to the Prepetition Secured Parties (as such term is defined in the declaration of Marc Montagner executed May 14, 2012). The order contemplates the granting of adequate protection liens, solely to the extent of any diminution in the value of the Prepetition Secured Parties' respective interest in certain cash collateral. In this respect, I note that (i) the Prepetition LP Lenders (as such term is defined in the affidavit of Marc Montagner sworn May 14, 2012) allegedly have security on collateral located in both Canada and the United States; (ii) the Prepetition LP Lenders have been served with the motion material in the Chapter 11 Cases; and (iii) there are no additional solely 'Canadian' secured creditors which would be affected by the adequate protection liens.

14. I understand from U.S. counsel to LightSquared that the Prepetition LP Lenders filed preliminary and supplemental objections to the Cash Collateral Order in the Chapter 11 Cases on May 15, 2012 and June 5, 2012, respectively, and that U.S. Bank National

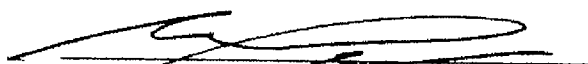
Association filed an objection to the Cash Collateral Order in the Chapter 11 Cases on June 6, 2012.

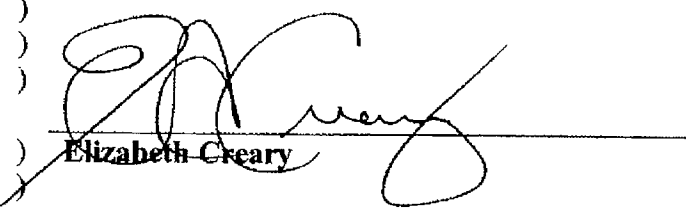
15. Following the June 11, 2012 hearing and the granting of the June 11<sup>th</sup> Orders by the U.S. Bankruptcy Court, the Foreign Representative intends to file a supplementary affidavit with the Canadian Court, attaching the orders granted.

16. The Foreign Representative is of the view that the recognition of the Foreign Orders by the Canadian Court is necessary for the protection of the Chapter 11 Debtor's property and the interest of their creditors. Accordingly, the Foreign Representative is requesting that the Canadian Court recognize in Canada and enforce the Foreign Orders, pursuant to Section 49 of the CCAA.

17. I make this affidavit in support of the motion of the Foreign Representative returnable June 14, 2012 and for no other or improper purpose.

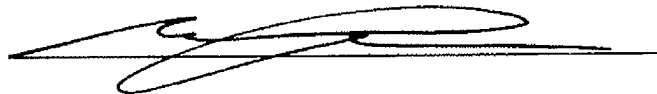
SWORN before me at the City of Ottawa  
in the Province of Ontario this 7 day of  
June, 2012

  
A Commissioner, etc.

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Elizabeth Creary

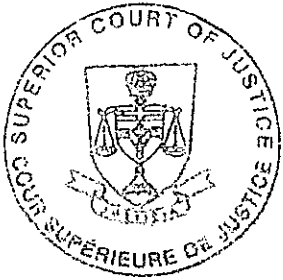
Michael Colin Anderson,  
a Commissioner, etc., Province of  
Ontario, while a Student-at-Law.  
Expires May 8, 2015

Exhibit "A" to the Affidavit of Elizabeth Creary, sworn  
before me this 7 day of June, 2012.

A handwritten signature in black ink, appearing to read "Michael Anderson", written over a horizontal line.

Commissioner for Taking Affidavits

Michael Colin Anderson,  
a Commissioner, etc., Province of  
Ontario, while a Student-at-Law.  
Expires May 8, 2015



Court File No. CV-12-9719-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE )  
MR. JUSTICE MORAWETZ ) TUESDAY, THE 15<sup>th</sup> DAY  
 ) OF MAY, 2012  
 )

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.  
1985, c. C 36, AS AMENDED**

**APPLICATION OF LIGHTSQUARED LP  
UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C 36, AS AMENDED**

**AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE UNITED STATES BANKRUPTCY COURT WITH RESPECT TO LIGHTSQUARED INC., LIGHTSQUARED INVESTORS HOLDINGS INC., ONE DOT FOUR CORP., ONE DOT SIX CORP., SKYTERRA ROLLUP LLC, SKYTERRA ROLLUP SUB LLC, SKYTERRA INVESTORS LLC, TMI COMMUNICATIONS DELAWARE, LIMITED PARTNERSHIP, LIGHTSQUARED GP INC., LIGHTSQUARED LP, ATC TECHNOLOGIES LLC, LIGHTSQUARED CORP., LIGHTSQUARED FINANCE CO., LIGHTSQUARED NETWORK LLC, LIGHTSQUARED INC. OF VIRGINIA, LIGHTSQUARED SUBSIDIARY LLC, LIGHTSQUARED BERMUDA LTD., SKYTERRA HOLDINGS (CANADA) INC., SKYTERRA (CANADA) INC. AND ONE DOT SIX TVCC CORP. (COLLECTIVELY, THE "CHAPTER 11 DEBTORS")**

**INTERIM INITIAL ORDER**

**THIS APPLICATION**, made by LightSquared LP (the "**Applicant**"), in its capacity as the proposed foreign representative of the Chapter 11 Debtors in the proceedings commenced on May 14, 2012, in the United States Bankruptcy Court for the Southern District of New York, under chapter 11 of title 11 of the United States Code (the "**Chapter 11 Proceeding**"), for an Order substantially in the form enclosed in the Application Record of the Applicant was heard on this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Notice of Application dated May 14, 2012, the affidavit of Marc R. Montagner sworn May 14, 2012, filed, the affidavit of Kate H. Stigler sworn May 14, 2012, filed, and upon hearing the submissions of counsel for the Applicant and counsel for Alvarez & Marsal Canada Inc. as the proposed information officer (the “**Proposed Information Officer**”) no one else appearing although served as appears from the affidavit of service of Kate H. Stigler sworn May 15, 2012,

## **SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

## **STAY OF PROCEEDINGS**

2. **THIS COURT ORDERS** that from the date hereof until and unless otherwise ordered by the Court (the “**Stay Period**”), no proceeding or enforcement process in any court or tribunal in Canada (each, a “**Proceeding**” and collectively, “**Proceedings**”) including, without limitation, a Proceeding taken or that might be taken against the Chapter 11 Debtors under the *Bankruptcy and Insolvency Act*, R.S.C., 1985 c. B-3, as amended, or the *Winding-up and Restructuring Act*, R.S.C. 1985, c W-11, as amended, shall be commenced or continued against or in respect of the Chapter 11 Debtors or affecting their business in Canada (the “**Business**”) or their current and future assets, undertakings and properties of every nature and kind whatsoever, and wheresoever situate, including all proceeds thereof, of any of the Chapter 11 Debtors in Canada that relates to the Business (collectively, the “**Property**”), except with the written consent of the relevant Chapter 11 Debtor(s), or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Chapter 11 Debtors or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

## **EXERCISE OF RIGHTS OR REMEDIES**

3. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies in Canada of any individual, firm, corporation, agency, governmental or quasi-governmental body, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) in

respect of or affecting the Chapter 11 Debtors, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the relevant Chapter 11 Debtor(s) or leave of this Court, provided that nothing in this Order shall: (i) prevent the assertion of or exercise of rights and remedies in the Foreign Proceeding; (ii) empower any of the Chapter 11 Debtors to carry on any business in Canada that the Chapter 11 Debtors are not lawfully entitled to carry on; (iii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"); (iv) prevent the filing of any registration to preserve or perfect a security interest; or (v) prevent the registration of a claim for lien.

4. **THIS COURT ORDERS** that the Chapter 11 Debtors are prohibited from selling or otherwise disposing of, outside of the ordinary course of business, any of the Property that relates to the Business and from selling or otherwise disposing of any of their other property in Canada; provided however, that nothing herein shall prevent the Chapter 11 Debtors from seeking approval in the Chapter 11 Proceeding or from this Court to sell or otherwise dispose of the Property.

#### **NO INTERFERENCE WITH RIGHTS**

5. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by any of the Chapter 11 Debtors in Canada, except with the written consent of the relevant Chapter 11 Debtor(s) or leave of this Court.

#### **CONTINUATION OF SERVICES**

6. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Chapter 11 Debtors or statutory or regulatory mandates for the supply of goods and/or services, including, without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, customs broker services, utility or other services provided in respect of the Property or Business of the Chapter 11 Debtors, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as



may be required by the Chapter 11 Debtors, and that the Chapter 11 Debtors shall be entitled to the continued use in Canada of, among other things, their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Chapter 11 Debtors in accordance with normal payment practices of the Chapter 11 Debtors or such other practices as may be agreed upon by the supplier or service provider and the relevant Chapter 11 Debtor(s), or as may be ordered by this Court.

#### **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

7. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by Section 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of any of the Chapter 11 Debtors with respect to any claim against such directors or officers that arose before the date hereof and that relates to any obligations of any of the Chapter 11 Debtors whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations until a plan of reorganization in respect of the Chapter 11 Debtors, if one is filed in the Chapter 11 Proceeding, is recognized by this Court and becomes effective in accordance with its terms, or unless otherwise ordered by this Court.

#### **SERVICE OF COURT MATERIALS AND PUBLICATIONS OF NOTICES**

8. **THIS COURT ORDERS** that the Applicant and its agents, or, if so requested by the Applicant, the Proposed Information Officer, are at liberty to serve this Order, any other orders in this proceeding, notices and documents by prepaid ordinary mail, courier, personal delivery or electronic transmission to any interested party at their addresses as last shown on the records of the Chapter 11 Debtors and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding, or if sent by ordinary mail, on the fifth calendar day after mailing.

9. **THIS COURT ORDERS** that any party to these proceedings may serve any court materials in these proceedings (including, without limitation, the Application Record, any motion records, factums and orders) on any person electronically by emailing a PDF or other electronic copy of such materials to such parties' email addresses as recorded on the service list.

**MISCELLANEOUS**

10. **THIS COURT ORDERS** that, notwithstanding anything else contained in this Order, any of the Chapter 11 Debtors may, by written consent of their counsel of record, agree to waive any of the Chapter 11 Debtors' protections provided in this Order.

11. **THIS COURT ORDERS** that any party may, from time to time, apply to this Court for such further or other relief as it may advise from time to time, including for directions in respect of the proper execution of this Order.

12. **THIS COURT HEREBY ORDERS AND REQUESTS** the aid and recognition of any court, tribunal, regulatory, governmental or administrative body having jurisdiction in Canada, the United States or elsewhere, to give effect to this Order and to assist the Chapter 11 Debtors, the Proposed Information Officer and their respective agents in carrying out the terms of this Order. All Courts, tribunals, regulatory, governmental and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Chapter 11 Debtors, the Proposed Information Officer and their respective agents, as may be necessary or desirable to give effect to this Order, or to assist the Chapter 11 Debtors, the Proposed Information Officer and their respective agents in carrying out the terms of this Order.


13. **THIS COURT ORDERS AND DECLARES** that this Order shall be effective as of 12:01 a.m. on the date of this Order.

14. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order, any interested person may apply to this Court to vary or rescind this Order or seek other relief upon seven (7) days notice to the Chapter 11 Debtors, the Proposed Information Officer and any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

ENTERED AT / INSCRIT A TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO.:

MAY 15 2012

15  
N.S.



Court File No: CV-12-9719-00CL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C 36, AS AMENDED,  
APPLICATION OF LIGHTSQUARED LP UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C 36, AS AMENDED, AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE UNITED  
STATES BANKRUPTCY COURT WITH RESPECT TO THE CHAPTER 11 DEBTORS

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**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT  
TORONTO

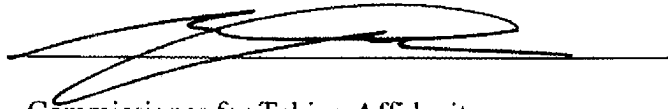
**INTERIM INITIAL ORDER**

FRASER MILNER CASGRAIN LLP  
77 King Street West, Suite 400  
Toronto-Dominion Centre  
Toronto, Ontario  
M5K 0A1

R. Shayne Kukulowicz / Jane O. Dietrich  
LSUC No.: 30729S / 49302U  
Tel: 416 863-4740 / (416) 863-4467  
Fax: (416) 863-4592  
Email: shayne.kukulowicz@fmc-law.com  
jane.dietrich@fmc-law.com

*Lawyers for the Chapter 11 Debtors.*

Exhibit "B" to the Affidavit of Elizabeth Creary,  
sworn before me this 7 day of June, 2012.

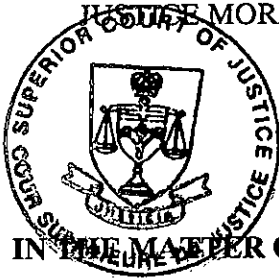
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Commissioner for Taking Affidavits

**Michael Colin Anderson,  
a Commissioner, etc., Province of  
Ontario, while a Student-at-Law.  
Expires May 8, 2015**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE ) FRIDAY, THE 18<sup>th</sup> DAY  
JUDGE MORAWETZ ) OF MAY, 2012  
)



**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.  
1985, c. C 36, AS AMENDED**

**APPLICATION OF LIGHTSQUARED LP  
UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C 36, AS AMENDED**

**AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE UNITED  
STATES BANKRUPTCY COURT WITH RESPECT TO LIGHTSQUARED INC.,  
LIGHTSQUARED INVESTORS HOLDINGS INC., ONE DOT FOUR CORP., ONE DOT  
SIX CORP., SKYTERRA ROLLUP LLC, SKYTERRA ROLLUP SUB LLC, SKYTERRA  
INVESTORS LLC, TMI COMMUNICATIONS DELAWARE, LIMITED  
PARTNERSHIP, LIGHTSQUARED GP INC., LIGHTSQUARED LP, ATC  
TECHNOLOGIES LLC, LIGHTSQUARED CORP., LIGHTSQUARED FINANCE CO.,  
LIGHTSQUARED NETWORK LLC, LIGHTSQUARED INC. OF VIRGINIA,  
LIGHTSQUARED SUBSIDIARY LLC, LIGHTSQUARED BERMUDA LTD.,  
SKYTERRA HOLDINGS (CANADA) INC., SKYTERRA (CANADA) INC. AND ONE  
DOT SIX TVCC CORP. (COLLECTIVELY, THE "CHAPTER 11 DEBTORS")**

**INITIAL RECOGNITION ORDER  
(FOREIGN MAIN PROCEEDING)**

**THIS APPLICATION**, made by LightSquared LP (the "**Applicant**") in its capacity as the foreign representative (the "**Foreign Representative**") of the Chapter 11 Debtors in the proceedings commenced on May 14, 2012, in the United States Bankruptcy Court for the

Southern District of New York, under chapter 11 of title 11 of the United States Code (the “**Chapter 11 Proceeding**”) pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) for an Order substantially in the form enclosed in the Application Record, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Notice of Application dated May 14, 2012, the affidavit of Marc Montagner sworn May 14, 2012, the affidavits of Kate H. Stigler sworn May 14, 2012 and May 16, 2012 and the report of Alvarez & Marsal Canada Inc. (“**A&M**”), in its capacity as proposed Information Officer (the “**Proposed Information Officer**”) dated May 16, 2012 each filed, and upon being provided with copies of the documents required by section 46 of the CCAA;

**AND UPON BEING ADVISED** by counsel for the Foreign Representative that in addition to this Initial Recognition Order, a Supplemental Order (Foreign Main Proceeding) is being sought;

**AND UPON HEARING** the submissions of counsel for the Foreign Representative, and counsel for the Proposed Information Officer, no one else appearing although duly served as appears from the affidavit of service of Kate H. Stigler sworn May 15, 2012,

**SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

## **FOREIGN REPRESENTATIVE PROCEEDING**

2. **THIS COURT ORDERS AND DECLARES** that the Foreign Representative is the “foreign representative” as defined in section 45 of the CCAA in respect of the Chapter 11 Proceeding (the “**Foreign Proceeding**”).

## **CENTRE OF MAIN INTEREST AND RECOGNITION OF FOREIGN PROCEEDING**

3. **THIS COURT DECLARES** that the centre of its main interests for each of the Chapter 11 Debtors is the United States and that the Foreign Proceeding is hereby recognized as a “foreign main proceeding” as defined in section 45 of the CCAA.

## **STAY OF PROCEEDINGS**

4. **THIS COURT ORDERS** that until otherwise ordered by this Court:

- (a) all proceedings taken or that might be taken against any Debtor under the *Bankruptcy and Insolvency Act* or the *Winding-up and Restructuring Act* are stayed;
- (b) further proceedings in any action, suit or proceeding against any Debtor are restrained; and
- (c) the commencement of any action, suit or proceeding against any Debtor is prohibited.

## **NO SALE OF PROPERTY**

5. **THIS COURT ORDERS** that, except with leave of this Court, each of the Chapter 11 Debtors is prohibited from selling or otherwise disposing of:

- (a) any of its property in Canada that relates to the business, outside the ordinary course of business; and

(b) any of its other property in Canada.

**GENERAL**

6. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, to give effect to this Order and to assist the Chapter 11 Debtors and the Foreign Representative and their respective counsel and agents in carrying out the terms of this Order.

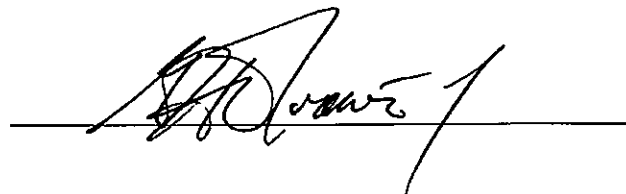
7. **THIS COURT ORDERS AND DECLARES** that the Interim Initial Order made on May 15, 2012 shall be of no further force and effect once this Order becomes effective, and that this Order shall be effective as of 12:01 a.m. on the date of this Order provided that nothing herein shall invalidate any action taken in compliance with such Interim Initial Order prior to the effective time of this Order.

8. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order or seek other relief on not less than seven (7) days notice to the Chapter 11 Debtors and the Foreign Representative and their respective counsel, and to any other party or parties likely to be affected by the order sought, or upon such other notice, if any, as this Court may order.

ENTERED AT / INSCRIT A TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO.:



MAY 18 2012





Court File No: CV-12-9719-00CL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C 36, AS AMENDED,  
APPLICATION OF LIGHTSQUARED LP UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
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**ONTARIO  
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT  
TORONTO

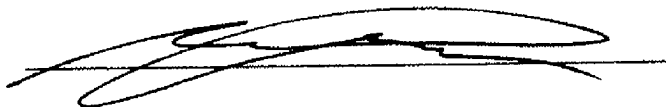
**INITIAL RECOGNITION ORDER**

FRASER MILNER CASGRAIN LLP  
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Toronto-Dominion Centre  
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R. Shayne Kukulowicz / Jane O. Dietrich  
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jane.dietrich@fmc-law.com

*Lawyers for the Chapter 11 Debtors.*

Exhibit "C" to the Affidavit of Elizabeth Creary,  
sworn before me this 7 day of June, 2012.

A handwritten signature in black ink, appearing to read "Michael Colin Anderson", written over a horizontal line.

Commissioner for Taking Affidavits

Michael Colin Anderson,  
a Commissioner, etc., Province of  
Ontario, while a Student-at-Law.  
Expires May 8, 2015

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

THE HONOURABLE  
JUSTICE MORAWETZ

)  
)  
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FRIDAY, THE 18<sup>th</sup> DAY  
OF MAY, 2012



THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C 36, AS AMENDED

APPLICATION OF LIGHTSQUARED LP  
UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT*  
*ACT*, R.S.C. 1985, c. C 36, AS AMENDED

AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE  
UNITED STATES BANKRUPTCY COURT WITH RESPECT TO  
LIGHTSQUARED INC., LIGHTSQUARED INVESTORS HOLDINGS INC., ONE  
DOT FOUR CORP., ONE DOT SIX CORP., SKYTERRA ROLLUP LLC,  
SKYTERRA ROLLUP SUB LLC, SKYTERRA INVESTORS LLC, TMI  
COMMUNICATIONS DELAWARE, LIMITED PARTNERSHIP,  
LIGHTSQUARED GP INC., LIGHTSQUARED LP, ATC TECHNOLOGIES LLC,  
LIGHTSQUARED CORP., LIGHTSQUARED FINANCE CO., LIGHTSQUARED  
NETWORK LLC, LIGHTSQUARED INC. OF VIRGINIA, LIGHTSQUARED  
SUBSIDIARY LLC, LIGHTSQUARED BERMUDA LTD., SKYTERRA  
HOLDINGS (CANADA) INC., SKYTERRA (CANADA) INC. AND ONE DOT SIX  
TVCC CORP. (COLLECTIVELY, THE "CHAPTER 11 DEBTORS")

SUPPLEMENTAL ORDER

THIS APPLICATION, made by LightSquared LP in its capacity as the foreign representative (the "Foreign Representative") of the Chapter 11 Debtors, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") for an Order substantially in the form enclosed in the Application Record, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Notice of Application, the affidavit of Marc Montagner sworn May 14, 2012, the affidavits of Kate H. Stigler sworn May 14, 2012 and May 16, 2012 and the report of Alvarez & Marsal Canada Inc. (“A&M”), in its capacity as proposed Information Officer (the “**Proposed Information Officer**”) dated May 16, 2012 and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Foreign Representative and counsel for the Proposed Information Officer, no one else appearing although duly served as appears from the affidavits of service of Kate H. Stigler sworn May 15, 2012 and May 16, 2012, and on reading the consent of A&M to act as the information officer:

### **SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

### **INITIAL RECOGNITION ORDER**

2. **THIS COURT ORDERS** that any capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Initial Recognition Order dated May 18, 2012 (the “**Recognition Order**”).

3. **THIS COURT ORDERS** that the provisions of this Supplemental Order shall be interpreted in a manner complementary and supplementary to the provisions of the Recognition Order, and that in the event of a conflict between the provisions of this Supplemental Order and the provisions of the Recognition Order, the provisions of the Recognition Order shall govern.

### **RECOGNITION OF FOREIGN ORDERS**

4. **THIS COURT ORDERS** that the following orders (collectively, the “**Foreign Orders**”) of the U.S. Bankruptcy Court for the Southern District of New York made in

the Foreign Proceeding are hereby recognized and given full force and effect in all provinces and territories of Canada pursuant to Section 49 of the CCAA:

- (a) Order Directing Joint Administration of Related Chapter 11 Cases;
- (b) Interim Order Authorizing LightSquared LP to Act as Foreign Representative Pursuant to 11 U.S.C. § 1505;
- (c) Interim Order (A) Authorizing Debtors to (I) Continue Using Existing Cash Management Systems, Bank Accounts and Business Forms and (II) Continue Intercompany Transactions, (B) Providing Postpetition Intercompany Claims Administrative Expense Priority, (C) Authorizing Debtors' Banks to Honor All Related Payment Requests, (D) Waiving Investment Guidelines of Sections 345(b) of Bankruptcy Code and (E) Scheduling a Final Hearing;
- (d) Interim Order (A) Authorizing, But Not Directing, Debtors to (I) Pay Certain Prepetition Wages and Reimbursable Employee Expenses, (II) Pay and Honor Employee Benefits, (III) Continue Employee Benefits Programs and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests and (IV) Scheduling a Final Hearing;
- (e) Interim Order (A) Authorizing, But Not Directing, (I) Continuation of Debtors' Insurance Policies and (II) Payment of Certain Obligations in Respect Thereof and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests;
- (f) Interim Order (A) Authorizing, But Not Directing, Debtors to Pay Taxes and Fees, (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests and (C) Scheduling a Final Hearing;
- (g) Interim Order Authorizing Restrictions on Certain Transfers of Interests and Claims in the Debtors and Establishing Notification Procedures Relating Thereto Pursuant to Sections 105(a) and 362 of the Bankruptcy Code; and

- (h) Order Authorizing and Approving the Employment and Retention of Kurtzman Carson Consultants LLC as Claims and Noticing Agent for Debtors and Debtors In Possession;

each attached as Schedules “A” to “H” hereto, provided, however, that in the event of any conflict between the terms of the Foreign Orders and the Orders of this Court made in the within proceedings, the Orders of this Court shall govern with respect to the Property (as defined below) in Canada.

#### **APPOINTMENT OF INFORMATION OFFICER**

5. **THIS COURT ORDERS** that A&M (the “**Information Officer**”) is hereby appointed as an officer of this Court, with the powers and duties set out herein.

#### **NO PROCEEDINGS AGAINST THE CHAPTER 11 DEBTORS OR THE PROPERTY**

6. **THIS COURT ORDERS** that until such date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court or tribunal in Canada (each, a “**Proceeding**” and collectively, “**Proceedings**”) shall be commenced or continued against or in respect of the Chapter 11 Debtors or affecting their business (the “**Business**”) or their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, (collectively, the “**Property**”), except with the written consent of the relevant Chapter 11 Debtor(s), or with leave of this Court, and any and all Proceedings currently under way against or in respect of any of the Chapter 11 Debtors or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

7. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, agency, governmental body or quasi-governmental body, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Chapter 11 Debtors or the Foreign

Representative, or affecting the Business or the Property, are hereby stayed and suspended except with written consent of the relevant Chapter 11 Debtor(s) or with leave of this Court, provided that nothing in this Order shall: (i) prevent the assertion of or the exercise of rights and remedies outside of Canada; (ii) empower any of the Chapter 11 Debtors to carry on any business in Canada which that Chapter 11 Debtor is not lawfully entitled to carry on; (iii) affect such investigations or Proceedings by a regulatory body as are permitted by section 11.1 of the CCAA; (iv) prevent the filing of any registration to preserve or perfect a security interest; or (v) prevent the registration of a claim for lien.

#### **NO INTERFERENCE WITH RIGHTS**

8. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by any of the Chapter 11 Debtors and affecting the Business in Canada, except with the written consent of the relevant Chapter 11 Debtor(s) or leave of this Court.

#### **ADDITIONAL PROTECTIONS**

9. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Chapter 11 Debtors or statutory or regulatory mandates for the supply of goods and/or services in Canada, including, without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services provided in respect of the Property or Business of the Chapter 11 Debtors, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Chapter 11 Debtors, and that the Chapter 11 Debtors shall be entitled to the continued use in Canada of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names.

10. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued

against any of the former, current or future directors or officers of the Chapter 11 Debtors with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Chapter 11 Debtors whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations.

11. **THIS COURT ORDERS** that no Proceeding shall be commenced or continued against or in respect of the Information Officer, except with leave of this Court. In addition to the rights and protections afforded the Information Officer herein, or as an officer of this Court, the Information Officer shall have the benefit of all of the rights and protections afforded to a Monitor under the CCAA, and shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part.

**OTHER PROVISIONS RELATING TO INFORMATION OFFICER**

12. **THIS COURT ORDERS** that the Information Officer:

- (a) is hereby authorized to provide such assistance to the Foreign Representative in the performance of its duties as the Foreign Representative may reasonably request;
- (b) shall report to this Court at least once every three months with respect to the status of these proceedings and the status of the Foreign Proceedings, which reports may include information relating to the Property, the Business, or such other matters as may be relevant to the proceedings herein;
- (c) in addition to the periodic reports referred to in paragraph 12 (b) above, the Information Officer may report to this Court at such other times and intervals as the Information Officer may deem appropriate with respect to any of the matters referred to in paragraph 12 (b) above;
- (d) shall have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial



documents of the Chapter 11 Debtors, to the extent that is necessary to perform its duties arising under this Order; and

- (e) shall be at liberty to engage independent legal counsel or such other persons as the Information Officer deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order.

13. **THIS COURT ORDERS** that the Chapter 11 Debtors and the Foreign Representative shall (i) advise the Information Officer of all material steps taken by the Chapter 11 Debtors or the Foreign Representative in these proceedings or in the Foreign Proceedings, (ii) co-operate fully with the Information Officer in the exercise of its powers and discharge of its obligations, and (iii) provide the Information Officer with the assistance that is necessary to enable the Information Officer to adequately carry out its functions.

14. **THIS COURT ORDERS** that the Information Officer shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

15. **THIS COURT ORDERS** that the Information Officer (i) shall post on its website all Orders of this Court made in these proceedings, all reports of the Information Officer filed herein, and such other materials as this Court may order from time to time, and (ii) may post on its website any other materials that the Information Officer deems appropriate.

16. **THIS COURT ORDERS** that the Information Officer may provide any creditor of a Debtor with information provided by the Chapter 11 Debtors in response to reasonable requests for information made in writing by such creditor addressed to the Information Officer. The Information Officer shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Information Officer has been advised by the Chapter 11

Debtors is privileged or confidential, the Information Officer shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Information Officer, the Foreign Representative and the relevant Chapter 11 Debtors may agree.

17. **THIS COURT ORDERS** that the Information Officer and counsel to the Information Officer shall be paid by the Chapter 11 Debtors their reasonable fees and disbursements incurred in respect of these proceedings, both before and after the making of this Order, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts. The Chapter 11 Debtors are hereby authorized and directed to pay the accounts of the Information Officer and counsel for the Information Officer on a monthly basis and, in addition, the Chapter 11 Debtors are hereby authorized to pay to the Information Officer and counsel to the Information Officer, retainers in the amounts of \$75,000 and \$50,000 respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

18. **THIS COURT ORDERS** that the Information Officer and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Information Officer and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice, and the accounts of the Information Officer and its counsel shall not be subject to approval in the Foreign Proceeding.

19. **THIS COURT ORDERS** that the Information Officer and counsel to the Information Officer, if any, shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property in Canada, which charge shall not exceed an aggregate amount of \$200,000, as security for their professional fees and disbursements incurred in respect of these proceedings, both before and after the making of this Order. The Administration Charge shall have the priority set out in paragraphs 20 hereof.

## **VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

20. **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge shall not be required, and that the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

21. **THIS COURT ORDERS** that the Administration Charge shall constitute a charge on the Property in Canada and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

22. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Chapter 11 Debtors shall not grant any Encumbrances over any Property in Canada that rank in priority to, or *pari passu* with, the Administration Charge, unless the Chapter 11 Debtors also obtains the prior written consent of the Information Officer or further Order of this Court.

23. **THIS COURT ORDERS** that the Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Administration Charge (collectively, the "**Chargees**") shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds any Debtor, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Administration Charge shall not create or be deemed to constitute a breach by a Debtor of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Administration Charge; and
- (c) the payments made by the Chapter 11 Debtors to the Chargees pursuant to this Order, and the granting of the Administration Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

24. **THIS COURT ORDERS** that the Administration Charge created by this Order over leases of real property in Canada shall only be a charge in the applicable Debtor's interest in such real property leases.

#### **SERVICE AND NOTICE**

25. **THIS COURT ORDERS** that the Chapter 11 Debtors, the Foreign Representative and the Information Officer each be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Chapter 11 Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Chapter 11 Debtors and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

26. **THIS COURT ORDERS** that the Chapter 11 Debtors, the Foreign Representative and the Information Officer, and any party who has filed a Notice of Appearance, may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time.

27. **THIS COURT ORDERS** that within 10 days from the date of this Order, or as soon as practicable thereafter, the Information Officer on behalf of the Foreign Representative shall cause to be published a notice containing the information required by section 53(b) of the CCAA once a week for two consecutive weeks, in the Globe and Mail, National Edition.

#### **GENERAL**

28. **THIS COURT ORDERS** that the Information Officer may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

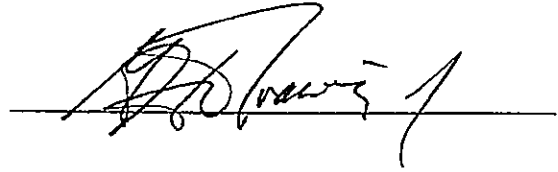
29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Information Officer from acting as an interim receiver, a receiver, a receiver and manager, a monitor, or a trustee in bankruptcy of any Debtor, the Business or the Property.

30. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Chapter 11 Debtors, the Foreign Representative, the Information Officer, and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Chapter 11 Debtors, the Foreign Representative, and the Information Officer, the latter as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the Chapter 11 Debtors, the Foreign Representative, and the Information Officer and their respective agents in carrying out the terms of this Order.

31. **THIS COURT ORDERS** that each of the Chapter 11 Debtors, the Foreign Representative and the Information Officer be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

32. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order or seek other relief on not less than seven (7) days notice to the Chapter 11 Debtors, the Foreign Representative, the Information Officer and their respective counsel, and to any other party or parties likely to be affected by the order sought, or upon such other notice, if any, as this Court may order.

33. **THIS COURT ORDERS** that this Order shall be effective as of 12:01 a.m. on the date of this Order.



ENTERED AT / INSCRIT A TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO.:



MAY 18 2012

**SCHEDULE "A"**

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

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In re:

LIGHTSQUARED INC.,

Debtor,

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) Chapter 11

) Case No. 12-12080 (SCC)

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In re:

LIGHTSQUARED INVESTORS  
HOLDINGS INC.,

Debtor,

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) Chapter 11

) Case No. 12-12093 (SCC)

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In re:

ONE DOT FOUR CORP.,

Debtor,

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) Chapter 11

) Case No. 12-12095 (SCC)

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In re:

ONE DOT SIX CORP.,

Debtor,

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) Chapter 11

) Case No. 12-12084 (SCC)

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In re:

SKYTERRA ROLLUP LLC,

Debtor,

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) Chapter 11

) Case No. 12-12101 (SCC)



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In re:	)	Chapter 11
SKYTERRA ROLLUP SUB LLC,	)	Case No. 12-12102 (SCC)
Debtor,	)	
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In re:	)	Chapter 11
SKYTERRA INVESTORS LLC,	)	Case No. 12-12099 (SCC)
Debtor,	)	
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In re:	)	Chapter 11
TMI COMMUNICATIONS DELAWARE, LIMITED PARTNERSHIP,	)	Case No. 12-12085 (SCC)
Debtor,	)	
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In re:	)	Chapter 11
LIGHTSQUARED GP INC.,	)	Case No. 12-12091 (SCC)
Debtor,	)	
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In re:	)	Chapter 11
LIGHTSQUARED LP,	)	Case No. 12-12081 (SCC)
Debtor,	)	
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In re:	)	Chapter 11
ATC TECHNOLOGIES, LLC,	)	Case No. 12-12086 (SCC)
Debtor,	)	
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In re:	) Chapter 11
LIGHTSQUARED CORP.,	) Case No. 12-12082 (SCC)
Debtor,	)
In re:	) Chapter 11
LIGHTSQUARED FINANCE CO.,	) Case No. 12-12089 (SCC)
Debtor,	)
In re:	) Chapter 11
LIGHTSQUARED NETWORK LLC,	) Case No. 12-12083 (SCC)
Debtor,	)
In re:	) Chapter 11
LIGHTSQUARED INC. OF VIRGINIA,	) Case No. 12-12092 (SCC)
Debtor,	)
In re:	) Chapter 11
LIGHTSQUARED SUBSIDIARY LLC,	) Case No. 12-12094 (SCC)
Debtor,	)
In re:	) Chapter 11
LIGHTSQUARED BERMUDA LTD.,	) Case No. 12-12088 (SCC)
Debtor,	)

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In re:	)	Chapter 11
SKYTERRA HOLDINGS (CANADA) INC.,	)	Case No. 12-12098 (SCC)
Debtor,	)	
_____	)	
In re:	)	Chapter 11
SKYTERRA (CANADA) INC.,	)	Case No. 12-12097 (SCC)
Debtor,	)	
_____	)	
In re:	)	Chapter 11
ONE DOT SIX TVCC CORP.,	)	Case No. 12-12096 (SCC)
Debtor.	)	
_____	)	

**ORDER DIRECTING JOINT ADMINISTRATION OF RELATED CHAPTER 11 CASES**

Upon the motion (the "Motion")<sup>1</sup> of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), for entry of an order (the "Order"), pursuant to sections 101(2) and 342(c) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 and Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), directing the joint administration of the Debtors' chapter 11 cases; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28

<sup>1</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion or the Montagner Declaration, as applicable.

U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and the Montagner Declaration and having heard statements in support of the Motion at a hearing held before the Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The Motion is granted to the extent set forth herein.
2. The Chapter 11 Cases are consolidated for procedural purposes only and shall be jointly administered by this Court under Case No. 12-12080 (SCC), the case number assigned to LightSquared Inc.
3. The consolidated caption of the jointly administered cases (the "Proposed Caption") shall read as follows:

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

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

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4. An entry shall be made on the docket of each of the Debtors' cases (other than for LightSquared Inc.) substantially as follows:

An order has been entered in this case in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing the procedural consolidation and joint administration of the chapter 11 cases of LightSquared Inc., LightSquared Investors Holdings Inc., One Dot Four Corp., One Dot Six Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, SkyTerra Investors LLC, TMI Communications Delaware, Limited Partnership, LightSquared GP Inc., LightSquared LP, ATC Technologies, LLC, LightSquared Corp., LightSquared Finance Co., LightSquared Network LLC, LightSquared Inc. of Virginia, LightSquared Subsidiary LLC, Lightsquared Bermuda, Ltd., SkyTerra Holdings (Canada) Inc., SkyTerra (Canada) Inc. and One Dot Six TVCC Corp. All further pleadings and other papers shall be filed in, and all further docket entries shall be made in, Chapter 11 Case No. 12-12080 (SCC).

5. The Proposed Caption satisfies the requirements of section 342(c)(1) of the Bankruptcy Code in all respects. One consolidated docket, one file and one consolidated service list shall be maintained by the Debtors and kept by the Clerk of the United States

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<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

Bankruptcy Court for the Southern District of New York, with the assistance of the Debtors' Court-approved claims and noticing agent. Combined notices may be sent to creditors of the Debtors' estates and other parties in interest, as applicable.

6. The Debtors may file their monthly operating reports, as required by the Operating Guidelines and Financial Reporting Requirements promulgated by the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee"), on a consolidated basis, but shall track and break out disbursements on a Debtor-by-Debtor basis. The Debtors shall pay any fees due to the U.S. Trustee on a Debtor-by-Debtor basis.

7. Nothing contained in the Motion or this Order shall be deemed or construed as directing or otherwise effecting a substantive consolidation of these Chapter 11 Cases.

8. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

9. The requirements set forth in Rule 9013-1 of the Local Bankruptcy Rules for the Southern District of New York are satisfied.

10. The Court retains jurisdiction with respect to all matters arising from, or related to, the implementation and interpretation of this Order.

Dated: May 15, 2012  
New York, New York

*/s/ Shelley C. Chapman*  
HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE

**SCHEDULE "B"**

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

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

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**INTERIM ORDER AUTHORIZING LIGHTSQUARED LP  
TO ACT AS FOREIGN REPRESENTATIVE PURSUANT TO 11 U.S.C. § 1505**

Upon the motion (the "Motion")<sup>2</sup> of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), for entry of an order (the "Order"), pursuant to sections 105 and 1505 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code"), authorizing LightSquared LP ("LSLP") to act as the Foreign Representative on behalf of the Debtors' estates in any judicial or other proceedings in a foreign country, including in the Canadian Proceedings; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under

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<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.



the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and the Montagner Declaration and having heard statements in support of the Motion at a hearing held before the Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The Motion is granted on an interim basis to the extent set forth herein.
2. LSLP is hereby authorized to act as the Foreign Representative on behalf of the Debtors' estates in any judicial or other proceeding in a foreign country, including in the Canadian Proceedings. As a Foreign Representative, LSLP shall be authorized and shall have the power to act in any way permitted by applicable foreign law, including, but not limited to, (a) seeking recognition of these Chapter 11 Cases in the Canadian Proceedings, (b) requesting that the Canadian Court lend assistance to this Court in protecting the property of the Debtors' estates and (c) seeking any other appropriate relief from the Canadian Court that LSLP deems just and proper in the furtherance of the protection of the Debtors' estates.
3. This Court requests the aid and assistance of the Canadian Court to recognize these Chapter 11 Cases as a "foreign main proceeding" and LSLP as a "foreign representative" pursuant to the CCAA, and to recognize and give full force and effect in all provinces and territories of Canada to this Order.

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<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion or in the Montagner Declaration, as applicable.

4. The Final Hearing to consider entry of an order granting the relief requested in the Motion on a final basis (the "Final Order") is scheduled for June 11, 2012 at 2:00 p.m. (prevailing Eastern time) before this Court. On or before May 31, 2012, the Debtors shall serve, by United States mail, first-class postage prepaid, notice of the entry of this Order and of the Final Hearing (the "Final Hearing Notice"), together with copies of this Order and the Motion, on: (a) the parties having been given notice of the Hearing, (b) any party which has filed prior to such date a request for notices with this Court and (c) counsel to the official committee of unsecured creditors (the "Committee"). The Final Hearing Notice shall state that any party in interest objecting to the entry of the proposed Final Order shall file written objections with the Clerk of Court no later than on June 5, 2012 at 5:00 p.m. (prevailing Eastern time), which objections shall be served so as to be received on or before such date by: (a) LightSquared Inc., 450 Park Avenue, Suite 2201, New York, NY 10022, Attn: Marc R. Montagner and Curtis Lu, Esq., (b) proposed counsel to the Debtors, Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005, Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq., (c) the Office of the United States Trustee for the Southern District of New York, (d) counsel to the Committee, (e) counsel to U.S. Bank National Association, as administrative agent under the Prepetition Inc. Credit Agreement, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attn: Michael S. Stamer, Esq. and Philip C. Dublin, Esq., (f) counsel to UBS AG, Stamford Branch, as administrative agent under the Prepetition LP Credit Agreement, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: Melissa S. Alwang, Esq. and (g) counsel to the ad hoc secured group of Prepetition LP Lenders, White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036, Attn: Thomas E Lauria, Esq.

5. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

6. The requirements set forth in Rule 9013-1(a) of the Local Bankruptcy Rules for the Southern District of New York are satisfied.

7. The Court retains jurisdiction with respect to all matters arising from or related to the implementation and interpretation of this Order.

Dated: May 15, 2012  
New York, New York

/s/ Shelley C. Chapman  
HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE

**SCHEDULE "C"**

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

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

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**INTERIM ORDER (A) AUTHORIZING DEBTORS TO (I) CONTINUE USING  
EXISTING CASH MANAGEMENT SYSTEMS, BANK ACCOUNTS AND  
BUSINESS FORMS AND (II) CONTINUE INTERCOMPANY TRANSACTIONS, (B)  
PROVIDING POSTPETITION INTERCOMPANY CLAIMS ADMINISTRATIVE  
EXPENSE PRIORITY, (C) AUTHORIZING DEBTORS' BANKS TO HONOR  
ALL RELATED PAYMENT REQUESTS, (D) WAIVING INVESTMENT GUIDELINES  
OF SECTION 345(b) OF BANKRUPTCY CODE AND (E) SCHEDULING A FINAL  
HEARING**

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Upon the motion (the "Motion")<sup>2</sup> of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), for entry of an interim order (the "Interim Order"), pursuant to sections 105(a), 345, 363, 364, 503, 507, 1107 and 1108 of title 11 of the United States Code §§ 101-1532 (as amended, the "Bankruptcy Code") and Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), (a) authorizing the Debtors to (i) continue use of their existing cash management systems, bank accounts and business forms, (ii) open new debtor in possession bank accounts with authorized depository banks or close any

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<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion or the Montagner Declaration, as applicable.

existing bank accounts as the Debtors deem necessary and appropriate in their sole discretion and (iii) continue performing ordinary course Intercompany Transactions (as defined below), (b) waiving the investment guidelines of section 345(b) of the Bankruptcy Code and (c) scheduling a final hearing (the "Final Hearing") to consider entry of an order granting this and other relief on a permanent basis (the "Final Order") granting the relief provided in the Interim Order on a permanent basis and the additional relief described in this Motion; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and the Montagner Declaration and having heard statements in support of the Motion at the hearing held on May 15, 2012 (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The Motion is granted on an interim basis, to the extent provided herein.
2. The Debtors are authorized to: (a) continue to use the Cash Management Systems and the Bank Accounts, with the same account numbers, in existence on the Petition Date, including, without limitation, those accounts identified on Schedule 1 attached hereto,

(b) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession, (c) if needed, open new debtor in possession accounts with authorized depository banks or close any existing accounts as the Debtors may deem necessary and appropriate in their sole discretion; provided, however, that the Debtors shall give notice to the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee"), any statutory committees appointed in these Chapter 11 Cases and counsel to the agents for the Debtors' prepetition secured lenders prior to opening or closing a Bank Account and (d) use, in their present form, all correspondence and business forms (including, without limitation, checks, business cards, letterhead, purchase orders and invoices) and other documents related to the Bank Accounts, without reference to their status as debtors in possession; provided, however, that the Debtors shall obtain a stamp that they will use to indicate their status as debtors in possession and will also immediately update their computer-generated checks to reflect same. The Debtors shall maintain accurate records of all transfers within the Cash Management System so that all postpetition transfers and transactions shall be adequately and promptly documented in, and readily ascertainable from, their books and records, to the same extent by the Debtors before the Petition Date.

3. Except as otherwise expressly provided in this Interim Order, the Cash Management Banks are authorized and directed to continue to service and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course, and to receive, process, honor and pay any and all checks, drafts, wires, credit cards, purchase cards and automated clearing house transfers issued, payable through or drawn on the Bank Accounts after the Petition Date by the holders, makers or other parties entitled to issue instructions with respect thereto, as the case may be; provided, however, that any check,

advice, draft or other notification drawn or issued by the Debtors before the Petition Date may be honored by any bank only if specifically authorized by order of this Court.

4. The Cash Management Banks are authorized to debit the Debtors' accounts in the ordinary course of business without the need for further order of this Court on account of: (a) all checks drawn on the Debtors' accounts, which are cashed at such Cash Management Banks or exchanged for cashier's checks by the payees thereof prior to the Petition Date, (b) all checks or other items deposited in one of the Debtors' accounts with such Cash Management Bank prior to the Petition Date, which have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtor was responsible for such items prior to the Petition Date, and (c) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Cash Management Bank as service charges for the maintenance of the Cash Management Systems.

5. Notwithstanding any other provision of this Interim Order, no Cash Management Bank that honors a prepetition check or other item drawn on any account that is the subject of this Interim Order (a) at the direction of the Debtors, (b) in a good faith belief that the Court has authorized such prepetition check or item to be honored or (c) as the result of an innocent mistake made despite implementation of reasonable item-handling procedures, shall be deemed to be liable to the Debtors or their estates or otherwise in violation of this Interim Order.

6. The Cash Management Banks are authorized to charge, and the Debtors are authorized to pay, honor or allow the Bank Fees and charge back returned items to the Bank Accounts in the ordinary course.

7. Nothing herein shall authorize the Debtors to use the "cash collateral" (as such term is defined in Section 363 of the Bankruptcy Code) in which the Prepetition LP Lenders



and the Prepetition LP Agent (collectively, the "Prepetition LP Secured Parties") or the Prepetition Inc. Lenders and the Prepetition Inc. Agent (collectively, the "Prepetition Inc. Secured Parties") have an interest (the "Cash Collateral") during this interim period absent the consent of the Prepetition LP Secured Parties or the Prepetition Inc. Secured Parties, as applicable, or a separate order of this Court. Further, notwithstanding anything herein, the entry of this Interim Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly, or otherwise impair any of the rights, claims, privileges, objections, defenses or remedies (including making a request for adequate protection *nunc pro tunc* to the Petition Date) of the Debtors, the Prepetition LP Agent, the ad hoc secured group of Prepetition LP Lenders, the Prepetition Inc. Agent, or any Prepetition Inc. Lender in connection with the Debtors' use of \$15 million of cash held by the Inc. Group as of the Petition Date; provided, however, that each of the ad hoc secured group of Prepetition LP Lenders and the Prepetition Inc. Secured Parties consent to the Debtors' use of that portion of the unencumbered \$15 million of cash held by the Inc. Group that is expended during the interim period.

8. The application of the deposit and investment guidelines set forth in section 345 of the Bankruptcy Code are hereby waived to permit the Debtors to continue to maintain their deposits and their investments in the same or similar manner they did so prior to the Petition Date; provided, however, that the Debtors will use their reasonable best efforts to conform their investment practices to, or otherwise comply with, section 345(b) of the Bankruptcy Code within forty-five (45) days of the entry of this Interim Order (or such later time as may be agreed to by the U.S. Trustee); provided further, however, that the Debtors reserve the right to seek a modification of such investment guidelines to use other investment practices with

the consent of the U.S. Trustee and any official committee of unsecured creditors or as otherwise ordered by the Court.

9. The Debtors are authorized to continue performing their respective obligations, commitments and transactions constituting Intercompany Transactions in the ordinary course of the business. The Debtors shall maintain accurate records of all Intercompany Transactions such that all postpetition transfers and transactions shall be adequately and promptly documented in, and readily ascertainable from, their books and records.

10. The Debtors and their non-Debtor affiliates are expressly authorized to set off postpetition obligations arising on account of Intercompany Transactions between a Debtor and another Debtor or between a Debtor and a non-Debtor affiliate. The Debtors shall provide a monthly accounting of any such Intercompany Transactions, including the obligor, obligee, amount, purposes for which any Intercompany Transaction was incurred and any postpetition setoffs to (a) any official committee appointed in these Chapter 11 Cases and (b) counsel to the Prepetition Inc. Agent and counsel to the Prepetition LP Agent. No provision of this Interim Order or any financing order shall impair or otherwise prejudice the ability of the Court to fashion a legal or equitable remedy in the event that such setoff or incurrence of an Intercompany Transaction is successfully challenged by any party in interest.

11. Subject to the provisions of any order authorizing postpetition financing or the use of Cash Collateral in these Chapter 11 Cases, all Intercompany Claims arising after the Petition Date owed by an individual Debtor to another individual Debtor or a non-Debtor affiliate shall be accorded administrative expense priority in accordance with sections 503(b) and 507(a)(2) of the Bankruptcy Code; provided, however, (a) all Intercompany Claims against LightSquared LP, the Prepetition LP Guarantors and the Prepetition LP Subsidiary Guarantors

shall be junior and subordinate and subject to any and all claims of the Prepetition LP Secured Parties and (b) all Intercompany Claims against LightSquared Inc. and the Prepetition Inc. Subsidiary Guarantors shall be junior and subordinate and subject to any and all claims of the Prepetition Inc. Secured Parties.

12. The Cash Management Banks are authorized to pay obligations in accordance with this or any separate order of this Court.

13. Except as otherwise provided in this Interim Order or in a separate order of this Court, the Cash Management Banks shall not honor or pay any payments drawn on the listed Bank Accounts or otherwise issued prior to the Petition Date.

14. As soon as practicable after entry of this Interim Order, the Debtors shall serve a copy of this Interim Order on the Cash Management Banks.

15. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion, and the requirements of Bankruptcy Rule 6004(a) are satisfied by such notice.

16. Notwithstanding the possible applicability of Bankruptcy Rules 6004(a) and 6004(h) or otherwise, the terms and conditions of this Interim Order shall be immediately effective and enforceable upon its entry.

17. The Final Hearing to consider entry of the Final Order is scheduled for **June 11, 2012 at 2:00 p.m.** (prevailing Eastern time) before this Court. On or before **May 31, 2012**, the Debtors shall serve, by United States mail, first-class postage prepaid, notice of the entry of this Interim Order and of the Final Hearing (the "Final Hearing Notice"), together with copies of this Interim Order and the Motion, on: (a) the parties having been given notice of the Interim Hearing, (b) any party which has filed prior to such date a request for notices with this

Court and (c) counsel for the official committee of unsecured creditors (the "Committee"). The Final Hearing Notice shall state that any party in interest objecting to the entry of the proposed Final Order shall file written objections with the Clerk of Court no later than on **June 5, 2012 at 5:00 p.m.** (prevailing Eastern time), which objections shall be served so as to be received on or before such date by: (a) LightSquared Inc., 450 Park Avenue, Suite 2201, New York, NY 10022, Attn: Marc R. Montagner and Curtis Lu, Esq., (b) proposed counsel to the Debtors, Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005, Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq., (c) the Office of the United States Trustee for the Southern District of New York, (d) counsel for the Committee, (e) counsel to U.S. Bank National Association, as administrative agent under the Prepetition Inc. Credit Agreement, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attn: Michael S. Stamer, Esq. and Philip C. Dublin, Esq., (f) counsel to UBS AG, Stamford Branch, as administrative agent under the Prepetition LP Credit Agreement, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: Melissa S. Alwang, Esq. and (g) counsel to the ad hoc secured group of Prepetition LP Lenders, White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036, Attn: Thomas E Lauria, Esq.

18. Bankruptcy Rule 6003(b) has been satisfied because the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors.

19. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Interim Order in accordance with the Motion.

20. The requirements set forth in Local Rule 9013-1(a) are satisfied.

21. The Court retains jurisdiction with respect to all matters arising from or related to the implementation and interpretation of this Interim Order.

Dated: May 15, 2012  
New York, New York

/s/ Shelley C. Chapman  
HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE

**Schedule 1**

**Bank Accounts**

Entity	Bank	Account Number	Type	Contact	Address
LightSquared Inc.	SunTrust Bank	XXXXXXXXXX2103	Operating/ Disbursement	Matt Pallo ph (703) 442-1617 fax (703) 442-1626	8330 Boone Blvd. Ste 700 Vienna, VA 22182
LightSquared Inc.	RBC	XXX X3416	Investment	Marina Galli ph (415) 445-8519 fax (415) 445-8452	345 California St. San Francisco, CA 94104
LightSquared Inc.	Bank of America	XXXXXXXXX4676	Restricted CD	Vicky Gindes (301) 517-3185	1101 Wooton Pkwy 4th fl. Rockville, MA 20852
LightSquared LP	SunTrust Bank	XXXXX3272	Operating/ Disbursement	Matt Pallo ph (703) 442-1617 fax (703) 442-1626	8330 Boone Blvd. Ste 700 Vienna, VA 22182
LightSquared LP	RBC	XXX X3498	Investment	Marina Galli ph 415 445-8519 fax 415 445-8452	345 California St. San Francisco, CA 94104
LightSquared LP	Morgan Stanley	XXXXX0350	Investment	Matt O'Haren 415-955-1577	555 California St. 35th Fl San Francisco, CA 94104
LightSquared LP	Comerica	XXXXX9959	Restricted	Gina M. Gautier (703) 464-7237 (703) 467-9308	11921 Freedom Drive Suite 920 Reston, VA 20190
LightSquared LP	SunTrust Bank	X3051CAD	Inactive Foreign Exchange Deposit	Michael Pensky Ph 877-726-9733 Fax 404-926-5777	3333 Peachtree Rd NE, 11th Fl Atlanta, GA 30326
LightSquared LP	SunTrust Bank	X3051EUR	Inactive Foreign Exchange Deposit	Michael Pensky Ph 877-726-9733 Fax 404-926-5777	3333 Peachtree Rd NE, 11th Fl Atlanta, GA 30326
LightSquared LP	Wells Fargo	XX5576EUR	Foreign Exchange Deposit	675576EUR	301 S. College, Fl 07 Charlotte, NC 28202
LightSquared Corp.	ScotiaBank	XXXX XX9411	U.S. Dollar Disbursement	Borys Terebenec (416) 866-7704 or Lidia Dias (647) 288-1858 ext 81802	44 King Street West Toronto, ON Canada M5H 1H1
LightSquared Corp.	ScotiaBank	XXXXX XXX15 18	Investment	Borys Terebenec (416) 866-7704 or Lidia Dias (647) 288-1858 ext 81802	44 King Street West Toronto, ON Canada M5H 1H1
LightSquared Corp.	SunTrust Bank	XXXXXXXXXX9842	Canadian Dollar Disbursement	Matt Pallo ph (703) 442-1617 fax (703) 442-1626	8330 Boone Blvd. Ste 700 Vienna, VA 22182

Entity	Bank	Account Number	Type	Contact	Address
One Dot Six Corp.	SunTrust Bank	XXXXXXXXXX3130	Operating/ Disbursement	Matt Pallo ph (703) 442-1617 fax (703) 442-1626	8330 Boone Blvd. Ste 700 Vienna, VA 22182
LightSquared Network LLC	SunTrust Bank	XXXXXXXXXX9354	Operating/ Disbursement	Matt Pallo ph (703) 442-1617 fax (703) 442-1626	8330 Boone Blvd. Ste 700 Vienna, VA 22182
TMI Communications Delaware, Limited Partnership	RBC	XXX X3506	Investment	Marina Galli ph 415 445-8519 fax 415 445-8452	345 California St. San Francisco, CA 94104

**SCHEDULE "D"**



**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. <sup>1</sup>	)	Jointly Administered

**INTERIM ORDER (A) AUTHORIZING, BUT NOT DIRECTING, DEBTORS  
TO (I) PAY CERTAIN PREPETITION WAGES AND REIMBURSABLE  
EMPLOYEE EXPENSES, (II) PAY AND HONOR EMPLOYEE BENEFITS AND  
(III) CONTINUE EMPLOYEE BENEFITS PROGRAMS AND  
(B) AUTHORIZING AND DIRECTING FINANCIAL INSTITUTIONS TO  
HONOR ALL RELATED CHECKS AND ELECTRONIC PAYMENT REQUESTS AND  
(IV) SCHEDULING A FINAL HEARING**

Upon the motion (the "Motion")<sup>2</sup> of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), for entry of an order (the "Interim Order"), pursuant to sections 105(a), 363(b), 507(a)(4)-(a)(5), 1107(a), 1108 and 1129(a)(9)(B) of title 11 of the United States Code, 11 U.S.C. §§101-1532 (as amended, the "Bankruptcy Code") and Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), (a) authorizing the Debtors to (i) pay certain prepetition wages, salaries and other compensation, such as the rank and file bonus program, taxes, withholdings and reimbursable expenses, (ii) pay

<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion or in the Montagner Declaration, as applicable.

and honor obligations relating to medical, severance and other benefits programs and (iii) continue their employee benefits programs on a postpetition basis (collectively and as further described in the Motion, the "Employee Obligations"), (b) authorizing and directing financial institutions to receive, process, honor and pay all checks issued and electronic requests made relating to the foregoing and (c) scheduling a final hearing (the "Final Hearing") to consider entry of an order granting this and other relief on a permanent basis (the "Final Order") granting the relief provided in the Interim Order on a permanent basis and the additional relief described in this Motion; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and the Montagner Declaration and having heard statements in support of the Motion at a hearing held before the Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The Motion is granted on an interim basis to the extent set forth herein.

2. The Debtors are authorized and empowered, but not directed, to honor and pay, in accordance with the Debtors' prepetition policies and practices and in the Debtors' sole discretion (subject to the terms of this Interim Order), prepetition amounts outstanding on account of the Employee Obligations. The Debtors will make no payments to Employees of amounts greater than \$11,725 for each individual on account of prepetition wages, salaries or commissions, including vacation, severance and sick leave pay.

3. The Debtors are authorized and empowered, but not directed, to continue to fulfill the Employee Obligations during the Interim Period in the ordinary course of business on a postpetition basis, in accordance with the Debtors' prepetition policies and practices and in the Debtors' sole discretion (subject to the terms of this Interim Order), and to pay and honor claims related thereto. For avoidance of doubt, the term Employee Obligations referenced in this Interim Order shall not include the Senior Management Incentive Program.

4. The Debtors are authorized and empowered, but not directed, to pay all postpetition costs and expenses incidental to payment of the Employee Obligations, including all administrative and processing costs and payments to outside professionals in the ordinary course of business.

5. The Debtors are authorized and empowered to forward any unpaid amounts on account of Deductions or Payroll Taxes to the appropriate third party recipients or taxing authorities in accordance with the Debtors' prepetition policies and practices.

6. Notwithstanding the foregoing, the Debtors are not authorized to accelerate payments not otherwise due and payable before the Final Hearing.

7. Pursuant to section 362(d) of the Bankruptcy Code, (a) Employees are authorized to proceed with their workers' compensation claims in the appropriate judicial or

administrative forum under the Workers' Compensation Program, and the Debtors are authorized to take all steps necessary and appropriate with respect to the resolution of any such claims, and (b) the notice requirements pursuant to Bankruptcy Rule 4001(d) with respect to clause (a) are waived, provided that such claims are pursued in accordance with the Workers' Compensation Programs and recoveries, if any, are limited to the proceeds from the applicable Workers' Compensation Program. This modification of the automatic stay pertains solely to claims under the Workers' Compensation Program.

8. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the Employee Obligations approved herein are authorized to receive, process, honor and pay all such checks and electronic payment requests when presented for payment (to the extent of funds on deposit), and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order.

9. The Debtors are authorized and empowered, in their sole discretion, to issue new postpetition checks, or effect new funds transfers on account of the Employee Obligations to replace any prepetition checks or funds transfer requests issued that may be lost or dishonored or rejected as a result of the commencement of these Chapter 11 Cases.

10. The banks and financial institutions subject to this Interim Order shall have no liability in connection with honoring any prepetition checks or funds transfer requests contemplated by this Interim Order.

11. Nothing in this Interim Order or any action taken by the Debtors in furtherance of the implementation hereof shall be deemed an assumption or rejection of any

executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code, and the Debtors' rights with respect to such matters are expressly reserved.

12. Nothing in the Motion or this Interim Order, nor the Debtors' payment of claims pursuant to this Interim Order, shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver or impairment of the Debtors' rights to contest the validity or amount of any claim on any grounds, (c) a promise to pay any claim or (d) an implication or admission by the Debtors that such claim is payable pursuant to this Interim Order.

13. Bankruptcy Rule 6003(b) has been satisfied because the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors.

14. Notwithstanding the possible applicability of Bankruptcy Rules 6004(a), 6004(h) or otherwise, this Interim Order shall be immediately effective and enforceable upon its entry.

15. The Final Hearing to consider entry of the Final Order is scheduled for June 11, 2012 at 2:00 p.m. (prevailing Eastern time) before this Court. On or before May 31, 2012, the Debtors shall serve, by United States mail, first-class postage prepaid, notice of the entry of this Interim Order and of the Final Hearing (the "Final Hearing Notice"), together with copies of this Interim Order and the Motion, on: (a) the parties having been given notice of the Interim Hearing, (b) any party which has filed prior to such date a request for notices with this Court and (c) counsel to the official committee of unsecured creditors (the "Committee"). The Final Hearing Notice shall state that any party in interest objecting to the entry of the proposed Final Order shall file written objections with the Clerk of Court no later than on June 5, 2012 at 5:00 p.m. (prevailing Eastern time), which objections shall be served so as to be received on or

before such date by: (a) LightSquared Inc., 450 Park Avenue, Suite 2201, New York, NY 10022, Attn: Marc R. Montagner and Curtis Lu, Esq., (b) proposed counsel to the Debtors, Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005, Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq., (c) the Office of the United States Trustee for the Southern District of New York, (d) counsel to the Committee, (e) counsel to U.S. Bank National Association, as administrative agent under the Prepetition Inc. Credit Agreement, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attn: Michael S. Stamer, Esq. and Philip C. Dublin, Esq., (f) counsel to UBS AG, Stamford Branch, as administrative agent under the Prepetition LP Credit Agreement, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: Melissa S. Alwang, Esq. and (g) counsel to the ad hoc secured group of Prepetition LP Lenders, White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036, Attn: Thomas E Lauria, Esq.

16. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Interim Order, in accordance with the Motion.

17. The requirements set forth in Local Rule 9013-1 are satisfied.

18. The Court retains jurisdiction with respect to all matters arising from or related to the implementation and interpretation of this Interim Order.

Dated: May 15, 2012  
New York, New York

/s/ Shelley C. Chapman  
HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE

**SCHEDULE "E"**

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

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

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**INTERIM ORDER (A) AUTHORIZING, BUT NOT DIRECTING,  
(I) CONTINUATION OF DEBTORS' INSURANCE POLICIES AND  
(II) PAYMENT OF CERTAIN OBLIGATIONS IN RESPECT THEREOF AND  
(B) AUTHORIZING AND DIRECTING FINANCIAL INSTITUTIONS TO HONOR ALL  
RELATED CHECKS AND ELECTRONIC PAYMENT REQUESTS**

Upon the motion (the "Motion")<sup>2</sup> of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), for entry of an order (the "Interim Order"), pursuant to sections 105(a), 363(b), 1107 and 1108 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code") and rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), (a) authorizing, but not directing, the Debtors, in their sole discretion, to (i) maintain and continue to honor certain insurance programs and policies (including the renewal of those policies and agreements due to expire during these Chapter 11 Cases) and (ii) pay certain obligations in respect thereof including, without

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<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion or the Montagner Declaration, as applicable.



limitation, the payment of all premiums, premium financing payments, claims, deductibles, administrative expenses and all other charges and expenses incurred, on an uninterrupted basis, consistent with the Debtors' practices in effect prior to the commencement of the Debtors' Chapter 11 Cases, whether relating to the period prior to or after the commencement of these Chapter 11 Cases, (b) authorizing and directing financial institutions to receive, process, honor and pay all checks issued and electronic requests made relating to the foregoing and (c) scheduling a final hearing (the "Final Hearing") to consider entry of a final order (the "Final Order") granting the relief provided in the Interim Order on a permanent basis and the additional relief described in this Motion; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and the Montagner Declaration and having heard statements in support of the Motion at a hearing held before the Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The Motion is granted on an interim basis to the extent set forth herein.

2. The Debtors are authorized, but not required, in their sole discretion, to maintain, continue and renew the Insurance Programs on an uninterrupted basis and in accordance with the same practices and procedures as were in effect prior to the commencement of the Chapter 11 Cases.

3. The Debtors are authorized, but not directed, in their sole discretion, to pay any and all Insurance Obligations related to the Policies to the extent that the Debtors determine that such payments are necessary or appropriate, including those Insurance Obligations that were due and payable or related to the period before the commencement of these Chapter 11 Cases, without further notice or order of the Court. Notwithstanding the foregoing, the Debtors are not authorized to accelerate payments not otherwise due and payable before the Final Hearing.

4. The Debtors are authorized, but not directed, in their sole discretion, to revise, extend, supplement or change insurance coverage as needed, including entering into new insurance policies (*e.g.*, through renewal of the Policies or purchase of new policies).

5. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition Insurance Obligations approved herein are authorized and directed to receive, process, honor and pay all such checks and electronic payment requests when presented for payment (to the extent of funds on deposit), and that all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order.

6. The Debtors are authorized, but not directed, in their sole discretion, to issue new postpetition checks, or effect new funds transfers, on account of the Insurance Obligations, to replace any prepetition checks or electronic funds transfer requests issued that

may be lost or dishonored or rejected as a result of the commencement of these Chapter 11 Cases.

7. The banks and financial institutions subject to this Interim Order shall have no liability in connection with honoring any prepetition checks or funds transfer requests contemplated by this Interim Order.

8. Nothing in this Interim Order or any action taken by the Debtors in furtherance of the implementation hereof shall be deemed an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code, and the Debtors' rights with respect to such matters are expressly reserved.

9. Nothing in the Motion or this Interim Order, nor the Debtors' payment of claims pursuant to this Interim Order, shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver or impairment of the Debtors' rights to contest the validity or amount of any claim on any grounds, (c) a promise to pay any claim or (d) an implication or admission by the Debtors that such claim is payable pursuant to this Interim Order.

10. Bankruptcy Rule 6003(b) has been satisfied because the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors.

11. Notwithstanding the possible applicability of Bankruptcy Rules 6004(a), 6004(h) or otherwise, the terms and conditions of this Interim Order shall be immediately effective and enforceable upon its entry.

12. The Final Hearing to consider entry of the Final Order is scheduled for June 11, 2012 at 2:00 p.m. (prevailing Eastern time) before this Court. On or before May 31, 2012, the Debtors shall serve, by United States mail, first-class postage prepaid, notice of the

entry of this Interim Order and of the Final Hearing (the "Final Hearing Notice"), together with copies of this Interim Order and the Motion, on: (a) the parties having been given notice of the Interim Hearing, (b) any party which has filed prior to such date a request for notices with this Court and (c) counsel to the official committee of unsecured creditors (the "Committee"). The Final Hearing Notice shall state that any party in interest objecting to the entry of the proposed Final order shall file written objections with the Clerk of Court no later than on June 5, 2012 at 5:00 p.m. (prevailing Eastern time), which objections shall be served so as to be received on or before such date by: (a) LightSquared Inc., 450 Park Avenue, Suite 2201, New York, NY 10022, Attn: Marc R. Montagner and Curtis Lu, Esq., (b) proposed counsel to the Debtors, Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005, Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq., (c) the Office of the United States Trustee for the Southern District of New York, (d) counsel to the Committee, (e) counsel to U.S. Bank National Association, as administrative agent under the Prepetition Inc. Credit Agreement, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attn: Michael S. Stamer, Esq. and Philip C. Dublin, Esq., (f) counsel to UBS AG, Stamford Branch, as administrative agent under the Prepetition LP Credit Agreement, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: Melissa S. Alwang, Esq. and (g) counsel to the ad hoc secured group of Prepetition LP Lenders, White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036, Attn: Thomas E Lauria, Esq.

13. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Interim Order in accordance with the Motion.

14. The requirements set forth in Local Rule 9013-1(a) are satisfied.

15. The Court retains jurisdiction with respect to all matters arising from or related to the implementation and interpretation of this Interim Order.

Dated: May 15, 2012  
New York, New York

/s/ Shelley C. Chapman  
HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE

**SCHEDULE "F"**

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

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

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**INTERIM ORDER (A) AUTHORIZING, BUT NOT DIRECTING,  
DEBTORS TO PAY TAXES AND FEES, (B) AUTHORIZING AND  
DIRECTING FINANCIAL INSTITUTIONS TO HONOR ALL RELATED  
CHECKS AND ELECTRONIC PAYMENT REQUESTS AND (C)  
SCHEDULING A FINAL HEARING**

Upon the motion (the "Motion")<sup>2</sup> of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), for entry of an order (the "Interim Order"), pursuant to sections 105(a), 363(b), 507(a)(8), 541, 1107(a) and 1108 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code") and Rules 1007(c), 6003, 6004, and 9006(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), (a) authorizing, but not directing, the Debtors to pay certain business, corporate, franchise, partnership, personal property, provincial, capital, non-resident withholding, sales and use, goods and services, harmonized sales, excise and other taxes, as well as certain annual reporting fees,

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<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion or in the Montagner Declaration, as applicable.

FCC Fees and Canadian Regulatory Fees, (b) authorizing and directing financial institutions to receive, process, honor and pay all checks issued and electronic requests made relating to the foregoing, and (c) scheduling a final hearing (the "Final Hearing") to consider entry of a final order (the "Final Order") granting the relief provided in the Interim Order on a permanent basis and the additional relief described in the Motion; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and the Montagner Declaration and having heard statements in support of the Motion at a hearing held before the Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The Motion is granted on an interim basis to the extent set forth herein.
2. The Debtors are authorized and empowered, but not directed, in their sole discretion, to pay all Taxes and Fees in the ordinary course of their businesses, including all Taxes and Fees subsequently determined upon audit to be owed for periods prior to the Petition Date, to the proper Taxing and Regulatory Authorities, including but not limited to those



Authorities listed on Schedule 1 attached hereto.<sup>3</sup> Notwithstanding the foregoing, the Debtors are not authorized to accelerate payments not otherwise due and payable before the Final Hearing.

3. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the Taxes and Fees approved herein are authorized and directed to receive, process, honor and pay all such checks and electronic payment requests when presented for payment (to the extent of funds on deposit), and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order.

4. The Debtors are authorized, but not directed, in their sole discretion, to issue new postpetition checks, or effect new funds transfers, on account of the Taxes and Fees, to replace any prepetition checks or funds transfer requests issued that are dishonored or rejected as a result of the commencement of these Chapter 11 Cases.

5. The banks and financial institutions subject to this Interim Order shall have no liability in connection with honoring any prepetition checks or funds transfer requests contemplated by this Interim Order.

6. Neither the Debtors nor any other party in interest concedes the extent or validity of any liens (contractual, common law, statutory or otherwise) asserted on account of unpaid Taxes and Fees, and the Debtors expressly reserve the right to contest the extent, validity or perfection or seek the avoidance of all such liens.

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<sup>3</sup> Schedule 1 contains a non-exclusive list of Authorities and the Taxes and Fees that the Debtors collect and/or incur on behalf of each of the Authorities. The relief granted in this Order applies to all Authorities for which the Debtors collect and/or incur Taxes and Fees and is not limited solely to those Authorities included in Schedule 1.

7. Nothing in this Interim Order or any action taken by the Debtors in furtherance of the implementation hereof shall be deemed an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code, and the Debtors' rights with respect to such matters are expressly reserved.

8. Nothing in the Motion or this Interim Order, nor the Debtors' payment of claims pursuant to this Interim Order, shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver or impairment of the Debtors' rights to contest the validity or amount of any claim on any grounds, (c) a promise to pay any claim or (d) an implication or admission by the Debtors that such claim is payable as Taxes and Fees pursuant to this Interim Order.

9. Bankruptcy Rule 6003(b) has been satisfied because the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors.

10. Notwithstanding the possible applicability of Bankruptcy Rules 6004(a), 6004(h) or otherwise, the terms and conditions of this Interim Order shall be immediately effective and enforceable upon its entry.

11. The Final Hearing to consider entry of the Final Order is scheduled for June 11, 2012 at 2:00 p.m. (prevailing Eastern time) before this Court. On or before May 31, 2012, the Debtors shall serve, by United States mail, first-class postage prepaid, notice of the entry of this Interim Order and of the Final Hearing (the "Final Hearing Notice"), together with copies of this Interim Order and the Motion, on: (a) the parties having been given notice of the Interim Hearing, (b) any party which has filed prior to such date a request for notices with this Court and (c) counsel to the official committee of unsecured creditors (the "Committee"). The Final Hearing Notice shall state that any party in interest objecting to the entry of the proposed

Final order shall file written objections with the Clerk of Court no later than on June 5, 2012 at 5:00 p.m. (prevailing Eastern time), which objections shall be served so as to be received on or before such date by: (a) LightSquared Inc., 450 Park Avenue, Suite 2201, New York, NY 10022, Attn: Marc R. Montagner and Curtis Lu, Esq., (b) proposed counsel to the Debtors, Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005, Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq., (c) the Office of the United States Trustee for the Southern District of New York, (d) counsel to the Committee, (e) counsel to U.S. Bank National Association, as administrative agent under the Prepetition Inc. Credit Agreement, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attn: Michael S. Stamer, Esq. and Philip C. Dublin, Esq., (f) counsel to UBS AG, Stamford Branch, as administrative agent under the Prepetition LP Credit Agreement, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: Melissa S. Alwang, Esq. and (g) counsel to the ad hoc secured group of Prepetition LP Lenders, White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036, Attn: Thomas E Lauria, Esq.

12. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Interim Order in accordance with the Motion.

13. The requirements set forth in Local Rule 9013-1 are satisfied.

14. The Court retains jurisdiction with respect to all matters arising from or related to the implementation and interpretation of this Interim Order.

Dated: May 15, 2012  
New York, New York

*/s/ Shelley C. Chapman*  
HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE

**Schedule 1**

**List of Authorities**

Authorities<sup>1</sup>

			Amount Accrued as of Petition Date
Sales and Use Tax	Virginia Department of Taxation	PO Box 26626 Richmond, VA 23261-6626	\$350
Sales Tax	NYS Department of Taxation and Finance	NYS Department of Taxation and Finance, Sales Tax W.A. Harriman Campus Albany, NY 12227	\$50
Sales Tax	Arizona Department of Revenue	License and Registration Section Department of Revenue Phoenix, AZ 85007	\$85
Sales Tax	Arkansas Department of Finance	P.O. Box 3215 Little Rock, AR 72203	\$85
Sales Tax	Florida Dept. of Revenue	P.O. Box 6520 Tallahassee, FL 32314-6520	\$85
Sales Tax	Illinois Department of Revenue	PO Box 19019 Springfield, IL 62794-9019	\$100
Sales Tax	Kentucky Department of Revenue	KY Department of Revenue Frankfort, KY 40620	\$20
Sales Tax	Comptroller of Maryland	Revenue Administration Division 110 Carroll St. Annapolis, MD 21411	\$450
Sales Tax	Massachusetts Department of Revenue	PO Box 7039 Boston, MA 02204-7036	\$10
Sales Tax	Missouri Department Of Revenue	Taxation Division PO Box 840 Jefferson City, MO 65105-840	\$50
Sales Tax	Mississippi State Tax Commission	PO Box 960 Jackson, MS 39205	\$85
Sales Tax	Nebraska Department Of Revenue	PO Box 98923 Lincoln, NE 68509-8923	\$125
Sales Tax	New Jersey Sales And Use Tax	PO Box 999 Trenton, NJ 08646-0999	\$20
Sales Tax	North Carolina Department Of	PO Box 25000 Raleigh, NC 27640-0700	\$1,250

<sup>1</sup> This list contains a non-exclusive list of Authorities and the Taxes and Fees that the Debtors collect and/or incur on behalf of each of the Authorities. The relief granted in this Order applies to all Authorities for which the Debtors collect and/or incur Taxes and Fees and is not limited solely to those Authorities included in this list.

	Department Name and Address	City and State, Zip	Amount Accrued as of ending of Petition Date
	Revenue		
Sales Tax	Tennessee Department of Revenue	Andrew Jackson Office Building 500 Deaderick St. Nashville, TN 37242	\$100
Sales Tax	Texas Comptroller Of Public Accounts	PO Box 13528 Austin, TX 78711-3528	\$10
Sales Tax	Washington Department Of Revenue	State Of Washington PO Box 34052 Seattle, WA 98124-1052	\$250
State Corporate and Partnership Income Tax	Alaska Department of Revenue	Tax Division P.O. Box 110420, Juneau, AK 99811-0420	\$0
State Corporate Income Tax	Arkansas Corporation Income Tax	P.O. Box 919 Little Rock, AR 72203-0919	\$0
State Corporate and Partnership Income Tax	State of California Franchise Tax Board	P.O. Box 942857, Sacramento, CA 94257-0600	\$0
State Corporate and Partnership Income Tax	Colorado Department of Revenue	1375 Sherman St., Denver, CO 80261-0006	\$0
State Corporate and Partnership Income Tax	Florida Department of Revenue	5050 W. Tennessee St., Tallahassee, FL 32399-0135	\$0
State Corporate and Partnership Income Tax	Illinois Department of Revenue	P.O. Box 19031, Springfield, IL 62794-9031	\$0
State Corporate and Partnership Income Tax	Kansas Corporate Tax	915 SW Harrison St., Topeka, KS 66699-4000	\$0
State Corporate and Partnership Income Tax	Kentucky Department of Revenue	Kentucky Department of Revenue Frankfort, KY 40620	\$0
State Corporate and Partnership Income Tax	Louisiana Department of Revenue	P. O. Box 3440, Baton Rouge, LA 70821-3440	\$0
State Corporate and Partnership Income Tax	Massachusetts DOR	P.O. Box 7017, Boston, MA 02204- 7000	\$0
State Corporate and Partnership Income Tax	Comptroller of Maryland	Comptroller of Maryland Revenue Administration Division, Annapolis, Maryland 21411-0001	\$0
State Corporate and Partnership	Missouri Department of Revenue	P.O. Box 3000, Jefferson City, MO 65105-3000	\$0

Type of Tax	Filing or Reporting Jurisdiction	Contact Information	Amount Accrued and Changes of Filing Date
Income Tax			
State Corporate and Partnership Income Tax	Mississippi Office of Revenue	P.O. Box 23050, Jackson, MS 39225-3050	\$0
State Corporate and Partnership Income Tax	Montana Department of Revenue	P.O. Box 8021, Helena, MT 59604-8021	\$0
State Corporate and Partnership Income Tax	NC Department of Revenue	P.O. Box 25000, Raleigh, NC 27640-0645	\$0
State Corporate and Partnership Income Tax	Nebraska Department of Revenue	P.O. Box 94818, Lincoln NE 68509-4818	\$0
State Corporate and Partnership Income Tax	New York State Processing Center	P.O. Box 61000, Albany, NY 12261-0001	\$0
State Corporate and Partnership Income Tax	Oklahoma Tax Commission	Income Tax, P.O. Box 26800, Oklahoma City, OK 73126-0800	\$0
State Corporate and Partnership Income Tax	PA Department of Revenue	Bureau of Individual Taxes, P.O. Box 280509, Harrisburg, PA 17128-0509	\$0
State Corporate and Partnership Income Tax	SCDOR, Partnership Return	SCDOR, Partnership Return Columbia, SC 29214-0008	\$0
State Corporate and Partnership Income Tax	Tennessee Department of Revenue	Andrew Jackson State Office Building, 500 Deaderick Street, Nashville, TN 37242	\$0
State Corporate Income Tax	Texas Comptroller Of Public Accounts	PO Box 149348 Austin, TX 78714-9348	\$0
State Corporate and Partnership Income Tax	Utah State Tax Commission	210 N 1950, W Salt Lake City, UT 84134-0270	\$0
State Corporate and Partnership Income Tax	Virginia Department of Taxation	P.O. Box 1500 Richmond, Virginia 23218-1500	\$50,000 * * Inclusive of communications minimum and gross receipts.
Property Tax	County of Fairfax	Department of Tax Administration Fairfax, Virginia 22035	Unknown
Property Tax	Dallas County Tax Office	John R. Ames, CTA Tax Assessor/Collector 500 Elm Street, Dallas, TX 75202	Unknown
Property Tax	Napa County	Tamie R. Frasier Treasurer-Tax Collector	Unknown

Type of Tax (if any)	Jurisdiction Responsible Authority	Contact Information	Amount Accrued and Owings as of Petition Date
		1195 Third Street Suite 108 Napa, CA 94559-3050	
City Income Tax	New York City's Department of Finance	P.O. Box 5060, Kingston, NY 12402-5060	\$0
Canadian Income Tax	Canada Revenue Agency	Sudbury Tax Centre 1050 Notre Dame Avenue, Sudbury ON Canada P3A 5C1	\$0
Canadian Goods and Services Tax	Canada Revenue Agency	Tax Centre PO Box 6000 STN Main, Shawinigan-SUD QC Canada G9N 7W2	\$0
Canadian Provincial Taxes, Sales and Income Taxes	Saskatchewan Finance	2350 Albert Street Regina, Saskatchewan Canada S4P 4A6	\$0



**SCHEDULE "G"**

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

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

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**INTERIM ORDER AUTHORIZING RESTRICTIONS ON  
CERTAIN TRANSFERS OF INTERESTS AND CLAIMS IN THE DEBTORS AND  
ESTABLISHING NOTIFICATION PROCEDURES RELATING THERETO  
PURSUANT TO SECTIONS 105(a) AND 362 OF THE BANKRUPTCY CODE**

Upon the motion (the "Motion")<sup>2</sup> of LightSquared Inc. ("LightSquared") and certain of its affiliates, as debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), for entry of an order (the "Order"), pursuant to sections 105(a) and 362 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code"), authorizing the Debtors to establish procedures to protect the potential value of LightSquared's consolidated net operating tax loss carryforwards and certain other tax attributes, including, potentially, a net unrealized built-in loss in its assets; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant

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<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion or the Montagner Declaration, as applicable.

to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and the Montagner Declaration and having heard statements in support of the Motion at a hearing held before the Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby **FOUND** that:

A. LightSquared's consolidated net operating loss carryforwards (the "NOLs") and certain other tax attributes described in the Motion (together with the NOLs, the "Tax Attributes") are property of the Debtors' estates and are protected by the automatic stay prescribed in section 362 of the Bankruptcy Code;

B. Unrestricted trading of certain equity interests in LightSquared during the pendency of the bankruptcy could severely limit the Debtors' ability to utilize the Tax Attributes for purposes of title 26 of the United States Code (the "Tax Code");

C. Under certain circumstances, the accumulation of Debt Securities prior to the potential emergence of the Debtors from chapter 11 could, following any such emergence, severely limit the Debtors' (or their successors') ability to use the Tax Attributes;

D. The notification procedures and restrictions on transfers of, or exchanges or conversions into, LightSquared Stock and options to acquire such stock are necessary and

proper to preserve the Tax Attributes and therefore are in the best interests of the Debtors, their estates and their creditors;

E. The restrictions and procedures applicable to the accumulation of Debt Securities are necessary and proper to preserve the availability of the Tax Attributes following the Debtors' (or their successors') emergence, and are therefore in the best interests of the Debtors, their estates and their creditors; and

F. The relief requested in the Motion is authorized under sections 105(a) and 362 of the Bankruptcy Code.

**THEREFORE, it is hereby ORDERED that:**

1. The Motion is granted on an interim basis to the extent set forth herein.
2. The provisions of this Order shall be effective, *nunc pro tunc*, to the date of the Motion.
3. Any acquisition, disposition or other transfer in violation of the restrictions set forth herein shall be null and void *ab initio* as an act in violation of the automatic stay prescribed in section 362 of the Bankruptcy Code and pursuant to this Court's equitable power prescribed in section 105(a) of the Bankruptcy Code, or, if appropriate, shall cause a subject holder of Debt Securities to be subject to the Equity Forfeiture Provision. For purposes of this Order, any trades made before the filing of the Motion (the "Motion Date") shall not be subject to this Order.
4. The following procedures and restrictions shall apply to trading in LightSquared Stock:

- (a) Acquisition of LightSquared Stock or Options.<sup>3</sup> At least twenty (20) calendar days prior to the proposed date of any transfer of, or exchange or conversion into, equity securities (including Options, as defined below, to acquire such securities) that would result in an increase in the amount of LightSquared Stock beneficially owned by any person who is a Substantial Equityholder (as defined below), that would result in a person or Entity becoming a Substantial Equityholder, or that would result in the conversion of a person's preferred shares in LightSquared LP, LightSquared Series A Preferred or LightSquared Series B Preferred into LightSquared Common Stock (a "Proposed Equity Acquisition Transaction"), such person, Entity or Substantial Equityholder (a "Proposed Equity Transferee") shall file with the Court, and serve upon the Debtors and Debtors' counsel, a Notice of Intent to Purchase, Acquire or Otherwise Accumulate LightSquared Stock (an "Equity Acquisition Notice"), in the form attached as Schedule 2 to the Order, specifically and in detail describing the proposed transaction in which LightSquared Stock would be acquired. At the holder's election, the Equity Acquisition Notice to be filed with the Court may be redacted to exclude such holder's taxpayer identification number and the number of shares of LightSquared Stock that such holder beneficially owns and proposes to purchase or otherwise acquire.
- (b) Disposition of LightSquared Stock or Options. At least twenty (20) calendar days prior to the proposed date of any transfer of equity securities (including Options to acquire such securities) that would result in a decrease in the amount of LightSquared Stock beneficially owned by a Substantial Equityholder or that would result in a person or Entity ceasing to be a Substantial Equityholder (a "Proposed Equity Disposition Transaction" and, together with a Proposed Equity Acquisition Transaction, a "Proposed Equity Transaction"), such person, Entity or Substantial Equityholder (a "Proposed Equity Transferor") shall file with the Court, and serve upon the Debtors and Debtors' counsel, a Notice of Intent to Sell, Trade or Otherwise Transfer LightSquared Stock (an "Equity Disposition Notice and, together with an Equity Acquisition Notice, an "Equity Trading Notice"), in the form attached as Schedule 3 to the Order, specifically and in detail describing the proposed transaction in which LightSquared Stock would be transferred. At the holder's election, the Equity Disposition Notice to be filed with the Court may be redacted to exclude such holder's taxpayer identification number and the number of shares of

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<sup>3</sup> Capitalized terms used in Paragraphs (a)-(e) but not otherwise defined herein shall have the meaning ascribed to them in Paragraph (e).

LightSquared Stock that such holder beneficially owns and proposes to sell or otherwise transfer.

- (c) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Proposed Equity Transaction. A Proposed Equity Transaction that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of an Equity Trading Notice shall be deemed rejected and shall not be effective unless approved by a final and non-appealable order of this Court.
- (d) Unauthorized Transactions in LightSquared Stock or Options. Effective as of the Motion Date and until further order of the Court to the contrary, any acquisition, disposition or other transfer of beneficial ownership of LightSquared Stock, including Options to acquire LightSquared Stock, in violation of the procedures set forth herein shall be null and void *ab initio* as an act in violation of the automatic stay under sections 362 and 105(a) of the Bankruptcy Code.
- (e) Definitions. For purposes of the Order:
  - (i) Substantial Equityholder. A “Substantial Equityholder” is any person or Entity that beneficially owns at least:
    - (A) 4.50% of the outstanding shares of LightSquared’s common stock (“LightSquared Common Stock”); or
    - (B) 4.50% of the outstanding shares of LightSquared’s Series A preferred stock (“LightSquared Series A Preferred”); or
    - (C) 4.50% of the outstanding shares of LightSquared’s Series B preferred stock (“LightSquared Series B Preferred”).
  - (ii) Beneficial Ownership. “Beneficial ownership” (or any variation thereof of LightSquared Stock and Options to acquire LightSquared Stock) shall be determined in accordance with applicable rules under section 382 of the Tax Code, the U.S. Department of Treasury regulations (the “Treasury Regulations”) promulgated thereunder and rulings issued by the Internal Revenue Service (the “IRS”), and, thus, to the extent provided in those rules, from time to time shall include, without limitation, (A) direct and indirect ownership (*e.g.*, a holding company would be

considered to beneficially own all stock owned or acquired by its wholly-owned subsidiaries), (B) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of stock and (C) in certain cases, the ownership of an Option to acquire LightSquared Stock;

- (iii) Option. An "Option" to acquire stock includes any contingent purchase, warrant, convertible or exchangeable security, put, call, stock subject to risk of forfeiture, contract to acquire stock or similar interest regardless of whether it is contingent or otherwise not currently exercisable; and
- (iv) LightSquared Stock. "LightSquared Stock" shall mean LightSquared Common Stock, LightSquared Series A Preferred, and LightSquared Series B Preferred. For the avoidance of doubt, by operation of the definition of beneficial ownership, an owner of an Option to acquire LightSquared Stock may be treated as the owner of such LightSquared Stock.
- (f) Confidentiality. Except to the extent information contained in an Equity Trading Notice or a Notice of Intent to Claim a Worthless Securities Deduction (as defined below) is public or in connection with an audit or other investigation by the IRS or other taxing authority, the Debtors shall keep such notices and any additional information provided with respect to a Proposed Equity Transaction or a Worthless Securities Deduction pursuant to the Order strictly confidential; provided, however, that the Debtors may disclose the information in an Equity Trading Notice or a Notice of Intent to Claim a Worthless Securities Deduction to their counsel and professional advisors and those of any other person(s) that are subject to a nondisclosure agreement with the Debtors (as applicable), each of whom shall keep all such notices strictly confidential.
- (g) The Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in the Order.

5. The following procedures and restrictions shall apply for claiming a worthless securities deduction under section 165(g) of the Tax Code (a "Worthless Securities Deduction") respecting LightSquared Stock:

- (a) Notice of Intent to Claim Worthless Securities Deduction. At least fifteen (15) business days before a Majority Shareholder files any federal income tax return, or any amendment to such a return, claiming a Worthless Securities Deduction with respect to its LightSquared Stock for a tax year of the Majority Shareholder ending before the effective date of the Debtors' chapter 11 plan, such Majority Shareholder must file with the Court, and serve on the Debtors and counsel to the Debtors, advance written notice of the intended tax deduction, in the form attached as Schedule 7 to the Order (the "Notice of Intent to Claim a Worthless Securities Deduction").
- (b) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Majority Shareholder's proposed Worthless Stock Deduction. A Worthless Stock Deduction that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of a Notice of Intent to Claim a Worthless Securities Deduction shall be deemed rejected and shall not be effective unless approved by a final and non-appealable order of this Court.
- (c) For purposes of this Motion: a "Majority Shareholder" is any person that owns, or has owned during the three (3)-year period ending on the Motion Date, fifty percent (50%) or more of any class or series of LightSquared Stock (within the meaning of section 382(g)(4)(D) of the Tax Code).
- (d) Violation of Procedures. In the event that a Majority Shareholder claims a Worthless Securities Deduction in violation of the procedures set forth herein, such Worthless Securities Deduction shall be null and void *ab initio* as an act in violation of the automatic stay under sections 105(a) and 362 of the Bankruptcy Code, and such shareholder shall be required to file an amended federal income tax return revoking such deduction.
- (e) Debtors' Right To Waive. The Debtors may waive, in writing and in their sole and absolute discretion, any restrictions, sanctions, remedies, stays or notification procedures contained in this Motion or in any order granting the relief requested herein.

6. The following procedures and restrictions shall apply to transfers of Debt

Securities:



- (a) Notice of 382(l)(5) Plan; Amended Notice of 382(l)(5) Plan.<sup>4</sup>
- (i) Notice of 382(l)(5) Plan. Upon filing a chapter 11 plan and disclosure statement that contemplates the potential utilization of section 382(l)(5) of the Tax Code (a “382(l)(5) Plan”), the Debtors may, if they determine that the application of section 382(l)(5) of the Tax Code is reasonably likely to be beneficial to the reorganized Debtors (or any successors thereto), (A) publish (or arrange for publication of) a notice and provide a written notice to the Debt Notice Parties (the “Notice of 382(l)(5) Plan”), disclosing the filing of such 382(l)(5) Plan, the potential issuance of a Sell-Down Notice (as defined in Paragraph 6(c)(i) below) in connection therewith, and requesting beneficial ownership information on the website established by the Debtors’ claims and noticing agent, which is expected to be Kurtzman Carson Consultants LLC (www.kcclic.net/LightSquared) and in the national editions of *The Wall Street Journal* and *The New York Times* (a “Notice of 382(l)(5) Plan”), (B) identify the classes of Debt Securities that are potentially subject to a Sell-Down Notice and (C) identify the applicable Threshold Amounts (by class or other applicable breakdown) for status as a Substantial Securityholder.
- (ii) Amended Notice of 382(l)(5) Plan. The Debtors may determine subsequent to the date of the Notice of 382(l)(5) Plan or an Amended Notice of 382(l)(5) Plan (as defined below), to (A) adjust the Threshold Amount or (B) identify additional classes of Debt Securities that are potentially subject to a Sell-Down Notice. In that case, the Debtors shall publish and provide notice of such additional amount and/or such additional class of Debt Securities in the same manner as the Notice of 382(l)(5) Plan and such notice shall be an “Amended Notice of 382(l)(5) Plan.” The Amended Notice of 382(l)(5) Plan shall require (X) any person or Entity that previously served a Notice of Substantial Securityholder Status to update information regarding such Substantial Securityholder’s Beneficial Ownership of Debt Securities and (Y) any person or Entity that is a Substantial Securityholder as of the date of the most recent Amended Notice of 382(l)(5) Plan, but that was not previously required to serve a Notice of Substantial Securityholder Status (an “Additional Substantial

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<sup>4</sup> Capitalized terms used in Paragraphs (a)-(g) but not otherwise defined herein shall have the meanings ascribed in Paragraph (g).

Securityholder”), to serve upon the Debtors and counsel for the Debtors a notice of such status in the manner prescribed in Paragraph 6(b) below within fifteen (15) calendar days of the date of the Amended Notice of 382(l)(5) Plan.

- (iii) Early Notice. The Debtors reserve the right, in order to assist in determining their eligibility for section 382(l)(5) of the Tax Code, to request in a manner consistent with the publication of the Notice of 382(l)(5) Plan described above, information regarding the Beneficial Ownership of Debt Securities prior to the filing of the Notice of 382(l)(5) Plan.
- (b) Notice of Substantial Securityholder Status. Following a request for Beneficial Ownership information pursuant to (i) a Notice of 382(l)(5) Plan, (ii) an Amended Notice of 382(l)(5) Plan or (iii) Paragraph a(iii) above, any person or Entity that as of the date such request is made (the “Request Date”) is or becomes a Substantial Securityholder shall serve upon the Debtors and counsel for the Debtors, a notice of such status (a “Notice of Substantial Securityholder Status”), in the form attached as Schedule 4 to the Order within twenty (20) calendar days of the later of (i) the Request Date and (ii) the date such person becomes a Substantial Securityholder.
- (c) Sell-Down Notices.
  - (i) Sell-Down Notices. Following the issuance of a Notice of 382(l)(5) Plan, but no earlier than sixty (60) days prior to the then-scheduled hearing with respect to the 382(l)(5) Plan, if the Debtors determine it to be reasonably necessary to require the sale or transfer of all or a portion of the Beneficial Ownership of Debt Securities held by a Substantial Securityholder on the basis that such sale or transfer is appropriate to reasonably ensure that the requirements of section 382(l)(5) of the Tax Code will be satisfied, the Debtors may file a motion (the “Sell-Down Motion”) requesting that the Court enter an order (the “Sell-Down Order”) approving the issuance of a notice (the “Sell-Down Notice”) that such Substantial Securityholder must sell, cause to sell or otherwise transfer all or a portion of its Beneficial Ownership of Debt Securities (by class or other applicable breakdown) in excess of the Maximum Amount for such Substantial Securityholder (such excess amount, an “Excess Amount”) to Permitted Transferees. The Debtors shall provide a copy of the Sell-Down Motion to each person described in clause (D) of the definition of

“Debt Notice Parties.” If the Court enters a Sell-Down Order approving the Debtors’ issuance of a Sell-Down Notice, the Debtors shall provide a copy of such Sell-Down Order to each person described in clause (D) of the definition of “Debt Notice Parties.”

- (ii) Requirement to Sell Down. Prior to (A) the effective date of the 382(l)(5) Plan or (B) such earlier date set forth in the Sell-Down Order, which shall not be earlier than the day after the entry of the order confirming the 382(l)(5) Plan as may be specified by the Debtors (the “Sell-Down Date”), each Substantial Securityholder shall sell, cause to sell or otherwise transfer an amount of the Beneficial Ownership of Debt Securities (if any) necessary to comply with the Sell-Down Notice (the “Sell-Down”); provided, however, that notwithstanding anything to the contrary in the Order and for the avoidance of doubt, no Substantial Securityholder shall be required to sell, cause to sell or otherwise transfer any Beneficial Ownership of Debt Securities if such sale would result in such holder having Beneficial Ownership of an aggregate amount of Debt Securities (by class or other applicable breakdown) that is less than such holder’s Protected Amount (as hereinafter defined). Each Substantial Securityholder shall sell, cause to sell or otherwise transfer its Beneficial Ownership of Debt Securities subject to the Sell-Down to Permitted Transferees; provided, however, that such Substantial Securityholder shall not have a reasonable basis to believe that any such Permitted Transferee would own, immediately after the contemplated transfer, an Excess Amount of Debt Securities.
  
- (iii) Notice of Compliance. A Substantial Securityholder subject to the Sell-Down shall, within seven (7) calendar days after the later of (A) entry of an order approving the 382(l)(5) Plan, (B) the Sell-Down Date, and (C) such other date specified in the Sell-Down Notice, as applicable, but in all events before the effective date of the 382(l)(5) Plan, and as a condition to receiving Affected Equity, serve upon the Debtors and counsel for the Debtors, a notice substantially in the form attached as Schedule 5 to the Order that such Substantial Securityholder has complied with the terms and conditions set forth in this Paragraph 6(c) and that such Substantial Securityholder does not and will not hold an Excess Amount of Debt

Securities as of the Sell-Down Date and at all times through the effective date of the 382(l)(5) Plan (the “Notice of Compliance”); provided, however, that if the Substantial Securityholder has complied but for the fact that the Substantial Securityholder still holds an Excess Amount of Debt Securities as of the Sell-Down Date, the Notice of Compliance shall disclose such Excess Amount. Any Substantial Securityholder who fails to comply with this provision shall not receive Affected Equity with respect to the entirety of its Excess Amount of Debt Securities as determined under Paragraph 6(c), regardless of any sales made in accordance with this Paragraph 6(c).

- (d) Advance Approval of Acquisitions. Any proposed transfer or acquisition of Debt Securities from and after the date of the Sell-Down Order shall be subject to the following advance approval procedures:
  - (i) Acquisition of Securities. At least twenty (20) calendar days prior to the proposed date of any transfer of Debt Securities that would result in (A) an increase in the dollar amount of Debt Securities Beneficially Owned by a Substantial Securityholder or (B) any person or Entity becoming a Substantial Securityholder (each, a “Proposed Securities Acquisition Transaction”), such person, Entity, or Substantial Securityholder (each a “Proposed Securities Transferee”) must serve upon the Debtors and counsel for the Debtors, a Notice of Request to Purchase, Acquire or Otherwise Accumulate a Security (a “Securities Acquisition Request”), in the form attached as Schedule 6 to the Order, which describes specifically and in detail the intended acquisition of Debt Securities, regardless of whether such transfer would be subject to the filing, notice and hearing requirements of Bankruptcy Rule 3001.
  - (ii) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Securities Acquisition Request. A Securities Acquisition Request that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of a Securities Acquisition Request shall be deemed rejected.

(e) Equity Forfeiture Provision.

- (i) Equity Forfeiture Provision. Any Substantial Securityholder that violates its obligations under the Sell-Down Notice shall, pursuant to the Order, be precluded from receiving, directly or indirectly, any consideration consisting of a beneficial ownership of equity (as determined in accordance with the applicable rules of section 382 of the Tax Code, including Options, whether or not treated as exercised under Treasury Regulations section 1.382-4) of the Debtors (or any successor to the Debtors, including as determined for U.S. federal income tax purposes) that is attributable to the Excess Amount of Debt Securities for such Substantial Securityholder as of the Sell-Down Date, including any consideration in lieu thereof; provided, however, that the forfeiture shall only apply to any Excess Amount of Debt Securities still owned as of the Sell-Down Date if the holder has complied with Paragraph 6(c)(iii); provided, further, that such Substantial Securityholder may be entitled to receive any other consideration to which such holder may be entitled by virtue of holding Debt Securities (the "Equity Forfeiture Provision"). Any purported acquisition of, or other increase in the Beneficial Ownership of, equity of the Debtors (or any successor) that is precluded by the Equity Forfeiture Provision will be an acquisition of "Forfeited Equity." Any acquirer of Forfeited Equity shall, immediately upon becoming aware of such fact, return or cause to return the Forfeited Equity to the Debtors (or any successor to the Debtors) or, if all of the equity consideration properly issued to such acquirer and all or any portion of such Forfeited Equity shall have been sold prior to the time such acquirer becomes aware of such fact, such acquirer shall return or cause to return to the Debtors (or any successor to the Debtors) (A) any Forfeited Equity still held by such acquirer and (B) the proceeds attributable to the sale of Forfeited Equity, calculated by treating the most recently sold equity as Forfeited Equity. Any acquirer that receives Forfeited Equity and deliberately fails to comply with the preceding sentence shall be subject to such additional sanctions as the Court may determine. Any Forfeited Equity returned to the Debtors shall be distributed (including a transfer to charity) or extinguished, in the Debtors' sole discretion, in furtherance of the 382(I)(5) Plan.

(ii) Notification Requirement. In effecting any sale or other transfer of Debt Securities pursuant to a Sell-Down Notice, a Substantial Securityholder shall, to the extent that it is reasonably feasible to do so within the normal constraints of the market in which such sale takes place, notify the acquirer of such Debt Securities of the existence of the Order and the Equity Forfeiture Provision (it being understood that, in all cases in which there is direct communication between a salesperson and a customer, including, without limitation, communication via telephone, e-mail, and instant messaging, the existence of the Order and the Equity Forfeiture Provision shall be included in such salesperson's summary of the transaction).

(f) Miscellaneous.

(i) No Disclosure of Participation. To permit reliance by the Debtors on Treasury Regulation section 1.382-9(d)(3), any person or Entity that participates in formulating any chapter 11 plan of, or on behalf of, the Debtors (which shall include, without limitation, making any suggestions or proposals to the Debtors or their advisors with regard to such a plan), shall not, and shall not be asked to, disclose (or otherwise make evident unless compelled to do so by an order of a court of competent jurisdiction or some other applicable legal requirement) to the Debtors that any Debt Securities in which such person or Entity has a Beneficial Ownership are Newly Traded Securities. For this purpose, the Debtors acknowledge and agree that the following activities shall not constitute participation in formulating a chapter 11 plan if, in pursuing such activities, the relevant person or Entity does not disclose (or otherwise make evident) to the Debtors that such person or Entity has Beneficial Ownership of Newly Traded Securities: filing an objection to a proposed disclosure statement or to confirmation of a proposed chapter 11 plan; voting to accept or reject a proposed chapter 11 plan; reviewing or commenting on a proposed business plan; providing information on a confidential basis to counsel for the Debtors or counsel for the Creditors' Committee (if any) unconnected with the formulation of the chapter 11 plan; general membership on an official committee or an ad hoc committee or taking any action required by order of the Court.

- (ii) Confidentiality. Except to the extent necessary to demonstrate to the Court the need for the issuance of a Sell-Down Notice, other than information contained in the Notice of Substantial Securityholder Status that is public or in connection with an audit or other investigation by the IRS or other taxing authority, the Debtors shall keep such notices and any additional information provided by a Substantial Securityholder pursuant to the Order strictly confidential and shall not disclose the identity of the Substantial Securityholder to any other person or Entity; provided, however, that the Debtors may disclose the identity of the Substantial Securityholder to their respective counsel and professional advisors and those of any other person(s) that are subject to a nondisclosure agreement with the Debtors (as applicable), each of whom shall keep all such notices strictly confidential and shall not disclose the identity of the Substantial Securityholder to any other person or Entity subject to further order of the Court; and provided, further, that to the extent the Debtors reasonably determine such confidential information is necessary to demonstrate to the Court the need for the issuance of a Sell-Down Notice, the Debtors shall seek to file such confidential information (determined by, among other things, whether such information was redacted in any public filing) under seal.
- (iii) Exception. No person or Entity shall be subject to the advance approval provisions, or in the case of Debt Securities that are part of a transferor's Protected Amount, the sell-down provisions, with respect to any transfer described in Treasury Regulation section 1.382-9(d)(5)(ii); provided that such transfer is not for a principal purpose of obtaining stock in the reorganized Debtors (or any successor) or permitting the transferee to benefit from the losses of the Debtors within the meaning of Treasury Regulation section 1.382-9(d)(5)(iii) (a "Qualified Transfer"); provided, further, that any such transferee who becomes a Substantial Securityholder following a Request Date shall serve upon the Debtors and counsel for the Debtors, a statement that the transfer is a Qualified Transfer and a notice of such Substantial Securityholder status in the manner prescribed in Paragraph 6(b) above within twenty (20) calendar days of the later of (A) the day of the entry of the Order by the Court and (B) the date on which such person or Entity becomes a Substantial Securityholder.

(g) Definitions. For purposes of the Order, the following terms have the following meanings:

- (i) Affected Equity. Means the stock or other equity of the reorganized Debtors (or their successors), including Options, to be issued and distributed pursuant to the 382(l)(5) Plan but shall not include stock described in section 1504(a)(4) of the Tax Code.
- (ii) Applicable Percentage. Means, if only one class of Affected Equity is to be issued pursuant to the terms of the 382(l)(5) Plan and holders within any class of Debt Securities will receive a pro-rata distribution of the Affected Equity, 4.5% of the number of such shares or equity interests that the Debtors reasonably estimate will be issued at the effective date of such 382(l)(5) Plan (in the discretion of the Debtors, with respect to any Substantial Equityholder receiving Affected Equity in respect of Debt Securities and in respect of its LightSquared Stock, such percentage shall be determined for such person by taking into account shares received for its LightSquared Stock), as determined for U.S. federal income tax purposes. If more than one class of Affected Equity is to be distributed pursuant to the terms of the 382(l)(5) Plan or holders with a class of Debt Securities may receive a disproportionate distribution of such Affected Equity relative to other holders in the same class, the Applicable Percentage shall be determined by the Debtors in their reasonable judgment in a manner consistent with the estimated range of values for the equity to be distributed reflected in the valuation analysis set forth in the 382(l)(5) Plan and disclosure statement, and shall be expressed in a manner that makes clear the number of shares or other equity interests in each class of Affected Equity that would constitute the Applicable Percentage.
- (iii) Beneficial Ownership of a Security. Means:
  - (A) the beneficial ownership of a Debt Security as determined in accordance with applicable rules under section 382 of the Tax Code (for such purpose, treating a Debt Security as if it is stock), and, to the extent provided in those rules from time to time, shall include (X) direct and indirect ownership (determined without regard to the rule that treats stock of an Entity to which the constructive ownership rules apply as no longer



owned by that Entity); and (Y) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of Debt Securities and/or stock; and

(B) the beneficial ownership of an Option (irrespective of the purpose for which such option was issued, created or acquired).

For the avoidance of doubt, beneficial ownership of a Debt Security also includes the beneficial ownership of any right to receive any equity consideration to be distributed in respect of a Debt Security pursuant to a chapter 11 plan or applicable bankruptcy court order. Variations of the term "Beneficial Ownership" shall have correlative meanings.

- (iv) Creditors' Committee. Means any official committee of unsecured creditors appointed pursuant to section 1102 of the Bankruptcy Code in the Debtors' Chapter 11 Cases.
- (v) Debt Notice Parties. Means (A) the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee"); (B) U.S. Bank National Association, as successor administrative agent to UBS AG, Stamford Branch, under that certain Credit Agreement dated as of July 1, 2011, between LightSquared Inc., as borrower, the subsidiary guarantors thereto and the lenders party thereto (the "2011 Administrative Agent"); (C) UBS AG, Stamford Branch, as administrative agent under that certain Credit Agreement dated as of October 1, 2010, between LightSquared LP, as borrower, LightSquared Inc and other parent guarantors party thereto, the subsidiary guarantors party thereto and the lenders party thereto (the "2010 Administrative Agent") and together with the 2011 Administrative Agent, the "Administrative Agents") and (D) any Substantial Securityholder or Additional Substantial Securityholder who has properly given notice of such status.
- (vi) Debt Security. Means any claim against any of the Debtors, including, without limitation, any claim against any of the Debtors as a guarantor by any party with respect to Debt Securities of the Debtors.
- (vii) Entity. Has the meaning given to such term under Treasury Regulations section 1.382-3(a), including a group of

persons who have a formal or informal understanding among themselves to make a coordinated acquisition.

- (viii) Maximum Amount. Means for each person or Entity and by class or other applicable breakdown of Debt Securities, the greater of (A) the applicable Threshold Amount and (B) the Protected Amount (if any) for such Substantial Securityholder.
- (ix) Newly Traded Securities. Means Debt Securities (A) with respect to which an Entity acquired Beneficial Ownership after the date that was eighteen (18) months before the Petition Date; and (B) that are not “ordinary course” claims, within the meaning of Treasury Regulations section 1.382-9(d)(2)(iv) of which the same Entity has always had Beneficial Ownership.
- (x) Option. Has the meaning given to such term under Treasury Regulations section 1.382-4(d)(9)(i) with respect to the acquisition of a Debt Security or any consideration (including equity) distributed in respect of any Debt Security pursuant to a chapter 11 plan or applicable bankruptcy court order.
- (xi) Permitted Transferee. Means with respect to a Substantial Securityholder is a person that is not a Related Person and whose holding of a Security would not result in such Substantial Securityholder having Beneficial Ownership of such Security.
- (xii) Protected Amount. Means the amount of Debt Securities (by class or other applicable breakdown) of which a holder had Beneficial Ownership on the Motion Date, increased by the amount of Debt Securities of which such holder acquires, directly or indirectly, Beneficial Ownership pursuant to trades entered into before the Motion Date that had not yet closed as of the Motion Date minus the amount of Debt Securities of which such holder sells, directly or indirectly, Beneficial Ownership pursuant to trades entered into before the Motion Date that had not yet closed as of the Motion Date.
- (xiii) Related Person. Persons (including Entities) are “Related Persons” if: (A) the person bears a relationship to the other person described in sections 267(b) or 707(b) of the Tax Code, or (B) the persons are members of a group acting in

concert with respect to the acquisition of Debt Securities or equity in the reorganized Debtors.

- (xiv) Substantial Securityholder. Means any person or Entity that Beneficially Owns an aggregate dollar amount of Debt Securities, or any Entity controlled by such person or Entity through which such person or Entity Beneficially Owns Debt Securities, of more than the Threshold Amount.

For the avoidance of doubt, section 382 of the Tax Code, the Treasury Regulations promulgated thereunder and all relevant IRS and judicial authority shall apply in determining whether the Debt Securities of several persons and/or Entities must be aggregated when testing for Substantial Securityholder status and treating Debt Securities as if they were stock.

- (xv) Threshold Amount. Means the amount of Debt Securities, as set forth in the Notice of 382(1)(5) Plan (as revised by any Amended Notice of 382(1)(5) Plan, as applicable) sufficient, in the determination of the Debtors, to entitle the Beneficial Owner thereof to the Applicable Percentage of the Affected Equity. The amount determined in the preceding sentence shall be disclosed in the Notice of 382(1)(5) Plan and may be adjusted thereafter as contemplated by this Order or any future order of the Court.
- (xvi) Treasury Regulations. Means the U.S. Department of Treasury regulations promulgated under the Tax Code, as amended from time to time.
- (h) Noncompliance with the Trading Procedures. Any purchase, sale or other transfer of Debt Securities in violation of the procedures set forth herein shall be null and void *ab initio* and shall confer no rights on the transferee or shall, as applicable, be subject to the Equity Forfeiture Provision.
- (i) Debtors' Right to Waive. The Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in this Motion.

7. Any person or Entity acquiring, disposing of or transferring LightSquared Stock in violation of the restrictions set forth herein, or failing to comply with the "Equity Acquisition Notice" or "Equity Disposition Notice" requirements, as may be the case, shall be

subject to such sanctions as the Court may consider appropriate pursuant to this Court's equitable power prescribed in section 105(a) of the Bankruptcy Code.

8. Any person or Entity acquiring and/or failing to dispose of Debt Securities in violation of the restrictions set forth herein, or failing to comply with the "Notice of Substantial Securityholder Status," "Securities Acquisition Request" and/or "Notice of Compliance" requirements, as may be the case, shall be subject to such sanctions as the Court may consider appropriate pursuant to this Court's equitable power prescribed in section 105(a) of the Bankruptcy Code.

9. The notices substantially in the form attached hereto as Schedule 2, Schedule 3, Schedule 4, Schedule 5, Schedule 6 and Schedule 7 are approved.

10. The Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in this Order.

11. A final hearing (the "Final Hearing") to consider entry of an order (the "Final Order") granting the relief requested in the Motion on a final basis is scheduled for May 29, 2012 at 12:00 p.m. (prevailing Eastern time) before this Court. Any objections to the relief requested in this Motion on a final basis must be filed no later than on May 21, 2012 at 5:00 p.m. (prevailing Eastern time), which objections shall be served so as to be received on or before such date by: (a) LightSquared Inc., 450 Park Avenue, Suite 2201, New York, NY 10022, Attn: Marc R. Montagner and Curtis Lu, Esq., (b) proposed counsel to the Debtors, Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005, Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq., (c) the Office of the United States Trustee for the Southern District of New York, (d) counsel to the Committee, (e) counsel to U.S. Bank National

Association, as administrative agent under the Prepetition Inc. Credit Agreement, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attn: Michael S. Stamer, Esq. and Philip C. Dublin, Esq., (f) counsel to UBS AG, Stamford Branch, as administrative agent under the Prepetition LP Credit Agreement, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: Melissa S. Alwang, Esq. and (g) counsel to the ad hoc secured group of Prepetition LP Lenders, White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036, Attn: Thomas E Lauria, Esq. The Debtors shall file their reply to any such objections no later than on May 25, 2012 at 5:00 p.m. (prevailing Eastern time).

12. The Debtors shall post notice of the entry of this Order substantially in the form attached hereto as Exhibit B (the "Procedures Notice") on the Bloomberg newswire service and on the website established by the Debtors' claims and noticing agent, which is expected to be Kurtzman Carson Consultants LLC ([www.kccllc.net/LightSquared](http://www.kccllc.net/LightSquared)) and in the national editions of *The Wall Street Journal* and *The New York Times*.

13. Any transfer agent or indenture trustee that executes a transfer as instructed, in its capacity as transfer agent or indenture trustee, shall not incur liability to any party in the event such transfer is determined to be in violation of this Order.

14. Nothing herein shall preclude any person or entity that desires to purchase or transfer any LightSquared Stock or Debt Securities from requesting relief from this Order in this Court subject to the Debtors' rights to preclude such relief.

15. The requirements set forth in this Order are in addition to the requirements of Rule 3001(e) of the Federal Rules of Bankruptcy Procedure and applicable securities, corporate and other laws, and do not excuse compliance therewith.

16. The relief granted in this Order is intended solely to permit the Debtors to protect, preserve and maximize the value of the Tax Attributes. Accordingly, except to the extent the Order expressly conditions or restricts trading in LightSquared Stock or Debt Securities, nothing in this Order or in the Motion shall or shall be deemed to prejudice, impair or otherwise alter or affect the rights of any holders of interests in the Debtors, including in connection with the treatment of any such interests during the pendency of the Debtors' bankruptcy cases.

17. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

18. The requirements set forth in Rule 9013-1(a) of the Local Rules for the Southern District of New York are satisfied.

19. The Court retains jurisdiction with respect to all matters arising from or related to the implementation and interpretation of this Order.

Dated: May 15, 2012  
New York, New York

*/s/ Shelley C. Chapman*  
HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE

**Schedule 1**

**Procedures Notice**

Paul S. Aronzon (*pro hac vice* pending)  
Matthew S. Barr  
Steven Z. Szanzer  
Karen Gartenberg  
MILBANK, TWEED, HADLEY & McCLOY LLP  
One Chase Manhattan Plaza  
New York, NY 10005-1413  
(212) 530-5000

*Proposed Counsel to Debtors and Debtors in Possession*

**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. <sup>1</sup>	)	Joint Administration Requested

**NOTICE OF ORDER APPROVING RESTRICTIONS ON  
CERTAIN TRANSFERS OF INTERESTS AND CLAIMS IN THE DEBTORS' ESTATES  
AND ESTABLISHING NOTIFICATION PROCEDURES RELATING THERETO**

TO ALL PERSONS OR ENTITIES HOLDING EQUITY INTERESTS OR DEBT SECURITIES IN LIGHTSQUARED INC. OR ANY OF ITS DEBTOR AFFILIATES WHOSE CASES UNDER CHAPTER 11 OF TITLE 11 OF THE UNITED STATES CODE ARE, OR SUBSEQUENTLY BECOME, JOINTLY ADMINISTERED WITH CASE NO. 12-12080 (SCC):

PLEASE TAKE NOTICE that commencing on May 14, 2012 LightSquared Inc. and its subsidiaries in the above-referenced chapter 11 cases, as debtors and debtors in possession (collectively, "LightSquared" the "Debtors"),<sup>2</sup> commenced a case under chapter 11 of

<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> All capitalized terms not expressly defined herein shall have the meaning ascribed to them in the Motion (as defined below).



title 11 of the United States Code (the "Bankruptcy Code"). Section 362(a) of the Bankruptcy Code operates as a stay of any act to obtain possession of property of the Debtors' estates or of property from the Debtors' estates or to exercise control over property of the Debtors' estates.

PLEASE TAKE FURTHER NOTICE that on May [ ], 2012, the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), having jurisdiction over these Chapter 11 Cases, upon motion of the Debtors (the "Motion"), entered an order (the "Order") (a) finding that LightSquared's consolidated net operating loss carryforwards ("NOLs") and certain other tax attributes (together with the NOLs, the "Tax Attributes") are property of the Debtors' estates and are protected by the automatic stay prescribed in section 362(a) of the Bankruptcy Code; (b) finding that unrestricted trading in LightSquared Stock (as defined below) or Debt Securities (as defined below) could severely limit the Debtors' (or their successors') ability to use the Tax Attributes for purposes of title 26 of the United States Code (the "Tax Code") and (c) approving the procedures set forth below to preserve the Tax Attributes pursuant to sections 105(a) and 362(a) of the Bankruptcy Code.

PLEASE TAKE FURTHER NOTICE that the following procedures and restrictions have been approved by the Bankruptcy Court in the Order and shall apply to holding and trading in LightSquared Stock and Debt Securities:

1. **With Respect to LightSquared Stock:**

- (a) Acquisition of LightSquared Stock or Options. At least twenty (20) calendar days prior to the proposed date of any transfer of, or exchange or conversion into, equity securities (including Options, as defined below, to acquire such securities) that would result in an increase in the amount of LightSquared Stock beneficially owned by any person who is a Substantial Equityholder (as defined below), that would result in a person or Entity becoming a Substantial Equityholder, or that would result in the conversion of a person's preferred shares in LightSquared LP, LightSquared Series A Preferred or LightSquared Series B Preferred into LightSquared Common Stock (a "Proposed Equity Acquisition Transaction") such person, Entity or Substantial Equityholder (a "Proposed Equity Transferee") shall file with the Court, and serve upon the Debtors and Debtors' counsel, a Notice of Intent to Purchase, Acquire or Otherwise Accumulate LightSquared Stock (an "Equity Acquisition Notice"), in the form attached as Schedule 2 to the Order, specifically and in detail describing the proposed transaction in which LightSquared Stock would be acquired. At the holder's election, the Equity Acquisition Notice to be filed with the Court may be redacted to exclude such holder's taxpayer identification number and the number of shares of LightSquared Stock that such holder beneficially owns and proposes to purchase or otherwise acquire.
- (b) Disposition of LightSquared Stock or Options. At least twenty

(20) calendar days prior to the proposed date of any transfer of equity securities (including Options to acquire such securities) that would result in a decrease in the amount of LightSquared Stock beneficially owned by a Substantial Equityholder or that would result in a person or Entity ceasing to be a Substantial Equityholder (a "Proposed Equity Disposition Transaction" and, together with a Proposed Equity Acquisition Transaction, a "Proposed Equity Transaction"), such person, Entity or Substantial Equityholder (a "Proposed Equity Transferor") shall file with the Court, and serve upon the Debtors and Debtors' counsel, a Notice of Intent to Sell, Trade or Otherwise Transfer LightSquared Stock (an "Equity Disposition Notice" and, together with an Equity Acquisition Notice, an "Equity Trading Notice"), in the form attached as Schedule 3 to the Order, specifically and in detail describing the proposed transaction in which LightSquared Stock would be transferred. At the holder's election, the Equity Disposition Notice to be filed with the Court may be redacted to exclude such holder's taxpayer identification number and the number of shares of LightSquared Stock that such holder beneficially owns and proposes to sell or otherwise transfer.

- (c) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Proposed Equity Transaction. A Proposed Equity Transaction that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of an Equity Trading Notice shall be deemed rejected and shall not be effective unless approved by a final and non-appealable order of this Court.
- (d) Unauthorized Transactions in LightSquared Stock or Options. Effective as of the date of the filing of the Motion (the "Motion Date") and until further order of the Court to the contrary, any acquisition, disposition or other transfer of beneficial ownership of LightSquared Stock, including Options to acquire LightSquared Stock, in violation of the procedures set forth herein shall be null and void *ab initio* as an act in violation of the automatic stay under sections 362 and 105(a) of the Bankruptcy Code.
- (e) Definitions. For purposes of the Order:
  - (i) Substantial Equityholder. A "Substantial Equityholder" is any person or Entity that beneficially owns at least:
    - (A) 4.50% of the outstanding shares of LightSquared's common stock ("LightSquared Common Stock");

- (B) 4.50% of the outstanding shares of LightSquared's Series A preferred stock ("LightSquared Series A Preferred"); or
  - (C) 4.50% of the outstanding shares of LightSquared's Series B preferred stock ("LightSquared Series B Preferred").
- (ii) Beneficial Ownership. "Beneficial ownership" (or any variation thereof of LightSquared Stock and Options to acquire LightSquared Stock) shall be determined in accordance with applicable rules under section 382 of the Tax Code, the U.S. Department of Treasury regulations (the "Treasury Regulations") promulgated thereunder and rulings issued by the Internal Revenue Service (the "IRS"), and, thus, to the extent provided in those rules, from time to time shall include, without limitation, (A) direct and indirect ownership (*e.g.*, a holding company would be considered to beneficially own all stock owned or acquired by its wholly-owned subsidiaries), (B) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of stock and (C) in certain cases, the ownership of an Option to acquire LightSquared Stock;
- (iii) Option. An "Option" to acquire stock includes any contingent purchase, warrant, convertible or exchangeable security, put, call, stock subject to risk of forfeiture, contract to acquire stock or similar interest regardless of whether it is contingent or otherwise not currently exercisable; and
- (iv) LightSquared Stock. "LightSquared Stock" shall mean LightSquared Common Stock, LightSquared Series A Preferred, and LightSquared Series B Preferred. For the avoidance of doubt, by operation of the definition of beneficial ownership, an owner of an Option to acquire LightSquared Stock may be treated as the owner of such LightSquared Stock.
- (f) Confidentiality. Except to the extent information contained in an Equity Trading Notice or a Notice of Intent to Claim a Worthless Securities Deduction (as defined below) is public or in connection with an audit or other investigation by the IRS or other taxing authority, the Debtors shall keep such notices and any additional information provided with respect to a Proposed Equity

Transaction or a Worthless Securities Deduction pursuant to the Order strictly confidential; provided, however, that the Debtors may disclose the information in an Equity Trading Notice or a Notice of Intent to Claim a Worthless Securities Deduction to their counsel and professional advisors and those of any other person(s) that are subject to a nondisclosure agreement with the Debtors (as applicable), each of whom shall keep all such notices strictly confidential.

- (g) The Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in the Order.

2. **With Respect to Majority Shareholders of LightSquared Stock:**

- (a) Notice of Intent to Claim Worthless Securities Deduction. At least fifteen (15) business days before a Majority Shareholder files any federal income tax return, or any amendment to such a return, claiming a Worthless Securities Deduction with respect to its LightSquared Stock for a tax year of the Majority Shareholder ending before the effective date of the Debtors' chapter 11 plan, such Majority Shareholder must file with the Court, and serve on the Debtors and counsel to the Debtors, advance written notice of the intended tax deduction, in the form attached as Schedule 7 to the Order (the "Notice of Intent to Claim a Worthless Securities Deduction").
- (b) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Majority Shareholder's proposed Worthless Stock Deduction. A Worthless Stock Deduction that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of a Notice of Intent to Claim a Worthless Securities Deduction shall be deemed rejected and shall not be effective unless approved by a final and non-appealable order of this Court.
- (c) For purposes of this Motion: a "Majority Shareholder" is any person that owns, or has owned during the three (3)-year period ending on the Motion Date, fifty percent (50%) or more of any class or series of LightSquared Stock (within the meaning of section 382(g)(4)(D) of the Tax Code).
- (d) Violation of Procedures. In the event that a Majority Shareholder claims a Worthless Securities Deduction in violation of the

procedures set forth herein, such Worthless Securities Deduction shall be null and void *ab initio* as an act in violation of the automatic stay under sections 105(a) and 362 of the Bankruptcy Code, and such shareholder shall be required to file an amended federal income tax return revoking such deduction.

- (e) Debtors' Right To Waive. The Debtors may waive, in writing and in their sole and absolute discretion, any restrictions, sanctions, remedies, stays or notification procedures contained in this Motion or in any order granting the relief requested herein.

**3. With Respect to LightSquared Debt Securities:**

- (a) Notice of 382(l)(5) Plan; Amended Notice of 382(l)(5) Plan.<sup>3</sup>
  - (i) Notice of 382(l)(5) Plan. Upon filing a chapter 11 plan and disclosure statement that contemplates the potential utilization of section 382(l)(5) of the Tax Code (a "382(l)(5) Plan"), the Debtors may, if they determine that the application of section 382(l)(5) of the Tax Code is reasonably likely to be beneficial to the reorganized Debtors (or any successors thereto), (A) publish (or arrange for publication of) a notice and provide a written notice to the Debt Notice Parties (the "Notice of 382(l)(5) Plan"), disclosing the filing of such 382(l)(5) Plan, the potential issuance of a Sell-Down Notice (as defined in Paragraph 3(c)(i) below) in connection therewith, and requesting beneficial ownership information on the website established by the Debtors' claims and noticing agent, which is expected to be Kurtzman Carson Consultants LLC ([www.kcclic.net/LightSquared](http://www.kcclic.net/LightSquared)) and in the national editions of *The Wall Street Journal* and *The New York Times* (a "Notice of 382(l)(5) Plan"), (B) identify the classes of Debt Securities that are potentially subject to a Sell-Down Notice and (C) identify the applicable Threshold Amounts (by class or other applicable breakdown) for status as a Substantial Securityholder.
  - (ii) Amended Notice of 382(l)(5) Plan. The Debtors may determine subsequent to the date of the Notice of 382(l)(5)

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<sup>3</sup> Capitalized terms used in Paragraphs (a)-(g) but not otherwise defined herein shall have the meanings ascribed to them in Paragraph (g).

Plan or an Amended Notice of 382(l)(5) Plan (as defined below), to (A) adjust the Threshold Amount or (B) identify additional classes of Debt Securities that are potentially subject to a Sell-Down Notice. In that case, the Debtors shall publish and provide notice of such additional amount and/or such additional class of Debt Securities in the same manner as the Notice of 382(l)(5) Plan and such notice shall be an "Amended Notice of 382(l)(5) Plan." The Amended Notice of 382(l)(5) Plan shall require (X) any person or Entity that previously served a Notice of Substantial Securityholder Status to update information regarding such Substantial Securityholder's Beneficial Ownership of Debt Securities and (Y) any person or Entity that is a Substantial Securityholder as of the date of the most recent Amended Notice of 382(l)(5) Plan, but that was not previously required to serve a Notice of Substantial Securityholder Status (an "Additional Substantial Securityholder"), to serve upon the Debtors and counsel for the Debtors, a notice of such status in the manner prescribed in Paragraph 3(b) below within fifteen (15) calendar days of the date of the Amended Notice of 382(l)(5) Plan.

- (iii) Early Notice. The Debtors reserve the right, in order to assist in determining their eligibility for section 382(l)(5) of the Tax Code, to request in a manner consistent with the publication of the Notice of 382(l)(5) Plan described above, information regarding the Beneficial Ownership of Debt Securities prior to the filing of the Notice of 382(l)(5) Plan.
  
- (b) Notice of Substantial Securityholder Status. Following a request for Beneficial Ownership information pursuant to (i) a Notice of 382(l)(5) Plan, (ii) an Amended Notice of 382(l)(5) Plan or (iii) Paragraph (a)(iii) above, any person or Entity that as of the date such request is made (the "Request Date") is or becomes a Substantial Securityholder shall serve upon the Debtors and counsel for the Debtors, a notice of such status (a "Notice of Substantial Securityholder Status"), in the form attached as Schedule 4 to the Order within twenty (20) calendar days of the later of (i) the Request Date and (ii) the date such person becomes a Substantial Securityholder.

(c) Sell-Down Notices.

- (i) Sell-Down Notices. Following the issuance of a Notice of 382(l)(5) Plan, but no earlier than sixty (60) days prior to the then-scheduled hearing with respect to the 382(l)(5) Plan, if the Debtors determine it to be reasonably necessary to require the sale or transfer of all or a portion of the Beneficial Ownership of Debt Securities held by a Substantial Securityholder on the basis that such sale or transfer is appropriate to reasonably ensure that the requirements of section 382(l)(5) of the Tax Code will be satisfied, the Debtors may file a motion (the "Sell-Down Motion") requesting that the Court enter an order (the "Sell-Down Order") approving the issuance of a notice (the "Sell-Down Notice") that such Substantial Securityholder must sell, cause to sell or otherwise transfer all or a portion of its Beneficial Ownership of Debt Securities (by class or other applicable breakdown) in excess of the Maximum Amount for such Substantial Securityholder (such excess amount, an "Excess Amount") to Permitted Transferees. The Debtors shall provide a copy of the Sell-Down Motion to each person described in clause (D) of the definition of "Debt Notice Parties." If the Court enters a Sell-Down Order approving the Debtors' issuance of a Sell-Down Notice, the Debtors shall provide a copy of such Sell-Down Order to each person described in clause (D) of the definition of "Debt Notice Parties."
- (ii) Requirement to Sell Down. Prior to (A) the effective date of the 382(l)(5) Plan or (B) such earlier date set forth in the Sell-Down Order, which shall not be earlier than the day after the entry of the order confirming the 382(l)(5) Plan as may be specified by the Debtors (the "Sell-Down Date"), each Substantial Securityholder shall sell, cause to sell or otherwise transfer an amount of the Beneficial Ownership of Debt Securities (if any) necessary to comply with the Sell-Down Notice (the "Sell-Down"); provided, however, that notwithstanding anything to the contrary in the Order and for the avoidance of doubt, no Substantial Securityholder shall be required to sell, cause to sell or otherwise transfer any Beneficial Ownership of Debt Securities if such sale would result in such holder having Beneficial Ownership of an aggregate amount of Debt Securities (by class or other applicable breakdown) that is less than such holder's Protected Amount (as hereinafter

defined). Each Substantial Securityholder shall sell, cause to sell or otherwise transfer its Beneficial Ownership of Debt Securities subject to the Sell-Down to Permitted Transferees; provided, however, that such Substantial Securityholder shall not have a reasonable basis to believe that any such Permitted Transferee would own, immediately after the contemplated transfer, an Excess Amount of Debt Securities.

- (iii) Notice of Compliance. A Substantial Securityholder subject to the Sell-Down shall, within seven (7) calendar days after the later of (A) entry of an order approving the 382(l)(5) Plan, (B) the Sell-Down Date, and (C) such other date specified in the Sell-Down Notice, as applicable, but in all events before the effective date of the 382(l)(5) Plan, and as a condition to receiving Affected Equity, serve upon the Debtors and counsel for the Debtors, a notice substantially in the form attached as Schedule 5 to the Order that such Substantial Securityholder has complied with the terms and conditions set forth in this Paragraph 3(c) and that such Substantial Securityholder does not and will not hold an Excess Amount of Debt Securities as of the Sell-Down Date and at all times through the effective date of the 382(l)(5) Plan (the "Notice of Compliance"); provided, however, that if the Substantial Securityholder has complied but for the fact that the Substantial Securityholder still holds an Excess Amount of Debt Securities as of the Sell-Down Date, the Notice of Compliance shall disclose such Excess Amount. Any Substantial Securityholder who fails to comply with this provision shall not receive Affected Equity with respect to the entirety of its Excess Amount of Debt Securities as determined under Paragraph 3(c), regardless of any sales made in accordance with this Paragraph 3(c).
- (d) Advance Approval of Acquisitions. Any proposed transfer or acquisition of Debt Securities from and after the date of the Sell-Down Order shall be subject to the following advance approval procedures:
- (i) Acquisition of Securities. At least twenty (20) calendar days prior to the proposed date of any transfer of Debt Securities that would result in (A) an increase in the dollar amount of Debt Securities Beneficially Owned by a Substantial Securityholder or (B) any person or Entity becoming a Substantial Securityholder (a "Proposed



Securities Acquisition Transaction”), such person, Entity or Substantial Securityholder (each, a “Proposed Securities Transferee”) must serve upon the Debtors and counsel for the Debtors, a Notice of Request to Purchase, Acquire or Otherwise Accumulate a Security (a “Securities Acquisition Request”), in the form attached as Schedule 6 to the Order, which describes specifically and in detail the intended acquisition of Debt Securities, regardless of whether such transfer would be subject to the filing, notice and hearing requirements of Bankruptcy Rule 3001.

- (ii) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Securities Acquisition Request. A Securities Acquisition Request that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of a Securities Acquisition Request shall be deemed rejected.
- (e) Equity Forfeiture Provision.
  - (i) Equity Forfeiture Provision. Any Substantial Securityholder that violates its obligations under the Sell-Down Notice shall, pursuant to the Order, be precluded from receiving, directly or indirectly, any consideration consisting of a beneficial ownership of equity (as determined in accordance with the applicable rules of section 382 of the Tax Code, including Options, whether or not treated as exercised under Treasury Regulations section 1.382-4) of the Debtors (or any successor to the Debtors, including as determined for U.S. federal income tax purposes) that is attributable to the Excess Amount of Debt Securities for such Substantial Securityholder as of the Sell-Down Date, including any consideration in lieu thereof; provided, however, that the forfeiture shall only apply to any Excess Amount of Debt Securities still owned as of the Sell-Down Date if the holder has complied with (c)(iii); provided, further, that such Substantial Securityholder may be entitled to receive any other consideration to which such holder may be entitled by virtue of holding Debt Securities (the “Equity Forfeiture Provision”). Any purported acquisition of, or other increase in the Beneficial Ownership of, equity of the Debtors (or any successor) that is precluded by the Equity Forfeiture Provision will be an acquisition of “Forfeited Equity.” Any acquirer of Forfeited Equity shall,

immediately upon becoming aware of such fact, return or cause to return the Forfeited Equity to the Debtors (or any successor to the Debtors) or, if all of the equity consideration properly issued to such acquirer and all or any portion of such Forfeited Equity shall have been sold prior to the time such acquirer becomes aware of such fact, such acquirer shall return or cause to return to the Debtors (or any successor to the Debtors) (A) any Forfeited Equity still held by such acquirer and (B) the proceeds attributable to the sale of Forfeited Equity, calculated by treating the most recently sold equity as Forfeited Equity. Any acquirer that receives Forfeited Equity and deliberately fails to comply with the preceding sentence shall be subject to such additional sanctions as the Court may determine. Any Forfeited Equity returned to the Debtors shall be distributed (including a transfer to charity) or extinguished, in the Debtors' sole discretion, in furtherance of the 382(1)(5) Plan.

- (ii) Notification Requirement. In effecting any sale or other transfer of Debt Securities pursuant to a Sell-Down Notice, a Substantial Securityholder shall, to the extent that it is reasonably feasible to do so within the normal constraints of the market in which such sale takes place, notify the acquirer of such Debt Securities of the existence of the Order and the Equity Forfeiture Provision (it being understood that, in all cases in which there is direct communication between a salesperson and a customer, including, without limitation, communication via telephone, e-mail, and instant messaging, the existence of the Order and the Equity Forfeiture Provision shall be included in such salesperson's summary of the transaction).
  
- (f) Miscellaneous.
  - (i) No Disclosure of Participation. To permit reliance by the Debtors on Treasury Regulation section 1.382-9(d)(3), any person or Entity that participates in formulating any chapter 11 plan of, or on behalf of, the Debtors (which shall include, without limitation, making any suggestions or proposals to the Debtors or their advisors with regard to such a plan), shall not, and shall not be asked to, disclose (or otherwise make evident unless compelled to do so by an order of a court of competent jurisdiction or some other applicable legal requirement) to the Debtors that any Debt Securities in which such person or Entity has a Beneficial

Ownership are Newly Traded Securities. For this purpose, the Debtors acknowledge and agree that the following activities shall not constitute participation in formulating a chapter 11 plan if, in pursuing such activities, the relevant person or Entity does not disclose (or otherwise make evident) to the Debtors that such person or Entity has Beneficial Ownership of Newly Traded Securities: filing an objection to a proposed disclosure statement or to confirmation of a proposed chapter 11 plan; voting to accept or reject a proposed chapter 11 plan; reviewing or commenting on a proposed business plan; providing information on a confidential basis to counsel for the Debtors or counsel for the Creditors' Committee (if any) unconnected with the formulation of the chapter 11 plan; general membership on an official committee or an *ad hoc* committee or taking any action required by order of the Court.

(ii) Confidentiality. Except to the extent necessary to demonstrate to the Court the need for the issuance of a Sell-Down Notice, other than information contained in the Notice of Substantial Securityholder Status that is public or in connection with an audit or other investigation by the IRS or other taxing authority, the Debtors shall keep such notices and any additional information provided by a Substantial Securityholder pursuant to the Order strictly confidential and shall not disclose the identity of the Substantial Securityholder to any other person or Entity; provided, however, that the Debtors may disclose the identity of the Substantial Securityholder to their respective counsel and professional advisors and those of any other person(s) that are subject to a nondisclosure agreement with the Debtors (as applicable), each of whom shall keep all such notices strictly confidential and shall not disclose the identity of the Substantial Securityholder to any other person or Entity subject to further order of the Court; and provided, further, that to the extent the Debtors reasonably determine such confidential information is necessary to demonstrate to the Court the need for the issuance of a Sell-Down Notice, the Debtors shall seek to file such confidential information (determined by, among other things, whether such information was redacted in any public filing) under seal.

(iii) Exception. No person or Entity shall be subject to the

advance approval provisions, or in the case of Debt Securities that are part of a transferor's Protected Amount, the sell-down provisions, with respect to any transfer described in Treasury Regulation section 1.382-9(d)(5)(ii); *provided* that such transfer is not for a principal purpose of obtaining stock in the reorganized Debtors (or any successor) or permitting the transferee to benefit from the losses of the Debtors within the meaning of Treasury Regulation section 1.382-9(d)(5)(iii) (a "Qualified Transfer"); *provided, further*, that any such transferee who becomes a Substantial Securityholder following a Request Date shall serve upon the Debtors and counsel for the Debtors, a statement that the transfer is a Qualified Transfer and a notice of such Substantial Securityholder status in the manner prescribed in Paragraph 3(b) above within twenty (20) calendar days of the later of (A) the day of the entry of the Order by the Court and (B) the date on which such person or Entity becomes a Substantial Securityholder.

- (g) Definitions. For purposes of the Order, the following terms have the following meanings:
- (i) Affected Equity. Means the stock or other equity of the reorganized Debtors (or their successors), including Options, to be issued and distributed pursuant to the 382(l)(5) Plan but shall not include stock described in section 1504(a)(4) of the Tax Code.
  - (ii) Applicable Percentage. Means, if only one class of Affected Equity is to be issued pursuant to the terms of the 382(l)(5) Plan and holders within any class of Debt Securities will receive a pro-rata distribution of the Affected Equity, 4.5% of the number of such shares or equity interests that the Debtors reasonably estimate will be issued at the effective date of such 382(l)(5) Plan (in the discretion of the Debtors, with respect to any Substantial Equityholder receiving Affected Equity in respect of Debt Securities and in respect of its LightSquared Stock, such percentage shall be determined for such person by taking into account shares received for its LightSquared Stock), as determined for U.S. federal income tax purposes. If more than one class of Affected Equity is to be distributed pursuant to the terms of the 382(l)(5) Plan or holders with a class of Debt Securities may receive a disproportionate distribution of such Affected Equity relative to other holders in the same class, the Applicable Percentage shall

be determined by the Debtors in their reasonable judgment in a manner consistent with the estimated range of values for the equity to be distributed reflected in the valuation analysis set forth in the 382(1)(5) Plan and disclosure statement, and shall be expressed in a manner that makes clear the number of shares or other equity interests in each class of Affected Equity that would constitute the Applicable Percentage.

(iii) Beneficial Ownership of a Security. Means:

(A) the beneficial ownership of a Debt Security as determined in accordance with applicable rules under section 382 of the Tax Code (for such purpose, treating a Debt Security as if it is stock), and, to the extent provided in those rules from time to time, shall include (X) direct and indirect ownership (determined without regard to the rule that treats stock of an Entity to which the constructive ownership rules apply as no longer owned by that Entity); and (Y) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of Debt Securities and/or stock; and

(B) the beneficial ownership of an Option (irrespective of the purpose for which such option was issued, created or acquired).

For the avoidance of doubt, beneficial ownership of a Debt Security also includes the beneficial ownership of any right to receive any equity consideration to be distributed in respect of a Debt Security pursuant to a chapter 11 plan or applicable bankruptcy court order. Variations of the term "Beneficial Ownership" shall have correlative meanings.

(iv) Creditors' Committee. Means any official committee of unsecured creditors appointed pursuant to section 1102 of the Bankruptcy Code in the Debtors' Chapter 11 Cases.

(v) Debt Notice Parties. Means (A) the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee"); (B) U.S. Bank National Association, as successor administrative agent to UBS AG, Stamford Branch, under that certain Credit Agreement dated as of

July 1, 2011, between LightSquared Inc., as borrower, the subsidiary guarantors thereto and the lenders party thereto (the "2011 Administrative Agent"); (C) UBS AG, Stamford Branch, as administrative agent under that certain Credit Agreement dated as of October 1, 2010, between LightSquared LP, as borrower, LightSquared Inc and other parent guarantors party thereto, the subsidiary guarantors party thereto and the lenders party thereto (the "2010 Administrative Agent" and together with the 2011 Administrative Agent, the "Administrative Agents") and (D) any Substantial Securityholder or Additional Substantial Securityholder who has properly given notice of such status.

- (vi) Debt Security. Means any claim against any of the Debtors, including, without limitation, any claim against any of the Debtors as a guarantor by any party with respect to Debt Securities of the Debtors.
- (vii) Entity. Has the meaning given to such term under Treasury Regulations section 1.382-3(a), including a group of persons who have a formal or informal understanding among themselves to make a coordinated acquisition.
- (viii) Maximum Amount. Means for each person or Entity and by class or other applicable breakdown of Debt Securities, the greater of (A) the applicable Threshold Amount and (B) the Protected Amount (if any) for such Substantial Securityholder.
- (ix) Newly Traded Securities. Means Debt Securities (A) with respect to which an Entity acquired Beneficial Ownership after the date that was eighteen (18) months before the Petition Date; and (B) that are not "ordinary course" claims, within the meaning of Treasury Regulations section 1.382-9(d)(2)(iv), of which the same Entity has always had Beneficial Ownership.
- (x) Option. Has the meaning given to such term under Treasury Regulations section 1.382-4(d)(9)(i) with respect to the acquisition of a Debt Security or any consideration (including equity) distributed in respect of any Debt

Security pursuant to a chapter 11 plan or applicable bankruptcy court order.

- (xi) Permitted Transferee. Means with respect to a Substantial Securityholder a person that is not a Related Person and whose holding of a Security would not result in such Substantial Securityholder having Beneficial Ownership of such Security.
- (xii) Protected Amount. Means the amount of Debt Securities (by class or other applicable breakdown) of which a holder had Beneficial Ownership on the Motion Date, increased by the amount of Debt Securities of which such holder acquires, directly or indirectly, Beneficial Ownership pursuant to trades entered into before the Motion Date that had not yet closed as of the Motion Date minus the amount of Debt Securities of which such holder sells, directly or indirectly, Beneficial Ownership pursuant to trades entered into before the Motion Date that had not yet closed as of the Motion Date.
- (xiii) Related Person. Persons (including Entities) are “Related Persons” if: (A) the person bears a relationship to the other person described in sections 267(b) or 707(b) of the Tax Code, or (B) the persons are members of a group acting in concert with respect to the acquisition of Debt Securities or equity in the reorganized Debtors.
- (xiv) Substantial Securityholder. Means any person or Entity that Beneficially Owns an aggregate dollar amount of Debt Securities, or any Entity controlled by such person or Entity through which such person or Entity Beneficially Owns Debt Securities, of more than the Threshold Amount.

For the avoidance of doubt, section 382 of the Tax Code, the Treasury Regulations promulgated thereunder and all relevant IRS and judicial authority shall apply in determining whether the Debt Securities of several persons and/or Entities must be aggregated when testing for Substantial Securityholder status and treating Debt Securities as if they were stock.

- (xv) Threshold Amount. Means the amount of Debt Securities, as set forth in the Notice of 382(1)(5) Plan (as revised by any Amended Notice of 382(1)(5) Plan, as applicable) sufficient, in the determination of the Debtors, to entitle the

Beneficial Owner thereof to the Applicable Percentage of the Affected Equity. The amount determined in the preceding sentence shall be disclosed in the Notice of 382(l)(5) Plan and may be adjusted thereafter as contemplated by the Order or any future order of the Court.

- (xvi) Treasury Regulations. Means the U.S. Department of Treasury regulations promulgated under the Tax Code, as amended from time to time.
- (h) Noncompliance with the Trading Procedures. Any purchase, sale or other transfer of Debt Securities in violation of the procedures set forth herein shall be null and void *ab initio* and shall confer no rights on the transferee or shall, as applicable, be subject to the Equity Forfeiture Provision.
- (i) Debtors' Right to Waive. The Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in this Motion.

**FAILURE TO FOLLOW THE PROCEDURES SET FORTH IN THIS NOTICE WILL CONSTITUTE A VIOLATION OF THE AUTOMATIC STAY PRESCRIBED BY SECTION 362 OF THE BANKRUPTCY CODE.**

**ANY PROHIBITED ACQUISITION, DISPOSITION OR OTHER TRANSFER OF LIGHTSQUARED STOCK IN VIOLATION OF THE ORDER WILL BE NULL AND VOID *AB INITIO* AND MAY LEAD TO CONTEMPT, COMPENSATORY DAMAGES, PUNITIVE DAMAGES, OR SANCTIONS BEING IMPOSED BY THE BANKRUPTCY COURT.**

**ANY PROHIBITED PURCHASE OR OTHER ACQUISITION OF DEBT SECURITIES OF THE DEBTORS IN VIOLATION OF THE ORDER, INCLUDING, WITHOUT LIMITATION, THE FAILURE TO SELL OR OTHERWISE TRANSFER SECURITIES PURSUANT TO A SELL-DOWN NOTICE WILL CAUSE SUCH PURCHASER TO BE SUBJECT TO THE EQUITY FORFEITURE PROVISION.**

**THE DEBTORS MAY WAIVE, IN WRITING, ANY AND ALL RESTRICTIONS, STAYS AND NOTIFICATION PROCEDURES CONTAINED IN THE ORDER.**

PLEASE TAKE FURTHER NOTICE that any person or entity that desires to acquire an interest restricted by the Order may request relief for cause at any time and the Debtors may oppose such relief.

PLEASE TAKE FURTHER NOTICE that the requirements set forth in this



Notice are in addition to the requirements of Rule 3001(e) of the Federal Rules of Bankruptcy Procedure and applicable securities, corporate, and other laws, and do not excuse compliance therewith.

PLEASE TAKE FURTHER NOTICE that any objections to the implementation of the foregoing requirements on a final basis must be filed no later than May 21, 2012 at 5:00 p.m. (the "Objection Deadline"). An objection shall be considered timely if it is (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) LightSquared Inc., 450 Park Avenue, Suite 2201, New York, NY 10022, Attn: Marc R. Montagner and Curtis Lu, Esq., (ii) proposed counsel to the Debtors, Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005, Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq., (iii) the Office of the United States Trustee for the Southern District of New York, (iv) counsel to the Committee, (v) counsel to U.S. Bank National Association, as administrative agent under the Prepetition Inc. Credit Agreement, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attn: Michael S. Stamer, Esq. and Philip C. Dublin, Esq., (vi) counsel to UBS AG, Stamford Branch, as administrative agent under the Prepetition LP Credit Agreement, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: Melissa S. Alwang, Esq. and (vii) counsel to the ad hoc secured group of Prepetition LP Lenders, White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036, Attn: Thomas E Lauria, Esq., before the Objection Deadline. A Final Hearing regarding the foregoing requirements will be held on May 29, 2012 at 12:00 p.m. prevailing Eastern Time. The filing of any objection shall not negate the effectiveness of the foregoing requirements.

Dated: May [ ], 2012  
New York, New York

BY ORDER OF THE COURT

**Schedule 2**

**Equity Acquisition Notice**

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

In re:	)	Chapter 11
LIGHTSQUARED INC., <i>et al.</i> ,	)	Case No. 12-_____ ( )
Debtors. <sup>1</sup>	)	Joint Administration Requested

**NOTICE OF INTENT TO PURCHASE,  
ACQUIRE OR OTHERWISE ACCUMULATE STOCK**

PLEASE TAKE NOTICE THAT [Name of Prospective Acquirer] hereby provides notice of its intention to purchase, acquire or otherwise accumulate one or more shares of LightSquared Inc. ("LightSquared") common stock (the "LightSquared Common Stock"), LightSquared Series A preferred stock ("LightSquared Series A Preferred Stock") or LightSquared Series B preferred stock ("LightSquared Series B Preferred Stock" and, together with LightSquared Series A Preferred Stock and LightSquared Common Stock, "LightSquared Stock") or an Option (as defined below) with respect to any of the foregoing (the "Proposed Transfer").

PLEASE TAKE FURTHER NOTICE THAT [Name of Prospective Acquirer] currently beneficially owns:

(i) \_\_\_\_\_ shares of LightSquared Common Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Common Stock,

[(ii) \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series A Preferred Stock,]

<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

[(iii) \_\_\_\_\_ shares of LightSquared Series B Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series B Preferred Stock.]

PLEASE TAKE FURTHER NOTICE THAT, pursuant to the Proposed Transfer, [Name of Prospective Acquirer] proposes to purchase, acquire or otherwise accumulate:

(i) \_\_\_\_\_ shares of LightSquared Common Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Common Stock,

[(ii) \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series A Preferred Stock,]

[(iii) \_\_\_\_\_ shares of LightSquared Series B Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series B Preferred Stock.]

If the Proposed Transfer is permitted to occur, [Name of Prospective Acquirer] will own:

(i) \_\_\_\_\_ shares of LightSquared Common Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Common Stock,

[(ii) \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series A Preferred Stock,]

[(iii) \_\_\_\_\_ shares of LightSquared Series B Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series B Preferred Stock.]

PLEASE TAKE FURTHER NOTICE that the Debtors have fifteen (15) calendar days after the filing of this Notice to approve the Proposed Transfer described herein. If the Debtors do not approve the Proposed Transaction in this time, such Proposed Transfer shall be deemed rejected.

PLEASE TAKE FURTHER NOTICE that any further transactions contemplated by [Name of Prospective Acquirer] that may result in [Name of Prospective Acquirer] purchasing, acquiring or otherwise accumulating shares of LightSquared Stock (or Options with respect thereto) will each require an additional notice filed with the Court to be served in the same manner as this Notice.

For purposes of this Notice, (a) "Ownership" (or any variation thereof) of LightSquared Stock and Options to acquire LightSquared Stock shall be determined in accordance with applicable rules under section 382 of title 26 of the United States Code (the "Tax Code"), the U.S. Department of Treasury regulations ("Treasury Regulations") promulgated thereunder and rulings issued by the Internal Revenue Service, and, thus, to the

extent provided in those rules, from time to time shall include, without limitation, (i) direct and indirect ownership (*e.g.*, a holding company would be considered to beneficially own all stock owned or acquired by its subsidiaries), (ii) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of stock and (iii) in certain cases, the ownership of an Option to acquire LightSquared Stock, and (b) an "Option" to acquire stock includes any contingent purchase, warrant, convertible debt, put, stock subject to risk of forfeiture, contract to acquire stock or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

PLEASE TAKE FURTHER NOTICE THAT [Name of Prospective Acquirer]'s taxpayer identification number is \_\_\_\_\_.

PLEASE TAKE FURTHER NOTICE that, pursuant to that certain Debtors' Motion Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, New York 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), proposed counsel to the Debtors.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, [Name of Prospective Acquirer] hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name]).

Respectfully submitted,

\_\_\_\_\_  
(Name of Prospective Acquirer)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Date: \_\_\_\_\_

**Schedule 3**

**Equity Disposition Notice**

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

In re:	)	Chapter 11
LIGHTSQUARED INC., <i>et al.</i> ,	)	Case No. 12-_____ (___)
Debtors. <sup>1</sup>	)	Joint Administration Requested

**NOTICE OF INTENT TO SELL, TRADE  
OR OTHERWISE TRANSFER LIGHTSQUARED STOCK**

PLEASE TAKE NOTICE THAT [Name of Prospective Seller] hereby provides notice of its intention to sell, trade or otherwise transfer one or more shares of LightSquared Inc. ("LightSquared") common stock (the "LightSquared Common Stock"), or LightSquared Series A preferred stock ("LightSquared Series A Preferred Stock") or LightSquared Series B preferred stock ("LightSquared Series B Preferred Stock" and, together with LightSquared Series A Preferred Stock and LightSquared Common Stock, "LightSquared Stock") or an Option with respect to any of the foregoing (the "Proposed Transfer").

PLEASE TAKE FURTHER NOTICE THAT [Name of Prospective Seller] currently beneficially owns:

- (i) \_\_\_\_\_ shares of LightSquared Common Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Common Stock,
- [(ii) \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series A Preferred Stock,]
- [(iii) \_\_\_\_\_ shares of LightSquared Series B Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series B Preferred Stock.]

<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.



PLEASE TAKE FURTHER NOTICE THAT, pursuant to the Proposed Transfer, [Name of Prospective Seller] proposes to sell, trade or otherwise transfer:

(i) \_\_\_\_\_ shares of LightSquared Common Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Common Stock,

[(ii) \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series A Preferred Stock,]

[(iii) \_\_\_\_\_ shares of LightSquared Series B Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series B Preferred Stock.]

If the Proposed Transfer is permitted to occur, [Name of Prospective Seller] will own:

(i) \_\_\_\_\_ shares of LightSquared Common Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Common Stock,

[(ii) \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series A Preferred Stock,]

[(iii) \_\_\_\_\_ shares of LightSquared Series B Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series B Preferred Stock.]

PLEASE TAKE FURTHER NOTICE that the Debtors have fifteen (15) calendar days after the filing of this Notice to approve the Proposed Transfer described herein. If the Debtors do not approve the Proposed Transaction in this time, such Proposed Transfer shall be deemed rejected.

PLEASE TAKE FURTHER NOTICE that any further transactions contemplated by [Name of Prospective Seller] that may result in [Name of Prospective Seller] purchasing, acquiring or otherwise accumulating shares of LightSquared Stock (or Options with respect thereto) will each require an additional notice filed with the Court to be served in the same manner as this Notice.

PLEASE TAKE FURTHER NOTICE THAT the taxpayer identification number of [Name of Prospective Seller] is \_\_\_\_\_.

For purposes of this Notice, (a) "Ownership" (or any variation thereof) of LightSquared Stock and Options to acquire LightSquared Stock) shall be determined in accordance with applicable rules under section 382 of title 26 of the United States Code (the "Tax Code"), the U.S. Department of Treasury regulations ("Treasury Regulations") promulgated thereunder and rulings issued by the Internal Revenue Service, and, thus, to the

extent provided in those rules, from time to time shall include, without limitation, (i) direct and indirect ownership (e.g., a holding company would be considered to beneficially own all stock owned or acquired by its subsidiaries), (ii) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of stock and (iii) in certain cases, the ownership of an Option to acquire LightSquared Stock, and (b) an "Option" to acquire stock includes any contingent purchase, warrant, convertible debt, put, stock subject to risk of forfeiture, contract to acquire stock or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

PLEASE TAKE FURTHER NOTICE THAT [Name of Prospective Acquirer]'s taxpayer identification number is \_\_\_\_\_.

PLEASE TAKE FURTHER NOTICE that, pursuant to that certain Debtors' Motion Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), proposed counsel to the Debtors.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, [Name of Prospective Acquirer] hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name])

Respectfully submitted,

\_\_\_\_\_  
(Name of Prospective Seller)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Date: \_\_\_\_\_

**Schedule 4**

**Notice of Substantial Securityholder Status**

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

In re:	)	Chapter 11
LIGHTSQUARED INC., <i>et al.</i> ,	)	Case No. 12- _____ ( )
Debtors. <sup>1</sup>	)	Joint Administration Requested

**NOTICE OF SUBSTANTIAL SECURITYHOLDER STATUS**

PLEASE TAKE NOTICE that [Name of Securityholder] ("Holder") is/has become a Substantial Securityholder with respect to Debt Securities of LightSquared Inc. ("LightSquared") and its subsidiaries in the above-referenced chapter 11 cases, as debtors and debtors in possession (collectively, the "Debtors") in Case No. 12-12080 (SCC), pending in the United States Bankruptcy Court for the Southern District of New York.

PLEASE TAKE FURTHER NOTICE that, pursuant to that certain Debtors' Motion for an Order Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being served upon (a) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), proposed counsel to the Debtors.<sup>2</sup>

PLEASE TAKE FURTHER NOTICE that, as of [Insert Date], Holder Beneficially Owns Debt Securities in the aggregate amount of \$ \_\_\_\_\_ against the Debtors. As to such Debt Securities, the following table sets forth, by class or other applicable breakdown, the name of the Debtor issuer, a description of the Debt Securities (including the amount of the Debt Securities held of the issuer), and, if Holder's Beneficial Ownership of such

<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> All terms not expressly defined in this Notice shall be construed to have the same meaning as such terms have in the Order.

Debt Securities is attributable to the record or legal ownership by another person or Entity, the name of such record or legal owner:

<b>Debtor Issuer</b>	<b>Class</b>	<b>Description and Amount of Security</b>	<b>Legal or Record Owner</b>

(Attach additional page if necessary)

PLEASE TAKE FURTHER NOTICE that the following table sets forth a summary of the Protected Amount for each class (or other applicable breakdown) of Debt Securities listed above (as defined in the Order), and that Holder will provide any additional information in respect of the Debt Securities that the Debtors reasonably request.

<b>Debtor Issuer</b>	<b>Class</b>	<b>Protected Amount</b>

(Attach additional page if necessary)

PLEASE TAKE FURTHER NOTICE that the taxpayer identification number of Holder is \_\_\_\_\_.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, Holder hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments that purport to be part of this Notice are true, correct and complete.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name]).

Respectfully submitted,

\_\_\_\_\_  
(Name of Securityholder)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Date: \_\_\_\_\_

**Schedule 5**

**Notice of Compliance**



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

In re:	)	Chapter 11
LIGHTSQUARED INC., <i>et al.</i> ,	)	Case No. 12-_____ (___)
Debtors. <sup>1</sup>	)	Joint Administration Requested

**NOTICE OF COMPLIANCE**

PLEASE TAKE NOTICE that, pursuant to that certain Debtors' Motion Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), counsel to the Debtors.<sup>2</sup>

PLEASE TAKE FURTHER NOTICE that [Name of Securityholder] ("Filer") hereby provides the following notice regarding compliance with the Sell-Down requirements set forth in the Order and in the Sell-Down Order applicable to it (collectively, its "Sell-Down Requirements"):

(Please check one of the following)

\_\_\_\_\_ Filer has complied in full with its Sell-Down Requirements and the Filer does not and will not hold an Excess Amount of Debt Securities as of the Sell-Down Date and at all times through the effective date of the 382(1)(5) Plan.

<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> All terms not expressly defined in this Notice shall be construed to have the same meanings as such terms have in the Order.

\_\_\_\_\_ Filer has not complied in full with its Sell-Down Requirements. As of the Sell-Down Date, the Filer Beneficially Owns the following Debt Securities:

Debtor Issuer	Class	Excess Amount of Debt Securities Beneficially Owned as of the Sell-Down Date

PLEASE TAKE FURTHER NOTICE that Filer's taxpayer identification number is \_\_\_\_\_.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, Filer hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

PLEASE TAKE FURTHER NOTICE that this Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name]).

Respectfully submitted,

\_\_\_\_\_  
(Name of Substantial Securityholder)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Date: \_\_\_\_\_

**Schedule 6**

**Securities Acquisition Request**

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

In re:	)	Chapter 11
LIGHTSQUARED INC., <i>et al.</i> ,	)	Case No. 12- _____ ( )
Debtors. <sup>1</sup>	)	Joint Administration Requested

**NOTICE OF REQUEST TO PURCHASE,  
ACQUIRE OR OTHERWISE ACCUMULATE A CLAIM**

PLEASE TAKE NOTICE that, pursuant to that certain Debtors' Motion Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, NY, New York 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), counsel to the Debtors.<sup>2</sup>

PLEASE TAKE FURTHER NOTICE THAT [Name of Prospective Acquirer] ("Filer") hereby provides a notice of request to purchase, acquire or otherwise accumulate a Debt Security or Debt Securities of LightSquared Inc. ("LightSquared") and its subsidiaries in the above-referenced chapter 11 cases, as debtors and debtors in possession (collectively, the "Debtors") (the "Proposed Transfer").

PLEASE TAKE FURTHER NOTICE THAT, if applicable, on [Prior Date(s)], Filer filed a Notice of Substantial Securityholder Status with the Court and served copies thereof on the Debtors.

<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> All terms not expressly defined in this Notice shall be construed to have the same meaning as such terms have in the Order.

PLEASE TAKE FURTHER NOTICE THAT Filer currently Beneficially Owns (as defined in the notice) Debt Securities in the aggregate amount of \$\_\_\_\_\_. As to such Debt Securities, the following table sets forth, by class or other applicable breakdown, the name of the Debtor issuer, a description of the Debt Securities (including the amount of the Debt Securities held of such issuer) and, if Filer's Beneficial Ownership of such Debt Securities is attributable to the record or legal ownership by another person or Entity, the name of such record or legal owner.

Debtor Issuer	Class	Description and Amount of Claim	Legal or Record Owner

(Attach additional page if necessary)

PLEASE TAKE FURTHER NOTICE THAT, pursuant to the Proposed Transfer, Filer requests to purchase, acquire or otherwise accumulate Debt Securities in the aggregate amount of \$\_\_\_\_\_ after the transfer. As to such Debt Securities, the following table sets forth, by class or other applicable breakdown, the name of the Debtor issuer, a description of the Debt Securities (whether the amount of the Debt Securities held of such issuer), and, if Filer's Beneficial Ownership of such Debt Securities will be attributable to the record or legal ownership by another person or Entity, the name of such record or legal owner:

Debtor Issuer	Class	Description and Amount of Claim	Legal or Record Owner

(Attach additional page if necessary)

PLEASE TAKE FURTHER NOTICE that the following table sets forth a summary of the Protected Amount for each class (or other applicable breakdown) of Debt Securities listed above (as defined in the Order),<sup>3</sup> and that Filer will provide any additional information in respect of the Debt Securities that the Debtors reasonably request.

Debtor Issuer	Class	Protected Amount

(Attach additional page if necessary)

PLEASE TAKE FURTHER NOTICE that Filer hereby acknowledges that if the Proposed Transfer is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of this Notice, such Proposed Transfer shall be deemed rejected and will not be effective *ab initio*. If the Debtors provide written authorization approving the Proposed Transfer prior to the end of such fifteen (15) calendar day period, then such Proposed Transfer may proceed solely as specifically described in this Notice.

PLEASE TAKE FURTHER NOTICE that any further transactions contemplated by Filer that may result in Filer purchasing, acquiring or otherwise accumulating additional Debt Securities of the Debtors will each require an additional notice filed with the Court to be served in the same manner as this Notice.

PLEASE TAKE FURTHER NOTICE THAT the taxpayer identification number of Filer is \_\_\_\_\_.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, Filer hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name]).

<sup>3</sup> Only needs to be provided if no Notice of Substantial Securityholder Status has been previously filed with respect to such Claims.

Respectfully submitted,

\_\_\_\_\_  
(Name of Substantial Securityholder)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Date: \_\_\_\_\_



**Schedule 7**

**Notice of Intent To Claim a Worthless Securities Deduction**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
LIGHTSQUARED INC., <i>et al.</i> ,	)	Case No. 12- _____ ( )
Debtors. <sup>1</sup>	)	Joint Administration Requested

**NOTICE OF INTENT TO CLAIM A WORTHLESS SECURITIES DEDUCTION**

PLEASE TAKE NOTICE that, pursuant to that certain Debtors' Motion Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), counsel to the Debtors.<sup>2</sup>

PLEASE TAKE NOTICE that \_\_\_\_\_ ("Filer") hereby provides notice of its intent to claim a Worthless Securities Deduction with respect to LightSquared Stock (such action, the "Proposed Deduction").

PLEASE TAKE FURTHER NOTICE that \_\_\_\_\_ currently owns (within the meaning of IRC section 382(g)(4)(D)) \_\_\_\_\_ shares of LightSquared Common Stock, \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and \_\_\_\_\_ shares of LightSquared Series B Preferred Stock.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Proposed Deduction, \_\_\_\_\_ proposes to claim a Worthless Securities Deduction with respect to \_\_\_\_\_

<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> All terms not expressly defined in this Notice shall be construed to have the same meaning as such terms have in the Order.

shares of LightSquared Common Stock, \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and \_\_\_\_\_ shares of LightSquared Series B Preferred Stock for its taxable year ended \_\_\_\_\_. If the Proposed Deduction is permitted to occur, Filer will be treated as having acquired \_\_\_\_\_ shares of LightSquared Common Stock, \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and \_\_\_\_\_ shares of LightSquared Series B Preferred Stock on the first day of its next taxable year and shall be treated as never having owned such LightSquared Stock during any prior taxable year for the purposes of testing whether an ownership change has occurred within the meaning of section 382 of the Tax Code.

PLEASE TAKE FURTHER NOTICE that the Debtors have fifteen (15) calendar days after receipt of this Notice to approve the Proposed Deduction. If the Debtors do not so approve, such Proposed Deduction will not be effective unless approved by a final order of the Bankruptcy Court that becomes non-appealable. If the Debtors do approve the Proposed Deduction, then after expiration of the fifteen (15)-day period the Proposed Deduction may proceed solely as set forth in this Notice.

PLEASE TAKE FURTHER NOTICE that any further actions contemplated by Filer that may result in Filer claiming any Worthless Securities Deduction with respect to LightSquared Stock will each require an additional notice filed with the Bankruptcy Court to be served in the same manner as this Notice.

PLEASE TAKE FURTHER NOTICE THAT the taxpayer identification number of Filer is \_\_\_\_\_.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, Filer hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name]).

Respectfully submitted,

(Name of Majority Shareholder)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Dated: \_\_\_\_\_

**SCHEDULE "H"**

**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. <sup>1</sup>	)	Jointly Administered

**ORDER AUTHORIZING AND APPROVING EMPLOYMENT AND  
RETENTION OF KURTZMAN CARSON CONSULTANTS LLC AS CLAIMS  
AND NOTICING AGENT FOR DEBTORS AND DEBTORS IN POSSESSION**

Upon the application (the "Application")<sup>2</sup> of LightSquared Inc. ("LightSquared") and certain of its affiliates, as debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), for entry of an order (the "Order"), pursuant to section 156(c) of title 28 of the United States Code, section 503(b)(1)(A) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code"), Rule 5075-1 of the Local Bankruptcy Rules for the Southern District of New York (the "Local Rules") and General Order M-409, authorizing and approving the employment and retention of Kurtzman Carson Consultants LLC ("KCC") as the claims and noticing agent for the Debtors in connection with these Chapter 11 Cases; and upon the Kass Declaration; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant

<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Application or the Montagner Declaration, as applicable.

to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Application in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Application appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Application, the Kass Declaration and the Montagner Declaration and having heard statements in support of the Application at a hearing held before the Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Application and at the Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Application is in the best interests of the Debtors' estates, their creditors and other parties in interest; and any objections to the relief requested in the Application having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. Notwithstanding the terms of the Services Agreement attached to the Application as Exhibit B, the Application is approved solely as set forth in this Order.

2. The Debtors are authorized to retain KCC effective *nunc pro tunc* to the Petition Date under the terms of the Services Agreement, and KCC is authorized and directed to perform noticing services and to receive, maintain, record and otherwise administer the proofs of claim filed in these Chapter 11 Cases, and all related tasks, all as described in the Application (the "Claims and Noticing Services").

3. KCC shall serve as the custodian of court records and shall be designated as the authorized repository for all proofs of claim filed in these Chapter 11 Cases and is authorized and directed to maintain official claims registers for each of the Debtors and to

provide the Office of the Clerk of the United States Bankruptcy Court for the Southern District of New York (the "Clerk's Office") with a certified duplicate thereof upon the request of the Clerk's Office.

4. KCC is authorized and directed to obtain a post office box or address for the receipt of proofs of claim.

5. KCC is authorized to take such other action to comply with all duties set forth in the Application.

6. The Debtors are authorized to compensate KCC in accordance with the terms of the Services Agreement upon the receipt of reasonably detailed invoices setting forth the services provided by KCC and the rates charged for each, and to reimburse KCC for all reasonable and necessary expenses it may incur, upon the presentation of appropriate documentation, without the need for KCC to file fee applications or otherwise seek Court approval for the compensation of its services and reimbursement of its expenses.

7. KCC shall maintain records of all services showing dates, categories of services, fees charged and expenses incurred, and shall serve monthly invoices on the Debtors, the Office of the U.S. Trustee, proposed counsel for the Debtors, counsel for any official committee, if any, monitoring the expenses of the Debtors and any party in interest who specifically requests service of the monthly invoices.

8. The parties shall meet and confer in an attempt to resolve any dispute which may arise relating to the Services Agreement or monthly invoices, and the parties may seek resolution of the matter from the Court if resolution is not achieved.

9. Pursuant to section 503(b)(1)(A) of the Bankruptcy Code, the fees and expenses of KCC under this Order shall be an administrative expense of the Debtors' estates.



10. KCC may apply its retainer to all prepetition invoices, which retainer shall be replenished to the original retainer amount, and thereafter, KCC may hold its retainer under the Services Agreement during these Chapter 11 Cases as security for the payment of fees and expenses incurred under the Services Agreement.

11. The Debtors shall indemnify KCC under the terms of the Services Agreement.

12. All requests by KCC for the payment of indemnification as set forth in the Application and/or Services Agreement shall be made by means of an application to the Court and shall be subject to review by the Court to ensure that payment of such indemnity conforms to the terms of the Application and/or Services Agreement and is reasonable under the circumstances of the litigation or settlement in respect of which indemnity is sought; provided, however, that in no event shall KCC be indemnified in the case of its own bad-faith, self-dealing, breach of fiduciary duty (if any), gross negligence or willful misconduct.

13. In the event that KCC seeks reimbursement from the Debtors for attorneys' fees and expenses in connection with the payment of an indemnity claim pursuant to the Application and/or Services Agreement, the invoices and supporting time records for the attorneys' fees and expenses shall be included in KCC's own applications, both interim and final, but determined by this Court after notice and a hearing.

14. In the event KCC is unable to provide the services set out in this Order, KCC will immediately notify the Clerk of the United States Bankruptcy Court for the Southern District of New York (the "Clerk") and Debtors' counsel and cause to have all original proofs of claim and computer information turned over to another claims and noticing agent with the advice and consent of the Clerk and Debtors' counsel.

15. The Debtors may submit a separate retention application, pursuant to 11 U.S.C. § 327 and/or any applicable law, for work that is to be performed by KCC but is not specifically authorized by this Order.

16. The Debtors and KCC are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

17. Notwithstanding any term in the Services Agreement to the contrary, the Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

18. KCC shall not cease providing claims processing services during these Chapter 11 Cases for any reason, including nonpayment, without an order of the Court.

19. In the event of any inconsistency between the Services Agreement, the Application and the Order, the Order shall govern.

Dated: May 15, 2012  
New York, New York

/s/ Shelley C. Chapman  
HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE

Court File No: CV-12-9719-00CL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C 36, AS AMENDED,  
APPLICATION OF LIGHTSQUARED LP UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C 36, AS AMENDED, AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE UNITED  
STATES BANKRUPTCY COURT WITH RESPECT TO THE CHAPTER 11 DEBTORS

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT  
TORONTO

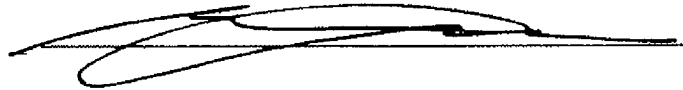
**SUPPLEMENTAL ORDER**

FRASER MILNER CASGRAIN LLP  
77 King Street West, Suite 400  
Toronto-Dominion Centre  
Toronto, Ontario  
M5K 0A1

R. Shayne Kukulowicz / Jane O. Dietrich  
LSUC No.: 30729S / 49302U  
Tel: 416 863-4740 / (416) 863-4467  
Fax: (416) 863-4592  
Email: shayne.kukulowicz@fmc-law.com  
jane.dietrich@fmc-law.com

*Lawyers for the Chapter 11 Debtors.*

Exhibit "D" to the Affidavit of Elizabeth Creary,  
sworn before me this 7 day of June, 2012.



Commissioner for Taking Affidavits

Michael Colin Anderson,  
a Commissioner, etc., Province of  
Ontario, while a Student-at-Law.  
Expires May 8, 2015

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

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

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**ORDER AUTHORIZING RESTRICTIONS ON  
CERTAIN TRANSFERS OF INTERESTS AND CLAIMS IN THE DEBTORS AND  
ESTABLISHING NOTIFICATION PROCEDURES RELATING THERETO  
PURSUANT TO SECTIONS 105(a) AND 362 OF THE BANKRUPTCY CODE**

Upon the motion (the “Motion”)<sup>2</sup> of 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”), for entry of an order (the “Order”), pursuant to sections 105(a) and 362 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”), authorizing the Debtors to establish procedures to protect the potential value of LightSquared’s consolidated net operating tax loss carryforwards and certain other tax attributes, including, potentially, a net unrealized built-in loss in its assets; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant

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<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion or the Montagner Declaration (as defined herein), as applicable.

to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and the Declaration of Marc R. Montagner, Chief Financial Officer and Interim Co-Chief Operating Officer of LightSquared Inc., (A) in Support of First Day Pleadings and (B) Pursuant to Rule 1007-2 of Local Bankruptcy Rules for United States Bankruptcy Court for Southern District of New York [Docket No. 3] (the "Montagner Declaration") and, following an interim hearing held on May 15, 2012, the Court having entered an interim order on May 16, 2012; the Court also having reviewed (a) the objection to the Motion filed by the Ad Hoc Secured Group of LightSquared LP Lenders (the "Ad Hoc Group Objection") and the Declaration of Steven Zelin in Support of the Ad Hoc Group Objection [Docket No. 64], (b) the Statement of U.S. Bank National Association [Docket No. 65], and (c) responsive pleadings thereto [Docket Nos. 70 and 71]; and the Court having heard arguments and testimony in support of and in opposition to the Motion at a final hearing held before the Court on May 29, 2012 (the "Final Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Final Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion, as modified herein, is in the best interests of the Debtors' estates, their creditors and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby FOUND that:

A. LightSquared's consolidated net operating loss carryforwards (the "NOLs") and certain other tax attributes described in the Motion (together with the NOLs, the

“Tax Attributes”) are property of the Debtors’ estates and are protected by the automatic stay prescribed in section 362 of the Bankruptcy Code;

B. Unrestricted trading of certain equity interests in LightSquared during the pendency of the bankruptcy could severely limit the Debtors’ ability to utilize the Tax Attributes for purposes of title 26 of the United States Code (the “Tax Code”);

C. Under certain circumstances, the accumulation of Debt Securities prior to the potential emergence of the Debtors from chapter 11 could, following any such emergence, severely limit the Debtors’ (or their successors’) ability to use the Tax Attributes;

D. The notification procedures and restrictions on transfers of, or exchanges or conversions into, LightSquared Stock and options to acquire such stock are necessary and proper to preserve the Tax Attributes and therefore are in the best interests of the Debtors, their estates and their creditors;

E. The procedures approved in this Order are necessary and proper to preserve the availability of the Tax Attributes following the Debtors’ (or their successors’) emergence, and are therefore in the best interests of the Debtors, their estates and their creditors;  
and

F. The relief granted herein is authorized under sections 105(a) and 362 of the Bankruptcy Code.

**THEREFORE, it is hereby ORDERED that:**

1. The Motion is granted on a final basis to the extent set forth herein.
2. The provisions of this Order shall be effective, *nunc pro tunc*, to the date of the Motion.

3. Any acquisition, disposition or other transfer in violation of the restrictions set forth herein shall be null and void *ab initio* as an act in violation of the automatic stay prescribed in section 362 of the Bankruptcy Code and pursuant to this Court's equitable power prescribed in section 105(a) of the Bankruptcy Code, or, if appropriate, shall cause a subject holder of Debt Securities to be subject to the Equity Forfeiture Provision; provided, however, that the foregoing provision shall be applicable to Debt Securities only to the extent that any restrictions are set forth in a Sell-Down Order. For purposes of this Order, any trades made before the filing of the Motion (the "Motion Date") shall not be subject to this Order.

4. The following procedures and restrictions shall apply to trading in LightSquared Stock:

- (a) Acquisition of LightSquared Stock or Options.<sup>3</sup> At least twenty (20) calendar days prior to the proposed date of any transfer of, or exchange or conversion into, equity securities (including Options, as defined below, to acquire such securities) that would result in an increase in the amount of LightSquared Stock beneficially owned by any person who is a Substantial Equityholder (as defined below), that would result in a person or Entity becoming a Substantial Equityholder, or that would result in the conversion of a person's preferred units in LightSquared LP, LightSquared Series A Preferred or LightSquared Series B Preferred into LightSquared Common Stock (a "Proposed Equity Acquisition Transaction"), such person, Entity or Substantial Equityholder (a "Proposed Equity Transferee") shall file with the Court, and serve upon the Debtors and Debtors' counsel, a Notice of Intent to Purchase, Acquire or Otherwise Accumulate LightSquared Stock (an "Equity Acquisition Notice"), in the form attached as Schedule 2 to the Order, specifically and in detail describing the proposed transaction in which LightSquared Stock would be acquired. At the holder's election, the Equity Acquisition Notice to be filed with the Court may be redacted to exclude such holder's taxpayer identification number and the number of shares of LightSquared Stock that such holder beneficially owns and proposes to purchase or otherwise acquire.

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<sup>3</sup> Capitalized terms used in Paragraphs (a)-(e) but not otherwise defined herein shall have the meaning ascribed to them in Paragraph (e).



- (b) Disposition of LightSquared Stock or Options. At least twenty (20) calendar days prior to the proposed date of any transfer of equity securities (including Options to acquire such securities) that would result in a decrease in the amount of LightSquared Stock beneficially owned by a Substantial Equityholder or that would result in a person or Entity ceasing to be a Substantial Equityholder (a “Proposed Equity Disposition Transaction” and, together with a Proposed Equity Acquisition Transaction, a “Proposed Equity Transaction”), such person, Entity or Substantial Equityholder (a “Proposed Equity Transferor”) shall file with the Court, and serve upon the Debtors and Debtors’ counsel, a Notice of Intent to Sell, Trade or Otherwise Transfer LightSquared Stock (an “Equity Disposition Notice” and, together with an Equity Acquisition Notice, an “Equity Trading Notice”), in the form attached as Schedule 3 to the Order, specifically and in detail describing the proposed transaction in which LightSquared Stock would be transferred. At the holder’s election, the Equity Disposition Notice to be filed with the Court may be redacted to exclude such holder’s taxpayer identification number and the number of shares of LightSquared Stock that such holder beneficially owns and proposes to sell or otherwise transfer.
- (c) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Proposed Equity Transaction. A Proposed Equity Transaction that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of an Equity Trading Notice shall be deemed rejected and shall not be effective unless approved by a final and non-appealable order of this Court.
- (d) Unauthorized Transactions in LightSquared Stock or Options. Effective as of the Motion Date and until further order of the Court to the contrary, any acquisition, disposition or other transfer of beneficial ownership of LightSquared Stock, including Options to acquire LightSquared Stock, in violation of the procedures set forth herein shall be null and void *ab initio* as an act in violation of the automatic stay under sections 362 and 105(a) of the Bankruptcy Code.
- (e) Definitions. For purposes of the Order:
- (i) Substantial Equityholder. A “Substantial Equityholder” is any person or Entity that beneficially owns at least:
- (A) 4.50% of the outstanding shares of LightSquared’s common stock (“LightSquared Common Stock”); or

- (B) 4.50% of the outstanding shares of LightSquared's Series A preferred stock ("LightSquared Series A Preferred"); or
  - (C) 4.50% of the outstanding shares of LightSquared's Series B preferred stock ("LightSquared Series B Preferred").
- (ii) Beneficial Ownership. "Beneficial ownership" (or any variation thereof of LightSquared Stock and Options to acquire LightSquared Stock) shall be determined in accordance with applicable rules under section 382 of the Tax Code, the U.S. Department of Treasury regulations (the "Treasury Regulations") promulgated thereunder and rulings issued by the Internal Revenue Service (the "IRS"), and, thus, to the extent provided in those rules, from time to time shall include, without limitation, (A) direct and indirect ownership (*e.g.*, a holding company would be considered to beneficially own all stock owned or acquired by its wholly-owned subsidiaries), (B) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of stock and (C) in certain cases, the ownership of an Option to acquire LightSquared Stock;
- (iii) Option. An "Option" to acquire stock includes any contingent purchase, warrant, convertible or exchangeable security, put, call, stock subject to risk of forfeiture, contract to acquire stock or similar interest regardless of whether it is contingent or otherwise not currently exercisable; and
- (iv) LightSquared Stock. "LightSquared Stock" shall mean LightSquared Common Stock, LightSquared Series A Preferred, and LightSquared Series B Preferred. For the avoidance of doubt, by operation of the definition of beneficial ownership, an owner of an Option to acquire LightSquared Stock may be treated as the owner of such LightSquared Stock.
- (f) Confidentiality. Except to the extent information contained in an Equity Trading Notice or a Notice of Intent to Claim a Worthless Securities Deduction (as defined below) is public or in connection with an audit or other investigation by the IRS or other taxing authority, the Debtors shall keep such notices and any additional information provided with respect to a Proposed Equity

Transaction or a Worthless Securities Deduction pursuant to the Order strictly confidential; provided, however, that the Debtors may disclose the information in an Equity Trading Notice or a Notice of Intent to Claim a Worthless Securities Deduction to their counsel and professional advisors and those of any other person(s) that are subject to a nondisclosure agreement with the Debtors (as applicable), each of whom shall keep all such notices strictly confidential.

- (g) Except for notice required to be given by the Debtors pursuant to this Order, including but not limited to, notice of a Sell-Down Motion, the Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in the Order.

5. The following procedures and restrictions shall apply for claiming a worthless securities deduction under section 165(g) of the Tax Code (a “Worthless Securities Deduction”) respecting LightSquared Stock:

- (a) Notice of Intent to Claim Worthless Securities Deduction. At least fifteen (15) business days before a Majority Shareholder files any federal income tax return, or any amendment to such a return, claiming a Worthless Securities Deduction with respect to its LightSquared Stock for a tax year of the Majority Shareholder ending before the effective date of the Debtors’ chapter 11 plan, such Majority Shareholder must file with the Court, and serve on the Debtors and counsel to the Debtors, advance written notice of the intended tax deduction, in the form attached as Schedule 7 to the Order (the “Notice of Intent to Claim a Worthless Securities Deduction”).
- (b) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Majority Shareholder’s proposed Worthless Stock Deduction. A Worthless Stock Deduction that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of a Notice of Intent to Claim a Worthless Securities Deduction shall be deemed rejected and shall not be effective unless approved by a final and non-appealable order of this Court.
- (c) For purposes of this Order: a “Majority Shareholder” is any person that owns, or has owned during the three (3)-year period ending on the Motion Date, fifty percent (50%) or more of any class or series

of LightSquared Stock (within the meaning of section 382(g)(4)(D) of the Tax Code).

- (d) Violation of Procedures. In the event that a Majority Shareholder claims a Worthless Securities Deduction in violation of the procedures set forth herein, such Worthless Securities Deduction shall be null and void *ab initio* as an act in violation of the automatic stay under sections 105(a) and 362 of the Bankruptcy Code, and such shareholder shall be required to file an amended federal income tax return revoking such deduction.
- (e) Debtors' Right To Waive. Except for notice required to be given by the Debtors pursuant to this Order, including but not limited to, notice of a Sell-Down Motion, the Debtors may waive, in writing and in their sole and absolute discretion, any restrictions, sanctions, remedies of the Debtors, stays or notification procedures contained in this Order.

6. The following procedures and restrictions shall apply to transfers of Debt

Securities:

- (a) Notice of 382(l)(5) Plan; Amended Notice of 382(l)(5) Plan.<sup>4</sup>
  - (i) Notice of 382(l)(5) Plan. Upon filing a chapter 11 plan and disclosure statement that contemplates the potential utilization of section 382(l)(5) of the Tax Code (a "382(l)(5) Plan"), the Debtors may, if they determine that the application of section 382(l)(5) of the Tax Code is reasonably likely to be beneficial to the reorganized Debtors (or any successors thereto), (A) publish (or arrange for publication of) a notice and provide a written notice to the Debt Notice Parties (the "Notice of 382(l)(5) Plan"), disclosing the filing of such 382(l)(5) Plan, the potential issuance of a Sell-Down Notice (as defined in Paragraph 6(c)(i) below) in connection therewith, and requesting beneficial ownership information on the website established by the Debtors' claims and noticing agent, Kurtzman Carson Consultants LLC ([www.kccllc.net/LightSquared](http://www.kccllc.net/LightSquared)) and in the national edition of *The Wall Street Journal* (a "Notice of 382(l)(5) Plan"),

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<sup>4</sup> Capitalized terms used in Paragraphs (a)-(g) but not otherwise defined herein shall have the meanings ascribed in Paragraph (g).

(B) identify the classes of Debt Securities that are potentially subject to a Sell-Down Notice and (C) identify the applicable Threshold Amounts (by class or other applicable breakdown) for status as a Substantial Securityholder.

- (ii) Amended Notice of 382(l)(5) Plan. The Debtors may determine subsequent to the date of the Notice of 382(l)(5) Plan or an Amended Notice of 382(l)(5) Plan (as defined below), to (A) adjust the Threshold Amount or (B) identify additional classes of Debt Securities that are potentially subject to a Sell-Down Notice. In that case, the Debtors shall publish and provide notice of such additional amount and/or such additional class of Debt Securities in the same manner as the Notice of 382(l)(5) Plan and such notice shall be an “Amended Notice of 382(l)(5) Plan.” The Amended Notice of 382(l)(5) Plan shall require (X) any person or Entity that previously served a Notice of Substantial Securityholder Status to update information regarding such Substantial Securityholder’s Beneficial Ownership of Debt Securities and (Y) any person or Entity that is a Substantial Securityholder as of the date of the most recent Amended Notice of 382(l)(5) Plan, but that was not previously required to serve a Notice of Substantial Securityholder Status (an “Additional Substantial Securityholder”), to serve upon the Debtors and counsel for the Debtors a notice of such status in the manner prescribed in Paragraph 6(b) below within fifteen (15) calendar days of the date of the Amended Notice of 382(l)(5) Plan.
- (iii) Early Notice. The Debtors reserve the right, in order to assist in determining their eligibility for section 382(l)(5) of the Tax Code, to request in a manner consistent with the publication of the Notice of 382(l)(5) Plan described above, information regarding the Beneficial Ownership of Debt Securities prior to the filing of the Notice of 382(l)(5) Plan.
- (b) Notice of Substantial Securityholder Status. Following a request for Beneficial Ownership information pursuant to (i) a Notice of 382(l)(5) Plan, (ii) an Amended Notice of 382(l)(5) Plan or (iii) Paragraph a(iii) above, any person or Entity that as of the date such request is made (the “Request Date”) is or becomes a Substantial Securityholder shall serve upon the Debtors and counsel for the Debtors, a notice of such status (a “Notice of Substantial Securityholder Status”), in the form attached as Schedule 4 to the Order within twenty (20) calendar days of the

later of (i) the Request Date and (ii) the date such person becomes a Substantial Securityholder.

(c) Sell-Down Notices.

- (i) Sell-Down Notices. Following the issuance of a Notice of 382(l)(5) Plan, but no earlier than sixty (60) days prior to the then-scheduled hearing with respect to the 382(l)(5) Plan, if the Debtors determine it to be reasonably necessary to require the sale or transfer of all or a portion of the Beneficial Ownership of Debt Securities held by a Substantial Securityholder on the basis that such sale or transfer is appropriate to reasonably ensure that the requirements of section 382(l)(5) of the Tax Code will be satisfied, the Debtors may file a motion (the "Sell-Down Motion") requesting that the Court enter an order (the "Sell-Down Order"), as appropriate under applicable law, approving the issuance of a notice (the "Sell-Down Notice") that such Substantial Securityholder must sell, cause to sell or otherwise transfer all or a portion of its Beneficial Ownership of Debt Securities (by class or other applicable breakdown) in excess of the Maximum Amount for such Substantial Securityholder (such excess amount, an "Excess Amount") to Permitted Transferees. The Debtors shall provide a copy of the Sell-Down Motion to each person described in clause (D) of the definition of "Debt Notice Parties," and any party in interest may object to the Sell-Down Motion. For any such Sell-Down Order to be entered, the Debtors must demonstrate that, (a) the relief requested is appropriate under applicable law, (b) any requested Sell-Down Notices are fairly allocated among the holders of Debt Securities, and (c) the relief requested is consistent with the provisions of this Order and qualification under Section 382(l)(5) of the Tax Code and is being sought for such purpose. If the Court enters a Sell-Down Order approving the Debtors' issuance of a Sell-Down Notice, the Debtors shall provide a copy of such Sell-Down Order to each person described in clause (D) of the definition of "Debt Notice Parties."
- (ii) Requirement to Sell Down. Prior to (A) the effective date of the 382(l)(5) Plan or (B) such earlier date set forth in the Sell-Down Order, which shall not be earlier than the day after the entry of the order confirming the 382(l)(5) Plan as may be specified by the Debtors (the "Sell-Down Date"), each Substantial Securityholder shall sell, cause to sell or otherwise transfer an amount of the Beneficial Ownership

of Debt Securities (if any) necessary to comply with the Sell-Down Notice (the “Sell-Down”); provided, however, that notwithstanding anything to the contrary in the Order and for the avoidance of doubt, no Substantial Securityholder shall be required to sell, cause to sell or otherwise transfer any Beneficial Ownership of Debt Securities if such sale would result in such holder having Beneficial Ownership of an aggregate amount of Debt Securities (by class or other applicable breakdown) that is less than such holder’s Protected Amount (as hereinafter defined). Each Substantial Securityholder shall sell, cause to sell or otherwise transfer its Beneficial Ownership of Debt Securities subject to the Sell-Down to Permitted Transferees; provided, however, that such Substantial Securityholder shall not have a reasonable basis to believe that any such Permitted Transferee would own, immediately after the contemplated transfer, an Excess Amount of Debt Securities.

(iii) Notice of Compliance. A Substantial Securityholder subject to the Sell-Down shall, within seven (7) calendar days after the later of (A) entry of an order approving the 382(l)(5) Plan, (B) the Sell-Down Date, and (C) such other date specified in the Sell-Down Notice, as applicable, but in all events before the effective date of the 382(l)(5) Plan, and as a condition to receiving Affected Equity, serve upon the Debtors and counsel for the Debtors, a notice substantially in the form attached as Schedule 5 to the Order that such Substantial Securityholder has complied with the terms and conditions set forth in this Paragraph 6(c) and that such Substantial Securityholder does not and will not hold an Excess Amount of Debt Securities as of the Sell-Down Date and at all times through the effective date of the 382(l)(5) Plan (the “Notice of Compliance”); provided, however, that if the Substantial Securityholder has complied but for the fact that the Substantial Securityholder still holds an Excess Amount of Debt Securities as of the Sell-Down Date, the Notice of Compliance shall disclose such Excess Amount. Any Substantial Securityholder who fails to comply with this provision shall not receive Affected Equity with respect to the entirety of its Excess Amount of Debt Securities as determined under Paragraph 6(c), regardless of any sales made in accordance with this Paragraph 6(c).

(d) Advance Approval of Acquisitions. Any proposed transfer or acquisition of Debt Securities from and after the date of the Sell-

Down Order shall be subject to the following advance approval procedures:

- (i) Acquisition of Securities. At least twenty (20) calendar days prior to the proposed date of any transfer of Debt Securities that would result in (A) an increase in the dollar amount of Debt Securities Beneficially Owned by a Substantial Securityholder or (B) any person or Entity becoming a Substantial Securityholder (each, a “Proposed Securities Acquisition Transaction”), such person, Entity, or Substantial Securityholder (each a “Proposed Securities Transferee”) must serve upon the Debtors and counsel for the Debtors, a Notice of Request to Purchase, Acquire or Otherwise Accumulate a Security (a “Securities Acquisition Request”), in the form attached as Schedule 6 to the Order, which describes specifically and in detail the intended acquisition of Debt Securities, regardless of whether such transfer would be subject to the filing, notice and hearing requirements of Bankruptcy Rule 3001.
- (ii) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Securities Acquisition Request. A Securities Acquisition Request that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of a Securities Acquisition Request shall be deemed rejected.
- (e) Equity Forfeiture Provision.
  - (i) Equity Forfeiture Provision. Any Substantial Securityholder that violates its obligations under the Sell-Down Notice shall, pursuant to the Order, be precluded from receiving, directly or indirectly, any consideration consisting of a beneficial ownership of equity (as determined in accordance with the applicable rules of section 382 of the Tax Code, including Options, whether or not treated as exercised under Treasury Regulations section 1.382-4) of the Debtors (or any successor to the Debtors, including as determined for U.S. federal income tax purposes) that is attributable to the Excess Amount of Debt Securities for such Substantial Securityholder as of the Sell-Down Date, including any consideration in lieu thereof; provided, however, that the forfeiture shall only apply to any Excess Amount of Debt Securities still owned as of the Sell-Down Date if the holder has complied with Paragraph 6(c)(iii); provided, further, that such Substantial



Securityholder may be entitled to receive any other consideration to which such holder may be entitled by virtue of holding Debt Securities (the "Equity Forfeiture Provision"). Any purported acquisition of, or other increase in the Beneficial Ownership of, equity of the Debtors (or any successor) that is precluded by the Equity Forfeiture Provision will be an acquisition of "Forfeited Equity." Any acquirer of Forfeited Equity shall, immediately upon becoming aware of such fact, return or cause to return the Forfeited Equity to the Debtors (or any successor to the Debtors) or, if all of the equity consideration properly issued to such acquirer and all or any portion of such Forfeited Equity shall have been sold prior to the time such acquirer becomes aware of such fact, such acquirer shall return or cause to return to the Debtors (or any successor to the Debtors) (A) any Forfeited Equity still held by such acquirer and (B) the proceeds attributable to the sale of Forfeited Equity, calculated by treating the most recently sold equity as Forfeited Equity. Any acquirer that receives Forfeited Equity and deliberately fails to comply with the preceding sentence shall be subject to such additional sanctions as the Court may determine. Any Forfeited Equity returned to the Debtors shall be distributed (including a transfer to charity) or extinguished, in the Debtors' sole discretion, in furtherance of the 382(l)(5) Plan.

(ii) Notification Requirement. In effecting any sale or other transfer of Debt Securities pursuant to a Sell-Down Notice, a Substantial Securityholder shall, to the extent that it is reasonably feasible to do so within the normal constraints of the market in which such sale takes place, notify the acquirer of such Debt Securities of the existence of the Order and the Equity Forfeiture Provision (it being understood that, in all cases in which there is direct communication between a salesperson and a customer, including, without limitation, communication via telephone, e-mail, and instant messaging, the existence of the Order and the Equity Forfeiture Provision shall be included in such salesperson's summary of the transaction).

(f) Miscellaneous.

(i) No Disclosure of Participation. To permit reliance by the Debtors on Treasury Regulation section 1.382-9(d)(3), any person or Entity that participates in formulating any chapter 11 plan of, or on behalf of, the Debtors (which shall

include, without limitation, making any suggestions or proposals to the Debtors or their advisors with regard to such a plan), shall not, and shall not be asked to, disclose (or otherwise make evident unless compelled to do so by an order of a court of competent jurisdiction or some other applicable legal requirement) to the Debtors that any Debt Securities in which such person or Entity has a Beneficial Ownership are Newly Traded Securities. For this purpose, the Debtors acknowledge and agree that the following activities shall not constitute participation in formulating a chapter 11 plan if, in pursuing such activities, the relevant person or Entity does not disclose (or otherwise make evident) to the Debtors that such person or Entity has Beneficial Ownership of Newly Traded Securities: filing an objection to a proposed disclosure statement or to confirmation of a proposed chapter 11 plan; voting to accept or reject a proposed chapter 11 plan; reviewing or commenting on a proposed business plan; providing information on a confidential basis to counsel for the Debtors or counsel for the Creditors' Committee (if any) unconnected with the formulation of the chapter 11 plan; general membership on an official committee or an ad hoc committee or taking any action required by order of the Court.

- (ii) Confidentiality. Except to the extent necessary to demonstrate to the Court the need for the issuance of a Sell-Down Notice, other than information contained in the Notice of Substantial Securityholder Status that is public or in connection with an audit or other investigation by the IRS or other taxing authority, the Debtors shall keep such notices and any additional information provided by a Substantial Securityholder pursuant to the Order strictly confidential and shall not disclose the identity of the Substantial Securityholder to any other person or Entity; provided, however, that the Debtors may disclose the identity of the Substantial Securityholder to their respective counsel and professional advisors and those of any other person(s) that are subject to a nondisclosure agreement with the Debtors (as applicable), each of whom shall keep all such notices strictly confidential and shall not disclose the identity of the Substantial Securityholder to any other person or Entity subject to further order of the Court; and provided, further, that to the extent the Debtors reasonably determine such confidential information is necessary to demonstrate to the Court the need for the issuance of a Sell-Down Notice, the Debtors shall seek to file such

confidential information (determined by, among other things, whether such information was redacted in any public filing) under seal.

- (iii) Exception. No person or Entity shall be subject to the advance approval provisions, or in the case of Debt Securities that are part of a transferor's Protected Amount, the sell-down provisions, with respect to any transfer described in Treasury Regulation section 1.382-9(d)(5)(ii); provided that such transfer is not for a principal purpose of obtaining stock in the reorganized Debtors (or any successor) or permitting the transferee to benefit from the losses of the Debtors within the meaning of Treasury Regulation section 1.382-9(d)(5)(iii) (a "Qualified Transfer"); provided, further, that any such transferee who becomes a Substantial Securityholder following a Request Date shall serve upon the Debtors and counsel for the Debtors, a statement that the transfer is a Qualified Transfer and a notice of such Substantial Securityholder status in the manner prescribed in Paragraph 6(b) above within twenty (20) calendar days of the later of (A) the day of the entry of the Order by the Court and (B) the date on which such person or Entity becomes a Substantial Securityholder.
- (g) Definitions. For purposes of the Order, the following terms have the following meanings:
- (i) Affected Equity. Means the stock or other equity of the reorganized Debtors (or their successors), including Options, to be issued and distributed pursuant to the 382(l)(5) Plan but shall not include stock described in section 1504(a)(4) of the Tax Code.
- (ii) Applicable Percentage. Means, if only one class of Affected Equity is to be issued pursuant to the terms of the 382(l)(5) Plan and holders within any class of Debt Securities will receive a pro-rata distribution of the Affected Equity, 4.5% of the number of such shares or equity interests that the Debtors reasonably estimate will be issued at the effective date of such 382(l)(5) Plan (in the discretion of the Debtors, with respect to any Substantial Equityholder or holder of LightSquared LP Series A Preferred Units receiving Affected Equity in respect of Debt Securities and in respect of its LightSquared Stock or LightSquared LP Series A Preferred Units, such percentage shall be determined for such person by taking into account shares received for its LightSquared Stock or its preferred

units of LightSquared LP, as applicable), as determined for U.S. federal income tax purposes. If more than one class of Affected Equity is to be distributed pursuant to the terms of the 382(l)(5) Plan or holders with a class of Debt Securities may receive a disproportionate distribution of such Affected Equity relative to other holders in the same class, the Applicable Percentage shall be determined by the Debtors in their reasonable judgment in a manner consistent with the estimated range of values for the equity to be distributed reflected in the valuation analysis set forth in the 382(l)(5) Plan and disclosure statement, and shall be expressed in a manner that makes clear the number of shares or other equity interests in each class of Affected Equity that would constitute the Applicable Percentage.

(iii) Beneficial Ownership of a Security. Means:

(A) the beneficial ownership of a Debt Security as determined in accordance with applicable rules under section 382 of the Tax Code (for such purpose, treating a Debt Security as if it is stock), and, to the extent provided in those rules from time to time, shall include (X) direct and indirect ownership (determined without regard to the rule that treats stock of an Entity to which the constructive ownership rules apply as no longer owned by that Entity); and (Y) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of Debt Securities and/or stock; and

(B) the beneficial ownership of an Option (irrespective of the purpose for which such option was issued, created or acquired).

For the avoidance of doubt, beneficial ownership of a Debt Security also includes the beneficial ownership of any right to receive any equity consideration to be distributed in respect of a Debt Security pursuant to a chapter 11 plan or applicable bankruptcy court order. Variations of the term "Beneficial Ownership" shall have correlative meanings.

(iv) Creditors' Committee. Means any official committee of unsecured creditors appointed pursuant to section 1102 of the Bankruptcy Code in the Debtors' Chapter 11 Cases.

- (v) Debt Notice Parties. Means (A) the Office of the United States Trustee for the Southern District of New York (the “U.S. Trustee”); (B) U.S. Bank National Association, as successor administrative agent to UBS AG, Stamford Branch, under that certain Credit Agreement dated as of July 1, 2011, between LightSquared Inc., as borrower, the subsidiary guarantors thereto and the lenders party thereto (the “2011 Administrative Agent”); (C) UBS AG, Stamford Branch, as administrative agent under that certain Credit Agreement dated as of October 1, 2010, between LightSquared LP, as borrower, LightSquared Inc and other parent guarantors party thereto, the subsidiary guarantors party thereto and the lenders party thereto (the “2010 Administrative Agent” and together with the 2011 Administrative Agent, the “Administrative Agents”) and (D) any Substantial Securityholder or Additional Substantial Securityholder who has properly given notice of such status.
- (vi) Debt Security. Means any claim against any of the Debtors, including, without limitation, any claim against any of the Debtors as a guarantor by any party with respect to Debt Securities of the Debtors.
- (vii) Entity. Has the meaning given to such term under Treasury Regulations section 1.382-3(a), including a group of persons who have a formal or informal understanding among themselves to make a coordinated acquisition.
- (viii) Maximum Amount. Means for each person or Entity and by class or other applicable breakdown of Debt Securities, the greater of (A) the applicable Threshold Amount and (B) the Protected Amount (if any) for such Substantial Securityholder.
- (ix) Newly Traded Securities. Means Debt Securities (A) with respect to which an Entity acquired Beneficial Ownership after the date that was eighteen (18) months before the Petition Date; and (B) that are not “ordinary course” claims, within the meaning of Treasury Regulations section 1.382-9(d)(2)(iv) of which the same Entity has always had Beneficial Ownership.
- (x) Option. Has the meaning given to such term under Treasury Regulations section 1.382-4(d)(9)(i) with respect to the acquisition of a Debt Security or any consideration (including equity) distributed in respect of any Debt

Security pursuant to a chapter 11 plan or applicable bankruptcy court order.

- (xi) Permitted Transferee. Means with respect to a Substantial Securityholder is a person that is not a Related Person and whose holding of a Security would not result in such Substantial Securityholder having Beneficial Ownership of such Security.
- (xii) Protected Amount. Means the amount of Debt Securities (by class or other applicable breakdown) of which a holder had Beneficial Ownership on the Motion Date, increased by the amount of Debt Securities of which such holder acquires, directly or indirectly, Beneficial Ownership pursuant to trades entered into before the Motion Date that had not yet closed as of the Motion Date minus the amount of Debt Securities of which such holder sells, directly or indirectly, Beneficial Ownership pursuant to trades entered into before the Motion Date that had not yet closed as of the Motion Date.
- (xiii) Related Person. Persons (including Entities) are “Related Persons” if: (A) the person bears a relationship to the other person described in sections 267(b) or 707(b) of the Tax Code, or (B) the persons are members of a group acting in concert with respect to the acquisition of Debt Securities or equity in the reorganized Debtors.
- (xiv) Substantial Securityholder. Means any person or Entity that Beneficially Owns an aggregate dollar amount of Debt Securities, or any Entity controlled by such person or Entity through which such person or Entity Beneficially Owns Debt Securities, of more than the Threshold Amount.

For the avoidance of doubt, section 382 of the Tax Code, the Treasury Regulations promulgated thereunder and all relevant IRS and judicial authority shall apply in determining whether the Debt Securities of several persons and/or Entities must be aggregated when testing for Substantial Securityholder status and treating Debt Securities as if they were stock.

- (xv) Threshold Amount. Means the amount of Debt Securities, as set forth in the Notice of 382(l)(5) Plan (as revised by any Amended Notice of 382(l)(5) Plan, as applicable) sufficient, in the determination of the Debtors, to entitle the Beneficial Owner thereof to the Applicable Percentage of

the Affected Equity. The amount determined in the preceding sentence shall be disclosed in the Notice of 382(l)(5) Plan and may be adjusted thereafter as contemplated by this Order or any future order of the Court.

- (xvi) Treasury Regulations. Means the U.S. Department of Treasury regulations promulgated under the Tax Code, as amended from time to time.
- (h) Noncompliance with the Trading Procedures. Any purchase, sale or other transfer of Debt Securities in violation of the procedures set forth herein shall be null and void *ab initio* and shall confer no rights on the transferee or shall, as applicable, be subject to the Equity Forfeiture Provision.
- (i) Debtors' Right to Waive. Except for notice required to be given by the Debtors pursuant to this Order, including but not limited to, notice of a Sell-Down Motion, the Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in this Order.

7. Any person or Entity acquiring, disposing of or transferring LightSquared Stock in violation of the restrictions set forth herein, or failing to comply with the "Equity Acquisition Notice" or "Equity Disposition Notice" requirements, as may be the case, shall be subject to such sanctions as the Court may consider appropriate pursuant to this Court's equitable power prescribed in section 105(a) of the Bankruptcy Code.

8. Any person or Entity acquiring and/or failing to dispose of Debt Securities in violation of the restrictions set forth herein, or failing to comply with the "Notice of Substantial Securityholder Status," "Securities Acquisition Request" and/or "Notice of Compliance" requirements, as may be the case, shall be subject to such sanctions as the Court may consider appropriate pursuant to this Court's equitable power prescribed in section 105(a) of the Bankruptcy Code.

9. The notices substantially in the form attached hereto as Schedule 2, Schedule 3, Schedule 4, Schedule 5, Schedule 6 and Schedule 7 are approved.

10. Except for notice required to be given by the Debtors pursuant to this Order, including but not limited to, notice of a Sell-Down Motion, the Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in this Order.

11. The Debtors shall post notice of the entry of this Order substantially in the form attached hereto as Schedule 1 (the "Procedures Notice") on the Bloomberg newswire service and on the website established by the Debtors' claims and noticing agent, Kurtzman Carson Consultants LLC ([www.kccllc.net/LightSquared](http://www.kccllc.net/LightSquared)) and in the national edition of *The Wall Street Journal*.

12. Any transfer agent or indenture trustee that executes a transfer as instructed, in its capacity as transfer agent or indenture trustee, shall not incur liability to any party in the event such transfer is determined to be in violation of this Order.

13. Nothing herein shall preclude any person or entity that desires to purchase or transfer any LightSquared Stock or Debt Securities from requesting relief from this Order in this Court subject to the Debtors' rights to object to such relief.

14. The requirements set forth in this Order are in addition to the requirements of Rule 3001(e) of the Federal Rules of Bankruptcy Procedure and applicable securities, corporate and other laws, and do not excuse compliance therewith.

15. The relief granted in this Order is intended solely to permit the Debtors to protect, preserve and maximize the value of the Tax Attributes. Accordingly, except to the extent the Order expressly conditions or restricts trading in LightSquared Stock or Debt Securities, nothing in this Order or in the Motion shall or shall be deemed to prejudice, impair or otherwise alter or affect the rights of any holders of interests in the Debtors, including in connection with the treatment of any such interests during the pendency of the Debtors'



bankruptcy cases. No party's rights, defenses, or objections to any Sell-Down Motion are affected as a result of the approval of the procedures described in Paragraph 6 of this Order, and nothing contained in this Order shall be construed or interpreted as establishing the appropriate standard applicable to a Sell-Down Order.

16. The Court may schedule a hearing to determine if the relief described in Paragraph 6 of this Order shall be vacated for cause shown upon the filing of a motion of a holder of Debt Securities not earlier than six (6) months from the date hereof.

17. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Order.

18. The requirements set forth in Rule 9013-1(a) of the Local Rules for the Southern District of New York are satisfied.

19. The Court retains jurisdiction with respect to all matters arising from or related to the implementation and interpretation of this Order.

Dated: June 4, 2012  
New York, New York

/s/ Shelley C. Chapman  
HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE

**Schedule 1**

**Procedures Notice**

Matthew S. Barr  
Steven Z. Szanzer  
Karen Gartenberg  
MILBANK, TWEED, HADLEY & M<sup>C</sup>CLOY LLP  
One Chase Manhattan Plaza  
New York, NY 10005-1413  
(212) 530-5000

*Proposed Counsel to Debtors and Debtors in Possession*

**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. <sup>1</sup>	)	Joint Administration Requested	
	)		

**NOTICE OF ORDER APPROVING RESTRICTIONS ON  
CERTAIN TRANSFERS OF INTERESTS AND CLAIMS IN THE DEBTORS' ESTATES  
AND ESTABLISHING NOTIFICATION PROCEDURES RELATING THERETO**

TO ALL PERSONS OR ENTITIES HOLDING EQUITY INTERESTS OR DEBT  
SECURITIES IN LIGHTSQUARED INC. OR ANY OF ITS DEBTOR AFFILIATES WHOSE  
CASES UNDER CHAPTER 11 OF TITLE 11 OF THE UNITED STATES CODE ARE, OR  
SUBSEQUENTLY BECOME, JOINTLY ADMINISTERED WITH CASE NO. 12-12080  
(SCC):

PLEASE TAKE NOTICE that commencing on May 14, 2012, LightSquared Inc.  
and its subsidiaries in the above-referenced chapter 11 cases, as debtors and debtors in  
possession (collectively, "LightSquared" the "Debtors"),<sup>2</sup> commenced a case under chapter 11 of

<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> All capitalized terms not expressly defined herein shall have the meaning ascribed to them in the Motion (as defined below).

title 11 of the United States Code (the “Bankruptcy Code”). Section 362(a) of the Bankruptcy Code operates as a stay of any act to obtain possession of property of the Debtors’ estates or of property from the Debtors’ estates or to exercise control over property of the Debtors’ estates.

PLEASE TAKE FURTHER NOTICE that on May [ ], 2012, the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”), having jurisdiction over these Chapter 11 Cases, upon motion of the Debtors (the “Motion”), entered an order (the “Order”) (a) finding that LightSquared’s consolidated net operating loss carryforwards (“NOLs”) and certain other tax attributes (together with the NOLs, the “Tax Attributes”) are property of the Debtors’ estates and are protected by the automatic stay prescribed in section 362(a) of the Bankruptcy Code; (b) finding that unrestricted trading in LightSquared Stock (as defined below) or Debt Securities (as defined below) could severely limit the Debtors’ (or their successors’) ability to use the Tax Attributes for purposes of title 26 of the United States Code (the “Tax Code”) and (c) approving the procedures set forth below to preserve the Tax Attributes pursuant to sections 105(a) and 362(a) of the Bankruptcy Code.

PLEASE TAKE FURTHER NOTICE that the following procedures and restrictions have been approved by the Bankruptcy Court in the Order and shall apply to holding and trading in LightSquared Stock and Debt Securities:

1. **With Respect to LightSquared Stock:**

- (a) Acquisition of LightSquared Stock or Options. At least twenty (20) calendar days prior to the proposed date of any transfer of, or exchange or conversion into, equity securities (including Options, as defined below, to acquire such securities) that would result in an increase in the amount of LightSquared Stock beneficially owned by any person who is a Substantial Equityholder (as defined below), that would result in a person or Entity becoming a Substantial Equityholder, or that would result in the conversion of a person’s preferred units in LightSquared LP, LightSquared Series A Preferred or LightSquared Series B Preferred into LightSquared Common Stock (a “Proposed Equity Acquisition Transaction”) such person, Entity or Substantial Equityholder (a “Proposed Equity Transferee”) shall file with the Court, and serve upon the Debtors and Debtors’ counsel, a Notice of Intent to Purchase, Acquire or Otherwise Accumulate LightSquared Stock (an “Equity Acquisition Notice”), in the form attached as Schedule 2 to the Order, specifically and in detail describing the proposed transaction in which LightSquared Stock would be acquired. At the holder’s election, the Equity Acquisition Notice to be filed with the Court may be redacted to exclude such holder’s taxpayer identification number and the number of shares of LightSquared Stock that such holder beneficially owns and proposes to purchase or otherwise acquire.
- (b) Disposition of LightSquared Stock or Options. At least twenty

(20) calendar days prior to the proposed date of any transfer of equity securities (including Options to acquire such securities) that would result in a decrease in the amount of LightSquared Stock beneficially owned by a Substantial Equityholder or that would result in a person or Entity ceasing to be a Substantial Equityholder (a “Proposed Equity Disposition Transaction” and, together with a Proposed Equity Acquisition Transaction, a “Proposed Equity Transaction”), such person, Entity or Substantial Equityholder (a “Proposed Equity Transferor”) shall file with the Court, and serve upon the Debtors and Debtors’ counsel, a Notice of Intent to Sell, Trade or Otherwise Transfer LightSquared Stock (an “Equity Disposition Notice” and, together with an Equity Acquisition Notice, an “Equity Trading Notice”), in the form attached as Schedule 3 to the Order, specifically and in detail describing the proposed transaction in which LightSquared Stock would be transferred. At the holder’s election, the Equity Disposition Notice to be filed with the Court may be redacted to exclude such holder’s taxpayer identification number and the number of shares of LightSquared Stock that such holder beneficially owns and proposes to sell or otherwise transfer.

(c) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Proposed Equity Transaction. A Proposed Equity Transaction that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of an Equity Trading Notice shall be deemed rejected and shall not be effective unless approved by a final and non-appealable order of this Court.

(d) Unauthorized Transactions in LightSquared Stock or Options. Effective as of the date of the filing of the Motion (the “Motion Date”) and until further order of the Court to the contrary, any acquisition, disposition or other transfer of beneficial ownership of LightSquared Stock, including Options to acquire LightSquared Stock, in violation of the procedures set forth herein shall be null and void *ab initio* as an act in violation of the automatic stay under sections 362 and 105(a) of the Bankruptcy Code.

(e) Definitions. For purposes of the Order:

(i) Substantial Equityholder. A “Substantial Equityholder” is any person or Entity that beneficially owns at least:

(A) 4.50% of the outstanding shares of LightSquared’s common stock (“LightSquared Common Stock”);

(B) 4.50% of the outstanding shares of LightSquared’s

Series A preferred stock ("LightSquared Series A Preferred"); or

- (C) 4.50% of the outstanding shares of LightSquared's Series B preferred stock ("LightSquared Series B Preferred").
- (ii) Beneficial Ownership. "Beneficial ownership" (or any variation thereof of LightSquared Stock and Options to acquire LightSquared Stock) shall be determined in accordance with applicable rules under section 382 of the Tax Code, the U.S. Department of Treasury regulations (the "Treasury Regulations") promulgated thereunder and rulings issued by the Internal Revenue Service (the "IRS"), and, thus, to the extent provided in those rules, from time to time shall include, without limitation, (A) direct and indirect ownership (*e.g.*, a holding company would be considered to beneficially own all stock owned or acquired by its wholly-owned subsidiaries), (B) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of stock and (C) in certain cases, the ownership of an Option to acquire LightSquared Stock;
- (iii) Option. An "Option" to acquire stock includes any contingent purchase, warrant, convertible or exchangeable security, put, call, stock subject to risk of forfeiture, contract to acquire stock or similar interest regardless of whether it is contingent or otherwise not currently exercisable; and
- (iv) LightSquared Stock. "LightSquared Stock" shall mean LightSquared Common Stock, LightSquared Series A Preferred, and LightSquared Series B Preferred. For the avoidance of doubt, by operation of the definition of beneficial ownership, an owner of an Option to acquire LightSquared Stock may be treated as the owner of such LightSquared Stock.
- (f) Confidentiality. Except to the extent information contained in an Equity Trading Notice or a Notice of Intent to Claim a Worthless Securities Deduction (as defined below) is public or in connection with an audit or other investigation by the IRS or other taxing authority, the Debtors shall keep such notices and any additional information provided with respect to a Proposed Equity Transaction or a Worthless Securities Deduction pursuant to the Order strictly confidential; provided, however, that the Debtors

may disclose the information in an Equity Trading Notice or a Notice of Intent to Claim a Worthless Securities Deduction to their counsel and professional advisors and those of any other person(s) that are subject to a nondisclosure agreement with the Debtors (as applicable), each of whom shall keep all such notices strictly confidential.

- (g) Except for notice required to be given by the Debtors pursuant to the Order, including but not limited to notice of a Sell-Down Motion, the Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in the Order.

2. **With Respect to Majority Shareholders of LightSquared Stock:**

- (a) Notice of Intent to Claim Worthless Securities Deduction. At least fifteen (15) business days before a Majority Shareholder files any federal income tax return, or any amendment to such a return, claiming a Worthless Securities Deduction with respect to its LightSquared Stock for a tax year of the Majority Shareholder ending before the effective date of the Debtors' chapter 11 plan, such Majority Shareholder must file with the Court, and serve on the Debtors and counsel to the Debtors, advance written notice of the intended tax deduction, in the form attached as Schedule 7 to the Order (the "Notice of Intent to Claim a Worthless Securities Deduction").
- (b) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Majority Shareholder's proposed Worthless Stock Deduction. A Worthless Stock Deduction that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of a Notice of Intent to Claim a Worthless Securities Deduction shall be deemed rejected and shall not be effective unless approved by a final and non-appealable order of this Court.
- (c) For purposes of this Motion: a "Majority Shareholder" is any person that owns, or has owned during the three (3)-year period ending on the Motion Date, fifty percent (50%) or more of any class or series of LightSquared Stock (within the meaning of section 382(g)(4)(D) of the Tax Code).
- (d) Violation of Procedures. In the event that a Majority Shareholder claims a Worthless Securities Deduction in violation of the procedures set forth herein, such Worthless Securities Deduction shall be null and void *ab initio* as an act in violation of the automatic stay under sections 105(a) and 362 of the Bankruptcy

Code, and such shareholder shall be required to file an amended federal income tax return revoking such deduction.

- (e) Debtors' Right To Waive. Except for notice required to be given by the Debtors pursuant to the Order, including but not limited to, notice of a Sell-Down Motion, the Debtors may waive, in writing and in their sole and absolute discretion, any restrictions, sanctions, remedies of the Debtors, stays or notification procedures contained in the Order.

**3. With Respect to LightSquared Debt Securities:**

- (a) Notice of 382(l)(5) Plan; Amended Notice of 382(l)(5) Plan.<sup>3</sup>

- (i) Notice of 382(l)(5) Plan. Upon filing a chapter 11 plan and disclosure statement that contemplates the potential utilization of section 382(l)(5) of the Tax Code (a "382(l)(5) Plan"), the Debtors may, if they determine that the application of section 382(l)(5) of the Tax Code is reasonably likely to be beneficial to the reorganized Debtors (or any successors thereto), (A) publish (or arrange for publication of) a notice and provide a written notice to the Debt Notice Parties (the "Notice of 382(l)(5) Plan"), disclosing the filing of such 382(l)(5) Plan, the potential issuance of a Sell-Down Notice (as defined in Paragraph 3(c)(i) below) in connection therewith, and requesting beneficial ownership information on the website established by the Debtors' claims and noticing agent, Kurtzman Carson Consultants LLC ([www.kccllc.net/LightSquared](http://www.kccllc.net/LightSquared)) and in the national editions of *The Wall Street Journal* (a "Notice of 382(l)(5) Plan"), (B) identify the classes of Debt Securities that are potentially subject to a Sell-Down Notice and (C) identify the applicable Threshold Amounts (by class or other applicable breakdown) for status as a Substantial Securityholder.

- (ii) Amended Notice of 382(l)(5) Plan. The Debtors may determine subsequent to the date of the Notice of 382(l)(5) Plan or an Amended Notice of 382(l)(5) Plan (as defined below), to (A) adjust the Threshold Amount or (B) identify additional classes of Debt Securities that are potentially subject to a Sell-Down Notice. In that case, the Debtors shall publish and provide notice of such additional amount

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<sup>3</sup> Capitalized terms used in Paragraphs (a)-(g) but not otherwise defined herein shall have the meanings ascribed to them in Paragraph (g).



and/or such additional class of Debt Securities in the same manner as the Notice of 382(l)(5) Plan and such notice shall be an "Amended Notice of 382(l)(5) Plan." The Amended Notice of 382(l)(5) Plan shall require (X) any person or Entity that previously served a Notice of Substantial Securityholder Status to update information regarding such Substantial Securityholder's Beneficial Ownership of Debt Securities and (Y) any person or Entity that is a Substantial Securityholder as of the date of the most recent Amended Notice of 382(l)(5) Plan, but that was not previously required to serve a Notice of Substantial Securityholder Status (an "Additional Substantial Securityholder"), to serve upon the Debtors and counsel for the Debtors, a notice of such status in the manner prescribed in Paragraph 3(b) below within fifteen (15) calendar days of the date of the Amended Notice of 382(l)(5) Plan.

- (iii) Early Notice. The Debtors reserve the right, in order to assist in determining their eligibility for section 382(l)(5) of the Tax Code, to request in a manner consistent with the publication of the Notice of 382(l)(5) Plan described above, information regarding the Beneficial Ownership of Debt Securities prior to the filing of the Notice of 382(l)(5) Plan.
  
- (b) Notice of Substantial Securityholder Status. Following a request for Beneficial Ownership information pursuant to (i) a Notice of 382(l)(5) Plan, (ii) an Amended Notice of 382(l)(5) Plan or (iii) Paragraph (a)(iii) above, any person or Entity that as of the date such request is made (the "Request Date") is or becomes a Substantial Securityholder shall serve upon the Debtors and counsel for the Debtors, a notice of such status (a "Notice of Substantial Securityholder Status"), in the form attached as Schedule 4 to the Order within twenty (20) calendar days of the later of (i) the Request Date and (ii) the date such person becomes a Substantial Securityholder.
  
- (c) Sell-Down Notices.
  - (i) Sell-Down Notices. Following the issuance of a Notice of 382(l)(5) Plan, but no earlier than sixty (60) days prior to the then-scheduled hearing with respect to the 382(l)(5) Plan, if the Debtors determine it to be reasonably necessary to require the sale or transfer of all or a portion of the Beneficial Ownership of Debt Securities held by a Substantial Securityholder on the basis that such sale or transfer is appropriate to reasonably ensure that the

requirements of section 382(l)(5) of the Tax Code will be satisfied, the Debtors may file a motion (the "Sell-Down Motion") requesting that the Court enter an order (the "Sell-Down Order"), as appropriate under applicable law, approving the issuance of a notice (the "Sell-Down Notice") that such Substantial Securityholder must sell, cause to sell or otherwise transfer all or a portion of its Beneficial Ownership of Debt Securities (by class or other applicable breakdown) in excess of the Maximum Amount for such Substantial Securityholder (such excess amount, an "Excess Amount") to Permitted Transferees. The Debtors shall provide a copy of the Sell-Down Motion to each person described in clause (D) of the definition of "Debt Notice Parties," and any party in interest may object to the Sell-Down Motion. For any such Sell-Down Order to be entered, the Debtors must demonstrate that, (a) the relief requested is appropriate under applicable law, (b) any requested Sell-Down Notices are fairly allocated among the holders of Debt Securities, and (c) the relief requested is consistent with the provisions of the Order and qualification under Section 382(l)(5) of the Tax Code and is being sought for such purpose. If the Court enters a Sell-Down Order approving the Debtors' issuance of a Sell-Down Notice, the Debtors shall provide a copy of such Sell-Down Order to each person described in clause (D) of the definition of "Debt Notice Parties."

- (ii) Requirement to Sell Down. Prior to (A) the effective date of the 382(l)(5) Plan or (B) such earlier date set forth in the Sell-Down Order, which shall not be earlier than the day after the entry of the order confirming the 382(l)(5) Plan as may be specified by the Debtors (the "Sell-Down Date"), each Substantial Securityholder shall sell, cause to sell or otherwise transfer an amount of the Beneficial Ownership of Debt Securities (if any) necessary to comply with the Sell-Down Notice (the "Sell-Down"); provided, however, that notwithstanding anything to the contrary in the Order and for the avoidance of doubt, no Substantial Securityholder shall be required to sell, cause to sell or otherwise transfer any Beneficial Ownership of Debt Securities if such sale would result in such holder having Beneficial Ownership of an aggregate amount of Debt Securities (by class or other applicable breakdown) that is less than such holder's Protected Amount (as hereinafter defined). Each Substantial Securityholder shall sell, cause to sell or otherwise transfer its Beneficial Ownership of Debt Securities subject to the Sell-Down to Permitted

Transferees; provided, however, that such Substantial Securityholder shall not have a reasonable basis to believe that any such Permitted Transferee would own, immediately after the contemplated transfer, an Excess Amount of Debt Securities.

(iii) Notice of Compliance. A Substantial Securityholder subject to the Sell-Down shall, within seven (7) calendar days after the later of (A) entry of an order approving the 382(l)(5) Plan, (B) the Sell-Down Date, and (C) such other date specified in the Sell-Down Notice, as applicable, but in all events before the effective date of the 382(l)(5) Plan, and as a condition to receiving Affected Equity, serve upon the Debtors and counsel for the Debtors, a notice substantially in the form attached as Schedule 5 to the Order that such Substantial Securityholder has complied with the terms and conditions set forth in this Paragraph 3(c) and that such Substantial Securityholder does not and will not hold an Excess Amount of Debt Securities as of the Sell-Down Date and at all times through the effective date of the 382(l)(5) Plan (the "Notice of Compliance"); provided, however, that if the Substantial Securityholder has complied but for the fact that the Substantial Securityholder still holds an Excess Amount of Debt Securities as of the Sell-Down Date, the Notice of Compliance shall disclose such Excess Amount. Any Substantial Securityholder who fails to comply with this provision shall not receive Affected Equity with respect to the entirety of its Excess Amount of Debt Securities as determined under Paragraph 3(c), regardless of any sales made in accordance with this Paragraph 3(c).

(d) Advance Approval of Acquisitions. Any proposed transfer or acquisition of Debt Securities from and after the date of the Sell-Down Order shall be subject to the following advance approval procedures:

(i) Acquisition of Securities. At least twenty (20) calendar days prior to the proposed date of any transfer of Debt Securities that would result in (A) an increase in the dollar amount of Debt Securities Beneficially Owned by a Substantial Securityholder or (B) any person or Entity becoming a Substantial Securityholder (a "Proposed Securities Acquisition Transaction"), such person, Entity or Substantial Securityholder (each, a "Proposed Securities Transferee") must serve upon the Debtors and counsel for the Debtors, a Notice of Request to Purchase, Acquire or

Otherwise Accumulate a Security (a "Securities Acquisition Request"), in the form attached as Schedule 6 to the Order, which describes specifically and in detail the intended acquisition of Debt Securities, regardless of whether such transfer would be subject to the filing, notice and hearing requirements of Bankruptcy Rule 3001.

(ii) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Securities Acquisition Request. A Securities Acquisition Request that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of a Securities Acquisition Request shall be deemed rejected.

(e) Equity Forfeiture Provision.

(i) Equity Forfeiture Provision. Any Substantial Securityholder that violates its obligations under the Sell-Down Notice shall, pursuant to the Order, be precluded from receiving, directly or indirectly, any consideration consisting of a beneficial ownership of equity (as determined in accordance with the applicable rules of section 382 of the Tax Code, including Options, whether or not treated as exercised under Treasury Regulations section 1.382-4) of the Debtors (or any successor to the Debtors, including as determined for U.S. federal income tax purposes) that is attributable to the Excess Amount of Debt Securities for such Substantial Securityholder as of the Sell-Down Date, including any consideration in lieu thereof; provided, however, that the forfeiture shall only apply to any Excess Amount of Debt Securities still owned as of the Sell-Down Date if the holder has complied with (c)(iii); provided further, that such Substantial Securityholder may be entitled to receive any other consideration to which such holder may be entitled by virtue of holding Debt Securities (the "Equity Forfeiture Provision"). Any purported acquisition of, or other increase in the Beneficial Ownership of, equity of the Debtors (or any successor) that is precluded by the Equity Forfeiture Provision will be an acquisition of "Forfeited Equity." Any acquirer of Forfeited Equity shall, immediately upon becoming aware of such fact, return or cause to return the Forfeited Equity to the Debtors (or any successor to the Debtors) or, if all of the equity consideration properly issued to such acquirer and all or any portion of such Forfeited Equity shall have been sold

prior to the time such acquirer becomes aware of such fact, such acquirer shall return or cause to return to the Debtors (or any successor to the Debtors) (A) any Forfeited Equity still held by such acquirer and (B) the proceeds attributable to the sale of Forfeited Equity, calculated by treating the most recently sold equity as Forfeited Equity. Any acquirer that receives Forfeited Equity and deliberately fails to comply with the preceding sentence shall be subject to such additional sanctions as the Court may determine. Any Forfeited Equity returned to the Debtors shall be distributed (including a transfer to charity) or extinguished, in the Debtors' sole discretion, in furtherance of the 382(1)(5) Plan.

- (ii) Notification Requirement. In effecting any sale or other transfer of Debt Securities pursuant to a Sell-Down Notice, a Substantial Securityholder shall, to the extent that it is reasonably feasible to do so within the normal constraints of the market in which such sale takes place, notify the acquirer of such Debt Securities of the existence of the Order and the Equity Forfeiture Provision (it being understood that, in all cases in which there is direct communication between a salesperson and a customer, including, without limitation, communication via telephone, e-mail, and instant messaging, the existence of the Order and the Equity Forfeiture Provision shall be included in such salesperson's summary of the transaction).

(f) Miscellaneous.

- (i) No Disclosure of Participation. To permit reliance by the Debtors on Treasury Regulation section 1.382-9(d)(3), any person or Entity that participates in formulating any chapter 11 plan of, or on behalf of, the Debtors (which shall include, without limitation, making any suggestions or proposals to the Debtors or their advisors with regard to such a plan), shall not, and shall not be asked to, disclose (or otherwise make evident unless compelled to do so by an order of a court of competent jurisdiction or some other applicable legal requirement) to the Debtors that any Debt Securities in which such person or Entity has a Beneficial Ownership are Newly Traded Securities. For this purpose, the Debtors acknowledge and agree that the following activities shall not constitute participation in formulating a chapter 11 plan if, in pursuing such activities, the relevant person or Entity does not disclose (or otherwise make evident) to the Debtors that such person or Entity has

Beneficial Ownership of Newly Traded Securities: filing an objection to a proposed disclosure statement or to confirmation of a proposed chapter 11 plan; voting to accept or reject a proposed chapter 11 plan; reviewing or commenting on a proposed business plan; providing information on a confidential basis to counsel for the Debtors or counsel for the Creditors' Committee (if any) unconnected with the formulation of the chapter 11 plan; general membership on an official committee or an *ad hoc* committee or taking any action required by order of the Court.

(ii) Confidentiality. Except to the extent necessary to demonstrate to the Court the need for the issuance of a Sell-Down Notice, other than information contained in the Notice of Substantial Securityholder Status that is public or in connection with an audit or other investigation by the IRS or other taxing authority, the Debtors shall keep such notices and any additional information provided by a Substantial Securityholder pursuant to the Order strictly confidential and shall not disclose the identity of the Substantial Securityholder to any other person or Entity; provided, however, that the Debtors may disclose the identity of the Substantial Securityholder to their respective counsel and professional advisors and those of any other person(s) that are subject to a nondisclosure agreement with the Debtors (as applicable), each of whom shall keep all such notices strictly confidential and shall not disclose the identity of the Substantial Securityholder to any other person or Entity subject to further order of the Court; and provided, further, that to the extent the Debtors reasonably determine such confidential information is necessary to demonstrate to the Court the need for the issuance of a Sell-Down Notice, the Debtors shall seek to file such confidential information (determined by, among other things, whether such information was redacted in any public filing) under seal.

(iii) Exception. No person or Entity shall be subject to the advance approval provisions, or in the case of Debt Securities that are part of a transferor's Protected Amount, the sell-down provisions, with respect to any transfer described in Treasury Regulation section 1.382-9(d)(5)(ii); *provided* that such transfer is not for a principal purpose of obtaining stock in the reorganized Debtors (or any successor) or permitting the transferee to benefit from the losses of the Debtors within the meaning of Treasury

Regulation section 1.382-9(d)(5)(iii) (a “Qualified Transfer”); provided, further, that any such transferee who becomes a Substantial Securityholder following a Request Date shall serve upon the Debtors and counsel for the Debtors, a statement that the transfer is a Qualified Transfer and a notice of such Substantial Securityholder status in the manner prescribed in Paragraph 3(b) above within twenty (20) calendar days of the later of (A) the day of the entry of the Order by the Court and (B) the date on which such person or Entity becomes a Substantial Securityholder.

(g) Definitions. For purposes of the Order, the following terms have the following meanings:

- (i) Affected Equity. Means the stock or other equity of the reorganized Debtors (or their successors), including Options, to be issued and distributed pursuant to the 382(l)(5) Plan but shall not include stock described in section 1504(a)(4) of the Tax Code.
- (ii) Applicable Percentage. Means, if only one class of Affected Equity is to be issued pursuant to the terms of the 382(l)(5) Plan and holders within any class of Debt Securities will receive a pro-rata distribution of the Affected Equity, 4.5% of the number of such shares or equity interests that the Debtors reasonably estimate will be issued at the effective date of such 382(l)(5) Plan (in the discretion of the Debtors, with respect to any Substantial Equityholder or holder of LightSquared LP Series A Preferred Units receiving Affected Equity in respect of Debt Securities and in respect of its LightSquared Stock or LightSquared LP Series A Preferred Units, such percentage shall be determined for such person by taking into account shares received for its LightSquared Stock or its preferred units of LightSquared LP, as applicable), as determined for U.S. federal income tax purposes. If more than one class of Affected Equity is to be distributed pursuant to the terms of the 382(l)(5) Plan or holders with a class of Debt Securities may receive a disproportionate distribution of such Affected Equity relative to other holders in the same class, the Applicable Percentage shall be determined by the Debtors in their reasonable judgment in a manner consistent with the estimated range of values for the equity to be distributed reflected in the valuation analysis set forth in the 382(l)(5) Plan and disclosure statement, and shall be expressed in a manner that makes clear the number of

shares or other equity interests in each class of Affected Equity that would constitute the Applicable Percentage.

(iii) Beneficial Ownership of a Security. Means:

(A) the beneficial ownership of a Debt Security as determined in accordance with applicable rules under section 382 of the Tax Code (for such purpose, treating a Debt Security as if it is stock), and, to the extent provided in those rules from time to time, shall include (X) direct and indirect ownership (determined without regard to the rule that treats stock of an Entity to which the constructive ownership rules apply as no longer owned by that Entity); and (Y) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of Debt Securities and/or stock; and

(B) the beneficial ownership of an Option (irrespective of the purpose for which such option was issued, created or acquired).

For the avoidance of doubt, beneficial ownership of a Debt Security also includes the beneficial ownership of any right to receive any equity consideration to be distributed in respect of a Debt Security pursuant to a chapter 11 plan or applicable bankruptcy court order. Variations of the term "Beneficial Ownership" shall have correlative meanings.

(iv) Creditors' Committee. Means any official committee of unsecured creditors appointed pursuant to section 1102 of the Bankruptcy Code in the Debtors' Chapter 11 Cases.

(v) Debt Notice Parties. Means (A) the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee"); (B) U.S. Bank National Association, as successor administrative agent to UBS AG, Stamford Branch, under that certain Credit Agreement dated as of July 1, 2011, between LightSquared Inc., as borrower, the subsidiary guarantors thereto and the lenders party thereto (the "2011 Administrative Agent"); (C) UBS AG, Stamford Branch, as administrative agent under that certain Credit Agreement dated as of October 1, 2010, between LightSquared LP, as borrower, LightSquared Inc and other parent guarantors party thereto, the subsidiary guarantors



party thereto and the lenders party thereto (the “2010 Administrative Agent” and together with the 2011 Administrative Agent, the “Administrative Agents”) and (D) any Substantial Securityholder or Additional Substantial Securityholder who has properly given notice of such status.

- (vi) Debt Security. Means any claim against any of the Debtors, including, without limitation, any claim against any of the Debtors as a guarantor by any party with respect to Debt Securities of the Debtors.
- (vii) Entity. Has the meaning given to such term under Treasury Regulations section 1.382-3(a), including a group of persons who have a formal or informal understanding among themselves to make a coordinated acquisition.
- (viii) Maximum Amount. Means for each person or Entity and by class or other applicable breakdown of Debt Securities, the greater of (A) the applicable Threshold Amount and (B) the Protected Amount (if any) for such Substantial Securityholder.
- (ix) Newly Traded Securities. Means Debt Securities (A) with respect to which an Entity acquired Beneficial Ownership after the date that was eighteen (18) months before the Petition Date; and (B) that are not “ordinary course” claims, within the meaning of Treasury Regulations section 1.382-9(d)(2)(iv), of which the same Entity has always had Beneficial Ownership.
- (x) Option. Has the meaning given to such term under Treasury Regulations section 1.382-4(d)(9)(i) with respect to the acquisition of a Debt Security or any consideration (including equity) distributed in respect of any Debt Security pursuant to a chapter 11 plan or applicable bankruptcy court order.
- (xi) Permitted Transferee. Means with respect to a Substantial Securityholder a person that is not a Related Person and whose holding of a Security would not result in such Substantial Securityholder having Beneficial Ownership of such Security.
- (xii) Protected Amount. Means the amount of Debt Securities (by class or other applicable breakdown) of which a holder had Beneficial Ownership on the Motion Date, increased

by the amount of Debt Securities of which such holder acquires, directly or indirectly, Beneficial Ownership pursuant to trades entered into before the Motion Date that had not yet closed as of the Motion Date minus the amount of Debt Securities of which such holder sells, directly or indirectly, Beneficial Ownership pursuant to trades entered into before the Motion Date that had not yet closed as of the Motion Date.

(xiii) Related Person. Persons (including Entities) are “Related Persons” if: (A) the person bears a relationship to the other person described in sections 267(b) or 707(b) of the Tax Code, or (B) the persons are members of a group acting in concert with respect to the acquisition of Debt Securities or equity in the reorganized Debtors.

(xiv) Substantial Securityholder. Means any person or Entity that Beneficially Owns an aggregate dollar amount of Debt Securities, or any Entity controlled by such person or Entity through which such person or Entity Beneficially Owns Debt Securities, of more than the Threshold Amount.

For the avoidance of doubt, section 382 of the Tax Code, the Treasury Regulations promulgated thereunder and all relevant IRS and judicial authority shall apply in determining whether the Debt Securities of several persons and/or Entities must be aggregated when testing for Substantial Securityholder status and treating Debt Securities as if they were stock.

(xv) Threshold Amount. Means the amount of Debt Securities, as set forth in the Notice of 382(l)(5) Plan (as revised by any Amended Notice of 382(l)(5) Plan, as applicable) sufficient, in the determination of the Debtors, to entitle the Beneficial Owner thereof to the Applicable Percentage of the Affected Equity. The amount determined in the preceding sentence shall be disclosed in the Notice of 382(l)(5) Plan and may be adjusted thereafter as contemplated by the Order or any future order of the Court.

(xvi) Treasury Regulations. Means the U.S. Department of Treasury regulations promulgated under the Tax Code, as amended from time to time.

(h) Noncompliance with the Trading Procedures. Any purchase, sale or other transfer of Debt Securities in violation of the procedures set forth herein shall be null and void *ab initio* and shall confer no

rights on the transferee or shall, as applicable, be subject to the Equity Forfeiture Provision.

- (i) Debtors' Right to Waive. Except for notice required to be given by the Debtors pursuant to the Order, including but not limited to notice of a Sell-Down Motion, the Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in the Order.

**FAILURE TO FOLLOW THE PROCEDURES SET FORTH IN THIS NOTICE COULD CONSTITUTE A VIOLATION OF THE AUTOMATIC STAY PRESCRIBED BY SECTION 362 OF THE BANKRUPTCY CODE.**

**ANY PROHIBITED ACQUISITION, DISPOSITION OR OTHER TRANSFER OF LIGHTSQUARED STOCK IN VIOLATION OF THE ORDER WILL BE NULL AND VOID *AB INITIO* AND MAY LEAD TO CONTEMPT, COMPENSATORY DAMAGES, PUNITIVE DAMAGES, OR SANCTIONS BEING IMPOSED BY THE BANKRUPTCY COURT.**

**UPON THE ISSUANCE OF A SELL-DOWN ORDER, ANY PROHIBITED PURCHASE OR OTHER ACQUISITION OF DEBT SECURITIES OF THE DEBTORS IN VIOLATION OF THE ORDER COULD CAUSE SUCH PURCHASER TO BE SUBJECT TO THE EQUITY FORFEITURE PROVISION OR ANY OTHER REMEDY AS THE COURT MAY DEEM JUST AND PROPER.**

**EXCEPT FOR NOTICE REQUIRED TO BE GIVEN BY THE DEBTORS PURSUANT TO THE ORDER, INCLUDING BUT NOT LIMITED TO, NOTICE OF A SELL-DOWN MOTION, THE DEBTORS MAY WAIVE, IN WRITING, ANY AND ALL RESTRICTIONS, STAYS AND NOTIFICATION PROCEDURES CONTAINED IN THE ORDER.**

PLEASE TAKE FURTHER NOTICE that any person or entity that desires to acquire an interest restricted by the Order may request relief for cause at any time and the Debtors may oppose such relief.

PLEASE TAKE FURTHER NOTICE that the requirements set forth in this Notice are in addition to the requirements of Rule 3001(e) of the Federal Rules of Bankruptcy Procedure and applicable securities, corporate, and other laws, and do not excuse compliance therewith.

Dated: May [ ], 2012  
New York, New York

BY ORDER OF THE COURT

**Schedule 2**

**Equity Acquisition Notice**

**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. <sup>1</sup>	)	
	)	Joint Administration Requested

**NOTICE OF INTENT TO PURCHASE,  
ACQUIRE OR OTHERWISE ACCUMULATE STOCK**

PLEASE TAKE NOTICE THAT [Name of Prospective Acquirer] hereby provides notice of its intention to purchase, acquire or otherwise accumulate one or more shares of LightSquared Inc. ("LightSquared") common stock (the "LightSquared Common Stock"), LightSquared Series A preferred stock ("LightSquared Series A Preferred Stock") or LightSquared Series B preferred stock ("LightSquared Series B Preferred Stock" and, together with LightSquared Series A Preferred Stock and LightSquared Common Stock, "LightSquared Stock") or an Option (as defined below) with respect to any of the foregoing (the "Proposed Transfer").

PLEASE TAKE FURTHER NOTICE THAT [Name of Prospective Acquirer] currently beneficially owns:

(i) \_\_\_\_\_ shares of LightSquared Common Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Common Stock,

[(ii) \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series A Preferred Stock,]

<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

[(iii) \_\_\_\_\_ shares of LightSquared Series B Preferred Stock and/or  
Options to acquire \_\_\_\_\_ shares of LightSquared Series B Preferred  
Stock.]

PLEASE TAKE FURTHER NOTICE THAT, pursuant to the Proposed Transfer,  
[Name of Prospective Acquirer] proposes to purchase, acquire or otherwise accumulate:

(i) \_\_\_\_\_ shares of LightSquared Common Stock and/or Options  
to acquire \_\_\_\_\_ shares of LightSquared Common Stock,

[(ii) \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and/or  
Options to acquire \_\_\_\_\_ shares of LightSquared Series A Preferred  
Stock,]

[(iii) \_\_\_\_\_ shares of LightSquared Series B Preferred Stock and/or  
Options to acquire \_\_\_\_\_ shares of LightSquared Series B Preferred  
Stock.]

If the Proposed Transfer is permitted to occur, [Name of Prospective Acquirer]  
will own:

(i) \_\_\_\_\_ shares of LightSquared Common Stock and/or Options  
to acquire \_\_\_\_\_ shares of LightSquared Common Stock,

[(ii) \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and/or  
Options to acquire \_\_\_\_\_ shares of LightSquared Series A Preferred  
Stock,]

[(iii) \_\_\_\_\_ shares of LightSquared Series B Preferred Stock and/or  
Options to acquire \_\_\_\_\_ shares of LightSquared Series B Preferred  
Stock.]

PLEASE TAKE FURTHER NOTICE that the Debtors have fifteen (15) calendar  
days after the filing of this Notice to approve the Proposed Transfer described herein. If the  
Debtors do not approve the Proposed Transaction in this time, such Proposed Transfer shall be  
deemed rejected.

PLEASE TAKE FURTHER NOTICE that any further transactions contemplated  
by [Name of Prospective Acquirer] that may result in [Name of Prospective Acquirer]  
purchasing, acquiring or otherwise accumulating shares of LightSquared Stock (or Options with  
respect thereto) will each require an additional notice filed with the Court to be served in the  
same manner as this Notice.

For purposes of this Notice, (a) “Ownership” (or any variation thereof) of  
LightSquared Stock and Options to acquire LightSquared Stock) shall be determined in  
accordance with applicable rules under section 382 of title 26 of the United States Code (the  
“Tax Code”), the U.S. Department of Treasury regulations (“Treasury Regulations”)  
promulgated thereunder and rulings issued by the Internal Revenue Service, and, thus, to the

extent provided in those rules, from time to time shall include, without limitation, (i) direct and indirect ownership (*e.g.*, a holding company would be considered to beneficially own all stock owned or acquired by its subsidiaries), (ii) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of stock and (iii) in certain cases, the ownership of an Option to acquire LightSquared Stock, and (b) an "Option" to acquire stock includes any contingent purchase, warrant, convertible debt, put, stock subject to risk of forfeiture, contract to acquire stock or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

PLEASE TAKE FURTHER NOTICE THAT [Name of Prospective Acquirer]'s taxpayer identification number is \_\_\_\_\_.

PLEASE TAKE FURTHER NOTICE that, pursuant to that certain Debtors' Motion Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, New York 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), counsel to the Debtors.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, [Name of Prospective Acquirer] hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name]).

Respectfully submitted,

\_\_\_\_\_  
(Name of Prospective Acquirer)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ :

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Date: \_\_\_\_\_



**Schedule 3**

**Equity Disposition Notice**

**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. <sup>1</sup>	)	Joint Administration Requested

**NOTICE OF INTENT TO SELL, TRADE  
OR OTHERWISE TRANSFER LIGHTSQUARED STOCK**

PLEASE TAKE NOTICE THAT [Name of Prospective Seller] hereby provides notice of its intention to sell, trade or otherwise transfer one or more shares of LightSquared Inc. ("LightSquared") common stock (the "LightSquared Common Stock"), or LightSquared Series A preferred stock ("LightSquared Series A Preferred Stock") or LightSquared Series B preferred stock ("LightSquared Series B Preferred Stock" and, together with LightSquared Series A Preferred Stock and LightSquared Common Stock, "LightSquared Stock") or an Option with respect to any of the foregoing (the "Proposed Transfer").

PLEASE TAKE FURTHER NOTICE THAT [Name of Prospective Seller] currently beneficially owns:

(i) \_\_\_\_\_ shares of LightSquared Common Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Common Stock,

[(ii) \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series A Preferred Stock,]

[(iii) \_\_\_\_\_ shares of LightSquared Series B Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series B Preferred Stock.]

<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

PLEASE TAKE FURTHER NOTICE THAT, pursuant to the Proposed Transfer, [Name of Prospective Seller] proposes to sell, trade or otherwise transfer:

(i) \_\_\_\_\_ shares of LightSquared Common Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Common Stock,

[(ii) \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series A Preferred Stock,]

[(iii) \_\_\_\_\_ shares of LightSquared Series B Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series B Preferred Stock.]

If the Proposed Transfer is permitted to occur, [Name of Prospective Seller] will own:

(i) \_\_\_\_\_ shares of LightSquared Common Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Common Stock,

[(ii) \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series A Preferred Stock,]

[(iii) \_\_\_\_\_ shares of LightSquared Series B Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series B Preferred Stock.]

PLEASE TAKE FURTHER NOTICE that the Debtors have fifteen (15) calendar days after the filing of this Notice to approve the Proposed Transfer described herein. If the Debtors do not approve the Proposed Transaction in this time, such Proposed Transfer shall be deemed rejected.

PLEASE TAKE FURTHER NOTICE that any further transactions contemplated by [Name of Prospective Seller] that may result in [Name of Prospective Seller] purchasing, acquiring or otherwise accumulating shares of LightSquared Stock (or Options with respect thereto) will each require an additional notice filed with the Court to be served in the same manner as this Notice.

PLEASE TAKE FURTHER NOTICE THAT the taxpayer identification number of [Name of Prospective Seller] is \_\_\_\_\_.

For purposes of this Notice, (a) "Ownership" (or any variation thereof) of LightSquared Stock and Options to acquire LightSquared Stock) shall be determined in accordance with applicable rules under section 382 of title 26 of the United States Code (the "Tax Code"), the U.S. Department of Treasury regulations ("Treasury Regulations") promulgated thereunder and rulings issued by the Internal Revenue Service, and, thus, to the

extent provided in those rules, from time to time shall include, without limitation, (i) direct and indirect ownership (*e.g.*, a holding company would be considered to beneficially own all stock owned or acquired by its subsidiaries), (ii) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of stock and (iii) in certain cases, the ownership of an Option to acquire LightSquared Stock, and (b) an "Option" to acquire stock includes any contingent purchase, warrant, convertible debt, put, stock subject to risk of forfeiture, contract to acquire stock or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

PLEASE TAKE FURTHER NOTICE THAT [Name of Prospective Acquirer]'s taxpayer identification number is \_\_\_\_\_.

PLEASE TAKE FURTHER NOTICE that, pursuant to that certain Debtors' Motion Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), counsel to the Debtors.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, [Name of Prospective Acquirer] hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name])

Respectfully submitted,

\_\_\_\_\_  
(Name of Prospective Seller)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_ :

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Date: \_\_\_\_\_

**Schedule 4**

**Notice of Substantial Securityholder Status**

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

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

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**NOTICE OF SUBSTANTIAL SECURITYHOLDER STATUS**

PLEASE TAKE NOTICE that [Name of Securityholder] ("Holder") is/has become a Substantial Securityholder with respect to Debt Securities of LightSquared Inc. ("LightSquared") and its subsidiaries in the above-referenced chapter 11 cases, as debtors and debtors in possession (collectively, the "Debtors") in Case No. 12-12080 (SCC), pending in the United States Bankruptcy Court for the Southern District of New York.

PLEASE TAKE FURTHER NOTICE that, pursuant to that certain Debtors' Motion for an Order Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being served upon (a) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), counsel to the Debtors.<sup>2</sup>

PLEASE TAKE FURTHER NOTICE that, as of [Insert Date], Holder Beneficially Owns Debt Securities in the aggregate amount of \$ \_\_\_\_\_ against the Debtors. As to such Debt Securities, the following table sets forth, by class or other applicable breakdown, the name of the Debtor issuer, a description of the Debt Securities (including the amount of the Debt Securities held of the issuer), and, if Holder's Beneficial Ownership of such

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<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> All terms not expressly defined in this Notice shall be construed to have the same meaning as such terms have in the Order.

Debt Securities is attributable to the record or legal ownership by another person or Entity, the name of such record or legal owner:

Debtor Issuer	Class	Description and Amount of Security	Legal or Record Owner

(Attach additional page if necessary)

PLEASE TAKE FURTHER NOTICE that the following table sets forth a summary of the Protected Amount for each class (or other applicable breakdown) of Debt Securities listed above (as defined in the Order), and that Holder will provide any additional information in respect of the Debt Securities that the Debtors reasonably request.

Debtor Issuer	Class	Protected Amount

(Attach additional page if necessary)

PLEASE TAKE FURTHER NOTICE that [Name of Securityholder] currently beneficially owns:

- (i) \_\_\_\_\_ shares of LightSquared Common Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Common Stock,
- [(ii) \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series A Preferred Stock,]
- [(iii) \_\_\_\_\_ shares of LightSquared Series B Preferred Stock and/or Options to acquire \_\_\_\_\_ shares of LightSquared Series B Preferred Stock,
- (iv) \_\_\_\_\_ LightSquared LP Series A Preferred Units and/or Options to acquire \_\_\_\_\_ LightSquared LP Series A Preferred Stock.]

PLEASE TAKE FURTHER NOTICE that the taxpayer identification number of Holder is \_\_\_\_\_.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, Holder hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments that purport to be part of this Notice are true, correct and complete.



This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name]).

Respectfully submitted,

\_\_\_\_\_  
(Name of Securityholder)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Date: \_\_\_\_\_

**Schedule 5**

**Notice of Compliance**

**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. <sup>1</sup>	)	Joint Administration Requested

**NOTICE OF COMPLIANCE**

PLEASE TAKE NOTICE that, pursuant to that certain Debtors’ Motion Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the “Motion”) and the order of the Bankruptcy Court made pursuant to the Motion (the “Order”), this Notice is being (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), counsel to the Debtors.<sup>2</sup>

PLEASE TAKE FURTHER NOTICE that [Name of Securityholder] (“Filer”) hereby provides the following notice regarding compliance with the Sell-Down requirements set forth in the Order and in the Sell-Down Order applicable to it (collectively, its “Sell-Down Requirements”):

(Please check one of the following)

\_\_\_\_\_ Filer has complied in full with its Sell-Down Requirements and the Filer does not and will not hold an Excess Amount of Debt Securities as of the Sell-Down Date and at all times through the effective date of the 382(l)(5) Plan.

<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> All terms not expressly defined in this Notice shall be construed to have the same meanings as such terms have in the Order.

\_\_\_\_\_ Filer has not complied in full with its Sell-Down Requirements. As of the Sell-Down Date, the Filer Beneficially Owns the following Debt Securities:

<b>Debtor Issuer</b>	<b>Class</b>	<b>Excess Amount of Debt Securities Beneficially Owned as of the Sell-Down Date</b>

PLEASE TAKE FURTHER NOTICE that Filer's taxpayer identification number is \_\_\_\_\_.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, Filer hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

PLEASE TAKE FURTHER NOTICE that this Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name]).

Respectfully submitted,

\_\_\_\_\_  
(Name of Substantial Securityholder)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Date: \_\_\_\_\_

**Schedule 6**

**Securities Acquisition Request**

**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. <sup>1</sup>	)	Joint Administration Requested

**NOTICE OF REQUEST TO PURCHASE,  
ACQUIRE OR OTHERWISE ACCUMULATE A CLAIM**

PLEASE TAKE NOTICE that, pursuant to that certain Debtors’ Motion Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the “Motion”) and the order of the Bankruptcy Court made pursuant to the Motion (the “Order”), this Notice is being (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, NY, New York 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), counsel to the Debtors.<sup>2</sup>

PLEASE TAKE FURTHER NOTICE THAT [Name of Prospective Acquirer] (“Filer”) hereby provides a notice of request to purchase, acquire or otherwise accumulate a Debt Security or Debt Securities of LightSquared Inc. (“LightSquared”) and its subsidiaries in the above-referenced chapter 11 cases, as debtors and debtors in possession (collectively, the “Debtors”) (the “Proposed Transfer”).

PLEASE TAKE FURTHER NOTICE THAT, if applicable, on [Prior Date(s)], Filer filed a Notice of Substantial Securityholder Status with the Court and served copies thereof on the Debtors.

<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> All terms not expressly defined in this Notice shall be construed to have the same meaning as such terms have in the Order.



PLEASE TAKE FURTHER NOTICE THAT Filer currently Beneficially Owns (as defined in the notice) Debt Securities in the aggregate amount of \$\_\_\_\_\_. As to such Debt Securities, the following table sets forth, by class or other applicable breakdown, the name of the Debtor issuer, a description of the Debt Securities (including the amount of the Debt Securities held of such issuer) and, if Filer's Beneficial Ownership of such Debt Securities is attributable to the record or legal ownership by another person or Entity, the name of such record or legal owner.

<b>Debtor Issuer</b>	<b>Class</b>	<b>Description and Amount of Claim</b>	<b>Legal or Record Owner</b>

(Attach additional page if necessary)

PLEASE TAKE FURTHER NOTICE THAT, pursuant to the Proposed Transfer, Filer requests to purchase, acquire or otherwise accumulate Debt Securities in the aggregate amount of \$\_\_\_\_\_ after the transfer. As to such Debt Securities, the following table sets forth, by class or other applicable breakdown, the name of the Debtor issuer, a description of the Debt Securities (whether the amount of the Debt Securities held of such issuer), and, if Filer's Beneficial Ownership of such Debt Securities will be attributable to the record or legal ownership by another person or Entity, the name of such record or legal owner:

<b>Debtor Issuer</b>	<b>Class</b>	<b>Description and Amount of Claim</b>	<b>Legal or Record Owner</b>

(Attach additional page if necessary)

PLEASE TAKE FURTHER NOTICE that the following table sets forth a summary of the Protected Amount for each class (or other applicable breakdown) of Debt Securities listed above (as defined in the Order),<sup>3</sup> and that Filer will provide any additional information in respect of the Debt Securities that the Debtors reasonably request.

Debtor Issuer	Class	Protected Amount

(Attach additional page if necessary)

PLEASE TAKE FURTHER NOTICE that Filer hereby acknowledges that if the Proposed Transfer is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of this Notice, such Proposed Transfer shall be deemed rejected and will not be effective *ab initio*. If the Debtors provide written authorization approving the Proposed Transfer prior to the end of such fifteen (15) calendar day period, then such Proposed Transfer may proceed solely as specifically described in this Notice.

PLEASE TAKE FURTHER NOTICE that any further transactions contemplated by Filer that may result in Filer purchasing, acquiring or otherwise accumulating additional Debt Securities of the Debtors will each require an additional notice filed with the Court to be served in the same manner as this Notice.

PLEASE TAKE FURTHER NOTICE THAT the taxpayer identification number of Filer is \_\_\_\_\_.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, Filer hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name]).

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<sup>3</sup> Only needs to be provided if no Notice of Substantial Securityholder Status has been previously filed with respect to such Claims.

Respectfully submitted,

\_\_\_\_\_  
(Name of Substantial Securityholder)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Date: \_\_\_\_\_

**Schedule 7**

**Notice of Intent To Claim a Worthless Securities Deduction**

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

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

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**NOTICE OF INTENT TO CLAIM A WORTHLESS SECURITIES DEDUCTION**

PLEASE TAKE NOTICE that, pursuant to that certain Debtors' Motion Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), counsel to the Debtors.<sup>2</sup>

PLEASE TAKE NOTICE that \_\_\_\_\_ ("Filer") hereby provides notice of its intent to claim a Worthless Securities Deduction with respect to LightSquared Stock (such action, the "Proposed Deduction").

PLEASE TAKE FURTHER NOTICE that \_\_\_\_\_ currently owns (within the meaning of IRC section 382(g)(4)(D)) \_\_\_\_\_ shares of LightSquared Common Stock, \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and \_\_\_\_\_ shares of LightSquared Series B Preferred Stock.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Proposed Deduction, \_\_\_\_\_ proposes to claim a Worthless Securities Deduction with respect to \_\_\_\_\_

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<sup>1</sup> The debtors in these chapter 11 cases, 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 450 Park Avenue, Suite 2201, New York, NY 10022.

<sup>2</sup> All terms not expressly defined in this Notice shall be construed to have the same meaning as such terms have in the Order.

shares of LightSquared Common Stock, \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and \_\_\_\_\_ shares of LightSquared Series B Preferred Stock for its taxable year ended \_\_\_\_\_. If the Proposed Deduction is permitted to occur, Filer will be treated as having acquired \_\_\_\_\_ shares of LightSquared Common Stock, \_\_\_\_\_ shares of LightSquared Series A Preferred Stock and \_\_\_\_\_ shares of LightSquared Series B Preferred Stock on the first day of its next taxable year and shall be treated as never having owned such LightSquared Stock during any prior taxable year for the purposes of testing whether an ownership change has occurred within the meaning of section 382 of the Tax Code.

PLEASE TAKE FURTHER NOTICE that the Debtors have fifteen (15) calendar days after receipt of this Notice to approve the Proposed Deduction. If the Debtors do not so approve, such Proposed Deduction will not be effective unless approved by a final order of the Bankruptcy Court that becomes non-appealable. If the Debtors do approve the Proposed Deduction, then after expiration of the fifteen (15)-day period the Proposed Deduction may proceed solely as set forth in this Notice.

PLEASE TAKE FURTHER NOTICE that any further actions contemplated by Filer that may result in Filer claiming any Worthless Securities Deduction with respect to LightSquared Stock will each require an additional notice filed with the Bankruptcy Court to be served in the same manner as this Notice.

PLEASE TAKE FURTHER NOTICE THAT the taxpayer identification number of Filer is \_\_\_\_\_.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, Filer hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name]).

Respectfully submitted,

(Name of Majority Shareholder)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

\_\_\_\_\_, \_\_\_\_\_  
Dated: \_\_\_\_\_