

**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 September 2, 2014)**

August 26, 2014

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# TAB 1



**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  
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SKYTERRA HOLDINGS (CANADA) INC., SKYTERRA (CANADA) INC. AND ONE  
DOT SIX TVCC CORP. (COLLECTIVELY, THE "CHAPTER 11 DEBTORS")**

**NOTICE OF MOTION**

**(Returnable on September 2, 2014)**

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 Ontario Superior Court of Justice (Commercial List) (the "**Canadian Court**") on September 2, 2014 at 2:00 p.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 timing and validating the method of service of this Notice of Motion and Motion Record, such that this motion is properly returnable on September 2, 2014;
  - (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 the United States Code, 11 U.S.C. §§ 101-1532 (the “**Chapter 11 Cases**”):
    - (i) *Final Order (A) Authorizing LP DIP Obligors To Obtain Sixth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* (the “**Sixth Replacement LP DIP Order**”); and
    - (ii) *Ninth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection To Prepetition Secured Parties, and (C) Modifying Automatic Stay* (the “**Tenth Amended Cash Collateral Order**”);
  - (c) approving the twenty-first report (the “**Twenty-First Report**”) of Alvarez & Marsal Canada Inc. (“**A&M Canada**”), in its capacity as court-appointed information officer of the Chapter 11 Debtors in respect of this proceeding (the “**Information Officer**”), to be filed, and the activities of the Information Officer as set out therein; and

2. Such further and other relief as counsel may request and this Honourable Court may deem just.

**THE GROUNDS FOR THE MOTION ARE:**

1. On August 1, 2014, the U.S. Bankruptcy Court entered the following orders with respect to the continued financing of LightSquared:
  - (a) *Final Order (A) Authorizing LP DIP Obligors To Obtain Fifth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1681] (the “**Fifth Replacement LP DIP Order**”); and
  - (b) *Eighth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection To Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1682] (the “**Ninth Amended Cash Collateral Order**”);
2. On August 6, 2014, the Foreign Representative advised the Canadian Court that the Fifth Replacement LP DIP Order and the Ninth Amended Cash Collateral Order would provide the LP Obligors with sufficient financing through to August 31, 2014;
3. Also on August 6, 2014, the Canadian Court recognized the Fifth Replacement LP DIP Order and the Ninth Amended Cash Collateral Order;

**FINANCING MATTERS**

4. Certain of the Chapter 11 Debtors are parties to a Credit Agreement, dated as of October 1, 2010 (as amended, supplemented, amended and restated, or otherwise modified from time to time), between, *inter alia*, LightSquared LP, as borrower, LightSquared Inc. and the other guarantors party thereto (collectively, the “**LP Obligors**”), the lenders party thereto (the “**Prepetition LP Lenders**”), and UBS AG, Stamford Branch, as administrative agent, under which the Prepetition LP Lenders provided term loans in the aggregate principal amount of \$1,500,000,000;

5. Throughout the Chapter 11 Cases, the LP Obligors have been funding their businesses through the use of the Prepetition LP Collateral<sup>1</sup>, including Cash Collateral (as such term is defined in section 363 of the Bankruptcy Code (the “**Cash Collateral**”)) and the proceeds of the Initial LP DIP Facility, the Replacement LP DIP Facility, Second Replacement LP DIP Facility, the Third Replacement LP DIP Facility, Fourth Replacement LP DIP Facility and most recently, the Fifth Replacement LP DIP Facility (as defined in the Fifth Replacement LP DIP Order)<sup>2</sup>;

*Sixth Replacement LP DIP Order*

6. The current budget (the “**Budget**”)<sup>3</sup> for the Chapter 11 Debtors shows that they require additional funding to be made available pursuant to the Sixth Replacement LP DIP Facility (as defined below). As a result, the Sixth Replacement LP DIP Facility will provide an additional \$22M to be allocated in accordance with the sixth replacement LP DIP allocation schedule (found at Schedule I to Annex A of the Sixth Replacement LP DIP Order) and used pursuant to the Budget in order for the Chapter 11 Debtors to continue to meet their general corporate and working capital needs;
7. On August 25, 2014, the Chapter 11 Debtors filed the *Notice of (I) Presentment of Final Order (A) Authorizing LP DIP Obligors To Obtain Sixth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens And Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, And (D) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1727] in connection with the entry into a new replacement DIP financing facility (the “**Sixth Replacement LP DIP Facility**”) for financing of LightSquared, and each existing and future subsidiary of LightSquared (together with LightSquared, the “**LP DIP Obligors**”);

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<sup>1</sup> As defined in the *Agreed Final Order (A) Authorizing Debtors to Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 136].

<sup>2</sup> Capitalized terms used in this paragraph and not otherwise defined shall have the meaning set out in the Creary Affidavit (defined below).

<sup>3</sup> The Budget is attached as Annex B of the Sixth Replacement LP DIP Order and Schedule 1 of the Tenth Amended Cash Collateral Order.

8. The financing of the Sixth Replacement LP DIP Facility is to be provided by certain members of the ad hoc group of Prepetition LP Lenders, including Capital Research and Management Company, and Cyrus Capital Partners, L.P., on behalf of its affiliates' managed funds and/or accounts, as well as by Intermarket Corp., Solus Alternative Asset Management LP, Fortress Credit Corp., on behalf of its affiliates' managed funds and/or accounts, fund entities managed by Aurelius Capital Management, LP, and SP Special Opportunities, LLC (each of the foregoing, an "**LP DIP Lender**" and, collectively, the "**LP DIP Lenders**");
9. Each of the LP DIP Obligors and the LP DIP Lenders under the Fifth Replacement LP DIP Facility consented to the entry of the Sixth Replacement LP DIP Order and the Sixth Replacement LP DIP Facility, the proceeds of which shall be used to (i) repay in full all Fifth Replacement LP DIP Obligations (as defined in the Fifth Replacement LP DIP Order) under the Fifth Replacement LP DIP Facility and the Fifth Replacement LP DIP Order, (ii) permit the LP Obligors to meet their general corporate and working capital needs in accordance with the Sixth Replacement LP DIP Order for the types of expenditures set forth in the Budget (and other purposes described in paragraph 3(a) of the Sixth Replacement LP DIP Order) through the Final Maturity Date (as defined in the Sixth Replacement LP DIP Order) and (iii) pay the LP DIP Professional Fees (as defined in the Sixth Replacement LP DIP Order);
10. The Sixth Replacement LP DIP Order is anticipated to be entered by the U.S. Bankruptcy Court on or about August 28, 2014 and will provide the LP DIP Obligors with \$120,612,798 of financing through to November 15, 2014;
11. As a condition subsequent to the Sixth Replacement LP DIP Order, the LP DIP Lenders required that the LP DIP Obligors obtain the Canadian Court's recognition of the Sixth Replacement LP DIP Order by no later than September 3, 2014;
12. Save for the term (i.e. the Final Maturity Date being extended from August 31, 2014 to November 15, 2014) and quantum (i.e. an increase in the borrowing base by an additional \$22M), the terms of the Sixth Replacement LP DIP Order are substantially the same as

the terms set forth in the Fifth Replacement LP DIP Order, which was recognized by the Canadian Court on August 6, 2014;

13. The ability of the Chapter 11 Debtors to ensure a value-maximizing exit from the Chapter 11 Cases requires the availability of capital from the Sixth Replacement LP DIP Facility. Without such funds, the Chapter 11 Debtors will not have sufficient available sources of capital and financing to operate its businesses and maintain its properties in the ordinary course of business;
14. A copy of the Sixth Replacement LP DIP Notice, which contains a draft of the Sixth Replacement LP DIP Order at Exhibit 'A' thereto, is attached as Exhibit 'A' to the affidavit of Elizabeth Creary, sworn August 26, 2014 (the "**Creary Affidavit**");

*Tenth Amended Cash Collateral Order*

15. In connection with the Sixth Replacement LP DIP Facility, the LP Obligors also required continued authorization from the U.S. Bankruptcy Court to use the Cash Collateral of the Prepetition LP Lenders. Such relief is necessary to ensure that the LP Obligors can (i) address working capital needs, (ii) fund reorganization efforts and (iii) continue to operate in the ordinary course during the Chapter 11 Cases;
16. Pursuant to the Ninth Amended Cash Collateral Order, the LP Obligors were consensually permitted to use the Prepetition LP Lenders' Cash Collateral through August 31, 2014. The Ninth Amended Cash Collateral Order and dates contained therein were recognized by the Canadian Court on August 6, 2014;
17. On August 25, 2014, the Chapter 11 Debtors filed the *Notice of Presentment of Ninth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection To Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1726];
18. The Tenth Amended Cash Collateral Order is anticipated to be entered by the U.S. Bankruptcy Court on or about August 28, 2014. Pursuant to that Order the LP Obligors

will be permitted to use the Prepetition LP Lenders' Collateral through November 15, 2014;

19. A copy of the Ninth Amended Cash Collateral Notice, which contains a draft of the Ninth Amended Cash Collateral Order at Exhibit 'A' thereto, is attached as Exhibit 'B' to the Creary Affidavit;
20. To the extent there are any material differences between the draft Foreign Orders (attached as Exhibits to the Sixth Replacement LP DIP Notice and the Tenth Amended Cash Collateral Notice) and the Foreign Orders as entered by the U.S. Bankruptcy Court, the Foreign Representative intends to file a supplemental affidavit identifying those changes prior to the return of this motion on September 2, 2014;
21. The Foreign Representative thus respectfully requests that the Canadian Court recognize the Sixth Replacement LP DIP Order and the Tenth Amended Cash Collateral Order, should such orders be granted by the U.S. Bankruptcy Court, as the terms and conditions contained in those Orders are fair and reasonable and in the best interests of the LP Obligors' estates and creditors.

#### General

22. The facts as further set out in the Twenty-First Report and the Creary Affidavit;
23. The provisions of the CCAA, particularly s. 49 and including the other provisions of Part IV;
24. The *Rules of Civil Procedure*, including rules 2.03, 3.02 and 16; and
25. 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:**

26. The Creary Affidavit and the exhibits referred to therein;
27. The Twenty-First Report, to be filed separately; and

28. Such further and other material as counsel may advise and this Honourable Court may permit.

August 26, 2014

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**TO: THE SERVICE LIST**



**TAB A**

SCHEDULE 'A'

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

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE ) TUESDAY, THE 2<sup>nd</sup> DAY  
REGIONAL SENIOR ) OF SEPTEMBER, 2014  
JUSTICE MORAWETZ )

**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")**

**RECOGNITION ORDER  
(FOREIGN MAIN PROCEEDING)**

**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 August 26, 2014 (the “**Notice of Motion**”), recognizing two 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 August 26, 2014, the twenty-first report of Alvarez & Marsal Canada Inc., in its capacity as court-appointed information officer of the Chapter 11 Debtors (the “**Information Officer**”), dated August ●, 2014 (the “**Twenty-First Report**”) and on hearing the submissions of counsel for the Foreign Representative, counsel for the Information Officer, and counsel for the ad hoc secured group of LightSquared LP Lenders and the LP DIP Lenders, no one else appearing although duly served as appears from the affidavit of service of ● sworn August ●, 2014, filed,

## **SERVICE**

1. **THIS COURT ORDERS** the timing and method of service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today.

## **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) *Final Order (A) Authorizing LP DIP Obligors To Obtain Sixth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. ●] (the “**Sixth Replacement LP DIP Order**”); and

- (b) *Ninth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection To Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. ●];

attached hereto as **Schedules “A”** and **“B”** 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.

### **INTERIM FINANCING**

3. **THIS COURT ORDERS** that the filing, registration or perfection of the LP DIP Liens (as defined in the Sixth Replacement LP DIP Order) shall not be required, and that the LP DIP Liens shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the LP DIP Liens coming into existence, notwithstanding any such failure to file, register, record or perfect such liens.

4. **THIS COURT ORDERS** that the LP DIP Liens shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the LP DIP Liens (collectively, the **“Chargees”**) shall not otherwise be limited or impaired in any way by (i) the pendency of these proceedings and the declarations of insolvency made herein; (ii) any application(s) for bankruptcy order(s) issued pursuant to *Bankruptcy and Insolvency Act* (the **“BIA”**), or any bankruptcy order made pursuant to such applications; (iii) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (iv) the provisions of any federal or provincial statutes; or (v) 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 Chapter 11 Debtor, and notwithstanding any provision to the contrary in any Agreement:

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

**REPORT OF INFORMATION OFFICER**

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

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**SCHEDULE "A"**

***Final Order (A) Authorizing LP DIP Obligors To Obtain Sixth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay [U.S. Bankruptcy Court Docket No. ●]***

**SCHEDULE “B”**

***Ninth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection To Prepetition Secured Parties, and (C) Modifying Automatic Stay [U.S. Bankruptcy Court Docket No. ●]***

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

**RECOGNITION ORDER  
(September 2, 2014)**

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*Solicitors for the Foreign Representative and  
Canadian counsel to the Chapter 11 Debtors.*



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

**NOTICE OF MOTION  
(Returnable September 2, 2014)**

DENTONS CANADA LLP  
77 King Street West, Suite 400  
Toronto-Dominion Centre  
Toronto, Ontario  
M5K 0A1

**John Salmas / C. Blake Moran**

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*Solicitors for the Foreign Representative and Canadian  
counsel to the Chapter 11 Debtors.*

# TAB 2

**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")**

**AFFIDAVIT OF ELIZABETH CREARY**  
(Sworn August 26, 2014)

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**”), 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**”):

- (a) *Final Order (A) Authorizing LP DIP Obligors To Obtain Sixth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* (the “**Sixth Replacement LP DIP Order**”); and
- (b) *Ninth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* (the “**Tenth Amended Cash Collateral Order**”);

### **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 what was at the time of the filing the only 4<sup>th</sup> Generation Long Term Evolution (“**4G LTE**”) 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' 4G LTE network.

**BACKGROUND ON PROCEEDINGS**

6. On July 4, 2014, I swore an affidavit (the "**July 4 Affidavit**") which was included by the Foreign Representative in the motion record returnable for a motion in front of the Ontario Superior Court of Justice (Commercial List) (the "**Canadian Court**") on July 8, 2014 (the "**July 8 Hearing**"). The July 4 Affidavit provided background information to the service list and the Canadian Court regarding the Chapter 11 Cases, Canadian Recognition proceedings, and the current financing position of LightSquared.

7. The July 4 Affidavit (without exhibits) is attached hereto as **Exhibit 'C'** to this my affidavit and I confirm that all of the information contained within the July 4 Affidavit remains true to the date hereof.

8. Amongst other things, the purpose of the July 8 Hearing was to extend the financing of the LP Obligors (defined below) The July 8 Hearing, along with subsequent motions, resulted in the Canadian Court recognizing a number of orders of the U.S. Bankruptcy Court related to the extension of financing of the LP Obligors (collectively the "**Financing Extension Orders**"). The Financing Extension Orders include the following:

- (a) the *Fourth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection To Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1580] (the "**Fifth Amended Cash Collateral Order**") entered by the U.S. Bankruptcy Court on June 13, 2014;
- (b) the *Final Order (A) Authorizing LP DIP Obligors To Obtain Second Replacement Superpriority Senior Secured Priming Postpetition*

*Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1614] (the “**Second Replacement LP DIP Order**”) entered by the U.S. Bankruptcy Court on June 30, 2014;

- (c) the *Fifth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection To Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No.1615] (the “**Sixth Amended Cash Collateral Order**”) entered by the U.S. Bankruptcy Court on June 30, 2014;
- (d) the *Final Order (A) Authorizing LP DIP Obligors To Obtain Third Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1639] (the “**Third Replacement LP DIP Order**”) entered by the U.S. Bankruptcy Court on July 14, 2014;
- (e) the *Sixth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection To Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1638] (the “**Seventh Amended Cash Collateral Order**”) entered by the U.S. Bankruptcy Court on July 14, 2014;
- (f) the *Final Order (A) Authorizing LP DIP Obligors To Obtain Fourth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1668]

(the “**Fourth Replacement LP DIP Order**”) entered by the U.S. Bankruptcy Court on July 24, 2014;

- (g) the *Seventh Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection To Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1667] (the “**Eighth Amended Cash Collateral Order**”) entered by the U.S. Bankruptcy Court on July 24, 2014;
- (h) the *Final Order (A) Authorizing LP DIP Obligors To Obtain Fifth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1681] (the “**Fifth Replacement LP DIP Order**”) entered by the U.S. Bankruptcy Court on August 1, 2014; and
- (i) the *Eighth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1682] (the “**Ninth Amended Cash Collateral Order**”) entered by the U.S. Bankruptcy Court on August 1, 2014.

9. The Canadian Court recognized each of the Financing Extension Orders on the following dates:

- (a) On July 8, 2014, the Canadian Court recognized the Fifth Amended Cash Collateral Order, the Second Replacement LP DIP Order and the Sixth Amended Cash Collateral Order;
- (b) On July 15, 2014, the Canadian Court recognized the Third Replacement LP DIP Order and the Seventh Amended Cash Collateral Order;

- (c) On July 30, 2014, the Canadian Court recognized the Fourth Replacement LP DIP Order and the Eighth Amended Cash Collateral Order; and
- (d) On August 6, 2014, the Canadian Court recognized the Fifth Replacement LP DIP Order and the Ninth Amended Cash Collateral Order.

10. On August 6, 2014, the Foreign Representative advised the Canadian Court that the Fifth Replacement LP DIP Order and the Ninth Amended Cash Collateral Order would provide the LP Obligors with financing through to August 31, 2014.

### **FINANCING MATTERS**

11. Certain of the Chapter 11 Debtors are parties to a Credit Agreement, dated as of October 1, 2010 (as amended, supplemented, amended and restated, or otherwise modified from time to time), between, *inter alia*, LightSquared LP, as borrower, LightSquared Inc. and the other guarantors party thereto (collectively, the “**LP Obligors**”), the lenders party thereto (the “**Prepetition LP Lenders**”), and UBS AG, Stamford Branch, as administrative agent, under which the Prepetition LP Lenders provided term loans in the aggregate principal amount of \$1,500,000,000.

12. Throughout the Chapter 11 Cases, the LP Obligors have been funding their businesses through the use of the Prepetition LP Collateral<sup>1</sup>, including Cash Collateral (as such term is defined in section 363 of the Bankruptcy Code (the “**Cash Collateral**”)) and the proceeds of the Initial LP DIP Facility<sup>2</sup>, the Replacement LP DIP Facility<sup>3</sup>, the

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<sup>1</sup> As defined in the *Agreed Final Order (A) Authorizing Debtors to Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 136] (the “**Initial Cash Collateral Order**”).

<sup>2</sup> As defined in and provided for by the *Final Order (A) Authorizing LP DIP Obligors To Obtain Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1291] (the “**Initial LP DIP Order**”).

<sup>3</sup> As defined in and provided for by the *Final Order (A) Authorizing LP DIP Obligors To Obtain Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1476] (the “**Replacement LP DIP Order**”).



Second Replacement LP DIP Facility<sup>4</sup>, the Third Replacement LP DIP Facility<sup>5</sup>, Fourth Replacement LP DIP Facility<sup>6</sup> and most recently the Fifth Replacement LP DIP Facility<sup>7</sup>.

***Sixth Replacement LP DIP Order***

13. Given that the confirmation of any plan in the Chapter 11 Cases is now contemplated to extend well past the Final Maturity Date specified by and defined in the previously recognised Fifth Replacement LP DIP Facility (i.e. August 31, 2014), the Chapter 11 Debtors require additional funding to carry them through any such plan confirmation process.

14. The current budget (the “**Budget**”)<sup>8</sup> for the Chapter 11 Debtors shows that they require additional funding to be made available pursuant to the Sixth Replacement LP DIP Facility (as defined below) through October 2014. As a result, the Sixth Replacement LP DIP Facility will provide an additional \$22M to be allocated in accordance with the sixth replacement LP DIP loan allocation schedule (found at Schedule I to Annex A of the Sixth Replacement LP DIP Order) and used pursuant to the Budget in order for the Chapter 11 Debtors to continue to meet their general corporate and working capital needs.

15. On August 25, 2014, the Chapter 11 Debtors filed the *Notice of Presentment of Final Order (A) Authorizing LP DIP Obligors To Obtain Sixth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens And Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, And (D) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1727] (the “**Sixth Replacement LP DIP Notice**”) in connection with the entry into a new DIP financing facility (the “**Sixth Replacement LP DIP Facility**”) for financing of LightSquared, and each existing and future subsidiary of LightSquared (together with LightSquared, the “**LP DIP Obligors**”).

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<sup>4</sup> As defined in and provided for by the Second Replacement LP DIP Order.

<sup>5</sup> As defined in and provided for by the Third Replacement LP DIP Order.

<sup>6</sup> As defined in and provided for by the Fourth Replacement LP DIP Order.

<sup>7</sup> As defined in and provided for by the Fifth Replacement LP DIP Order.

<sup>8</sup> The Budget is attached as Annex B of the Sixth Replacement LP DIP Order and Schedule 1 of the Tenth Amended Cash Collateral Order.

16. The Sixth Replacement LP DIP Notice is attached to this affidavit as **Exhibit A**. A draft of the Sixth Replacement LP DIP Order is attached to the Sixth Replacement LP DIP Notice as Exhibit 'A'.

17. The financing of the Sixth Replacement LP DIP Facility is to be provided by certain members of the ad hoc group of Prepetition LP Lenders, including Capital Research and Management Company, and Cyrus Capital Partners, L.P., on behalf of its affiliates' managed funds and/or accounts, as well as by Intermarket Corp., Solus Alternative Asset Management LP, Fortress Credit Corp., on behalf of its affiliates' managed funds and/or accounts, fund entities managed by Aurelius Capital Management, LP, and SP Special Opportunities, LLC (each of the foregoing, an "**LP DIP Lender**") and, collectively, the "**LP DIP Lenders**").

18. I have been advised by U.S. counsel to the LP DIP Obligors, Milbank, Tweed, Hadley & McCloy LLP ("**Milbank**") that each of the LP DIP Obligors and the LP DIP Lenders under the Fifth Replacement LP DIP Facility have consented to the entry of the Sixth Replacement LP DIP Order and the Sixth Replacement LP DIP Facility, the proceeds of which shall be used to (i) repay in full all Fifth Replacement LP DIP Obligations (as defined in the Fifth Replacement LP DIP Order) under the Fifth Replacement LP DIP Facility and the Fifth Replacement LP DIP Order, (ii) permit the LP Debtors to meet their general corporate and working capital needs in accordance with the Sixth Replacement LP DIP Order for the types of expenditures set forth in the Budget (and other purposes described in paragraph 3(a) of the Sixth Replacement LP DIP Order) through the Final Maturity Date (as defined in the Sixth Replacement LP DIP Order) and (iii) pay the LP DIP Professional Fees (as defined in the Fifth Replacement LP DIP Order).

19. I have further been advised by Milbank that the Sixth Replacement LP DIP Order is expected to be entered by the U.S. Bankruptcy Court on or about August 28, 2014 and will provide the LP DIP Obligors with \$120,612,798 of financing through to November 15, 2014.

20. As a condition subsequent to the Sixth Replacement LP DIP Order, the LP DIP Lenders require that the LP DIP Obligors obtain the Canadian Court's recognition of the Sixth Replacement LP DIP Order by no later than September 3, 2014.

21. Save for the term (i.e. the Final Maturity Date being extended from August 31, 2014 to November 15, 2014) and quantum (i.e. an increase in the borrowing base by an additional \$22M), the terms of the Sixth Replacement LP DIP Order are substantially the same as the terms set forth in the Fifth Replacement LP DIP Order, which was recognized by the Canadian Court on August 6, 2014.

22. The ability of the Chapter 11 Debtors to ensure a value-maximizing exit from the Chapter 11 Cases requires the availability of capital from the Sixth Replacement LP DIP Facility. Without such funds, the Chapter 11 Debtors will not have sufficient available sources of capital and financing to operate its businesses and maintain its properties in the ordinary course of business.

23. For the foregoing reasons, the Foreign Representative respectfully submits that the LP DIP Obligors' entry into the Sixth Replacement LP DIP Facility is in the best interests of the LP DIP Obligors' estates, stakeholders, and other parties in interest.

#### ***Tenth Amended Cash Collateral Order***

24. In connection with the Sixth Replacement LP DIP Facility, the LP Obligors also required continued authorization from the U.S. Bankruptcy Court to use the Cash Collateral of the Prepetition LP Lenders. Such relief is necessary to ensure that the LP Obligors can (i) address working capital needs, (ii) fund reorganization efforts and (iii) continue to operate in the ordinary course during the Chapter 11 Cases.

25. Pursuant to the Ninth Amended Cash Collateral Order, the LP Obligors were consensually permitted to use the Prepetition LP Lenders' Cash Collateral through August 31, 2014. The Ninth Amended Cash Collateral Order and dates contained therein were recognized by the Canadian Court on August 6, 2014.

26. On August 25, 2014, the Chapter 11 Debtors filed the *Notice of Presentment of Ninth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use*

*Cash Collateral, (B) Granting Adequate Protection To Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1726] (the “**Tenth Amended Cash Collateral Notice**”).

27. The Tenth Amended Cash Collateral Notice is attached to this affidavit as **Exhibit B**. A draft of the Tenth Amended Cash Collateral Order is attached to the Tenth Amended Cash Collateral Notice as Exhibit ‘A’.

28. I have been advised by Milbank that the Tenth Amended Cash Collateral Order is expected to be entered by the U.S. Bankruptcy Court on or about August 28, 2014. Pursuant to that Order the LP Obligors will be permitted to use the Prepetition LP Lenders’ Collateral through November 15, 2014.

29. The terms of the Tenth Amended Cash Collateral Order are substantially similar to the Ninth Amended Cash Collateral Order. The material differences being that Tenth Amended Cash Collateral Order provides the Chapter 11 Debtors may make capital expenditures of \$2,380,000, in comparison with the \$1,420,000 authorized pursuant to the Ninth Amended Cash Collateral Order, and the Tenth Amended Cash Collateral Order extends the conditional waiver with respect to Lightsquared’s obligation to pay the LP Adequate Protection Payments (as defined in the Tenth Amended Cash Collateral Order), until November 2014<sup>9</sup>, whereas the Ninth Amended Cash Collateral Order only covered July and August 2014.

30. The Foreign Representative is of the view that the Canadian Court should recognize the Tenth Amended Cash Collateral Order as:

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<sup>9</sup> provided, however, that the LP Obligors shall pay, for the benefit of the Prepetition LP Lenders, all reasonable, actual, and documented fees and expenses of White & Case LLP and The Blackstone Group L.P. on the first Business Day of September 2014, October 2014 and November 2014 or as otherwise previously agreed to for the months of July 2014 and August 2014; provided, further, however, that payment of the LP Adequate Protection Payments for the months of July 2014, August 2014, September 2014, October 2014 and November 2014 shall not be deemed waived in the event that the *Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 544] is further extended, and such unpaid amounts shall be due and payable, and shall be paid, upon entry by the U.S. Bankruptcy Court of an order approving any additional debtor-in possession financing to the LP Obligors in the Chapter 11 Cases.

- (a) the LP Obligors have agreed to continue to use Cash Collateral in accordance with a Budget developed by the Chapter 11 Debtors, in consultation with their financial advisor Moelis & Company LLC;
- (b) the Budget is achievable and will continue to allow the LP Obligors to operate without the accrual of unpaid administrative expenses and will continue to adequately protect the Prepetition LP Agent (as defined in the Initial Cash Collateral Order) and the Prepetition LP Lenders from diminution in the value of their interests in the Cash Collateral; and
- (c) the only alternative to the LP Obligors' use of Cash Collateral – the immediate liquidation of their assets – would be catastrophic for both the Chapter 11 Debtors and the Prepetition LP Lenders given that an orderly conclusion to the Chapter 11 Cases is achievable.

### **CONCLUSION**

31. The Foreign Representative thus respectfully requests that the Canadian Court recognize the Sixth Replacement LP DIP Order and the Tenth Amended Cash Collateral Order, should such orders be granted by the U.S. Bankruptcy Court, as the terms and conditions contained in those Orders are fair and reasonable and in the best interests of the LP Obligors' estates and creditors.

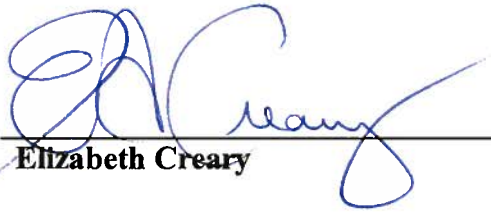
32. To the extent there are any material differences between the draft Foreign Orders (attached as Exhibits to the Sixth Replacement LP DIP Notice and the Tenth Amended Cash Collateral Notice) and the Foreign Orders as entered by the U.S. Bankruptcy Court, the Foreign Representative intends to file a supplemental affidavit identifying those changes prior to the return of the motion on September 2, 2014.

33. The secured creditors registered against the Canadian Chapter 11 Debtors entities are being given notice of the motion.

34. I make this affidavit in support of the motion of the Foreign Representative returnable September 2, 2014 and for no other or improper purpose.

SWORN before me in the City of Ottawa )  
in the Province of Ontario this 26<sup>th</sup> day of )  
August, 2014 )  
)  
)

  
\_\_\_\_\_  
Commissioner for Taking Affidavits, etc. )

  
\_\_\_\_\_  
Elizabeth Creary )

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

**TAB A**

Exhibit "A" to the Affidavit of Elizabeth Creary,  
sworn before me this this 26<sup>th</sup> day of August, 2014.

A handwritten signature in blue ink, appearing to read "S. Kleinert", is written over a horizontal line.

Commissioner for Taking Affidavits, etc.

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



Presentment Date and Time: August 28, 2014 at 12:00 p.m. (prevailing Eastern time)

Objection Deadline: August 28, 2014 at 11:00 a.m. (prevailing Eastern time)

Hearing Date (Only if Objection Filed): To Be Determined

Matthew S. Barr  
Karen Gartenberg  
MILBANK, TWEED, HADLEY & McCLOY LLP  
One Chase Manhattan Plaza  
New York, NY 10005-1413  
(212) 530-5000

*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>	)				Jointly Administered

**NOTICE OF PRESENTMENT OF FINAL ORDER (A) AUTHORIZING LP DIP OBLIGORS TO OBTAIN SIXTH REPLACEMENT SUPERPRIORITY SENIOR SECURED PRIMING POSTPETITION FINANCING, (B) GRANTING SUPERPRIORITY LIENS AND PROVIDING SUPERPRIORITY ADMINISTRATIVE EXPENSE STATUS, (C) GRANTING ADEQUATE PROTECTION, AND (D) MODIFYING AUTOMATIC STAY**

**PLEASE TAKE NOTICE** that certain members of the ad hoc secured group of Prepetition LP Lenders<sup>2</sup> (the “Ad Hoc LP Secured Group”), including Capital Research and Management Company and Cyrus Capital Partners, L.P., on behalf of its affiliates’ managed

<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 10802 Parkridge Boulevard, Reston, VA 20191.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Sixth Replacement LP DIP Order (as defined below).



funds and/or accounts, as well as Intermarket Corp., Solus Alternative Asset Management LP, Fortress Credit Corp., on behalf of its affiliates' managed funds and/or accounts, fund entities managed by Aurelius Capital Management, LP, and SP Special Opportunities, LLC have agreed to provide the LP DIP Obligors with replacement senior secured, priming, superpriority postpetition financing (the "Sixth Replacement LP DIP Facility") through and including November 15, 2014 on the terms set forth in the *Final Order (A) Authorizing LP DIP Obligors To Obtain Sixth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* (the "Sixth Replacement LP DIP Order"), a copy of which is attached hereto as Exhibit A. A redline of the Sixth Replacement LP DIP Order marked against that certain *Final Order (A) Authorizing LP DIP Obligors To Obtain Fifth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1681] (the "Fifth Replacement LP DIP Order") is attached hereto as Exhibit B.

**PLEASE TAKE FURTHER NOTICE** that LightSquared will present the Sixth Replacement LP DIP Order to the Honorable Shelley C. Chapman, Judge of the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), for signature on **August 28, 2014 at 12:00 p.m. (prevailing Eastern time)**.

**PLEASE TAKE FURTHER NOTICE** that responses or objections, if any, to the Sixth Replacement LP DIP Order must be made in writing, conform to the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the Southern District of New York, set forth the basis for the objection and the specific grounds therefor, and be filed with the

Bankruptcy Court (a) by registered users of the Bankruptcy Court's case filing system, electronically in accordance with General Order M-399 (which can be found at <http://nysb.uscourts.gov>) and (b) by all other parties in interest, in text-searchable portable document format (PDF) (with a hard copy delivered directly to Chambers (as defined below)), in accordance with the customary practices of the Bankruptcy Court and General Order M-399 and shall be served in accordance with General Order M-399 upon each of the following: (i) the chambers of the Honorable Shelley C. Chapman ("Chambers"), One Bowling Green, New York, New York 10004, 6th Floor, (ii) LightSquared Inc., 10802 Parkridge Boulevard, Reston, VA 20191, Attn: Marc R. Montagner and Curtis Lu, Esq., (iii) counsel to LightSquared, Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005-1413, Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq., (iv) counsel to the special committee of the boards of directors for LightSquared Inc. and LightSquared GP Inc., Kirkland & Ellis LLP, 601 Lexington Avenue, New York, NY 10021, Attn: James H.M. Sprayregen, Esq., Paul M. Basta, Esq., and Joshua A. Sussberg, Esq., (v) the Office of the United States Trustee for the Southern District of New York, 201 Varick Street, Suite 1006, New York, NY 10014, Attn: Susan D. Golden, Esq., (vi) counsel to U.S. Bank, as administrative agent under the Prepetition Inc. Credit Agreement and the DIP Agreement, and MAST Capital Management, LLC, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attn: Philip C. Dublin, Esq., Meredith A. Lahaie, Esq., and Kenneth A. Davis, Esq., (vii) counsel to Wilmington Savings Fund Society, FSB, as administrative agent under the Prepetition LP Credit Agreement, McDermott Will & Emery LLP, 340 Madison Avenue, New York, NY 10173, Attn: Leonard Klingbaum, Esq. and Darren Azman, Esq., (viii) counsel to the Ad Hoc LP Secured Group, White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036, Attn: Thomas E Lauria, Esq. and

Andrew C. Ambruoso, Esq., (ix) counsel to SP Special Opportunities, LLC, Willkie Farr & Gallagher LLP, Attn: Rachel C. Strickland, Esq. and James C. Dugan, Esq., (x) counsel to Fortress Credit Corp., Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, NY 10038, Attn: Kristopher M. Hansen Esq., Frank A. Merola Esq., and Jayme T. Goldstein, Esq., and (xi) counsel to Harbinger Capital Partners, LLC, Kasowitz, Benson, Torres & Friedman LLP, 1633 Broadway, New York, NY 10019, Attn: David M. Friedman, Esq. and Adam L. Shiff, Esq., so as to be actually received **no later than August 28, 2014 at 11:00 a.m. (prevailing Eastern time)** (the “Objection Deadline”). Only those responses or objections that are timely filed, served, and received will be considered at the Hearing.

**PLEASE TAKE FURTHER NOTICE** that if a written objection to the Sixth Replacement LP DIP Order is not received by the Objection Deadline, the Bankruptcy Court may deem any opposition waived and enter the Sixth Replacement LP DIP Order without further notice or hearing, and the LP DIP Obligor and the DIP Lenders shall be empowered to effectuate immediately the Sixth Replacement LP DIP Credit Documents (as defined in the Sixth Replacement LP DIP Order) without further order of the Court.

**PLEASE TAKE FURTHER NOTICE** that if a written objection is received by the Objection Deadline, a hearing will be held to consider the Sixth Replacement LP DIP Order, along with any written objection timely received, **on a date to be determined** at the United States Bankruptcy Court for the Southern District of New York, Honorable Shelley C. Chapman, United States Bankruptcy Judge, One Bowling Green, New York, New York 10004, Courtroom 623. The moving and objecting parties are required to attend the hearing, and failure to attend in person or by counsel may result in relief being granted or denied upon default.

**PLEASE TAKE FURTHER NOTICE** that a copy of the Sixth Replacement LP  
DIP Order may be obtained at no charge at <http://www.kccllc.net/LightSquared> or for a fee via  
PACER at <http://www.nysb.uscourts.gov>.

New York, New York  
Dated: August 25, 2014

Respectfully submitted,

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

*Counsel to Debtors and Debtors in Possession*

**Exhibit A**

**Proposed Sixth Replacement LP DIP Order**

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

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In re:

LIGHTSQUARED INC., *et al.*,

Debtors.<sup>1</sup>

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)  
) Chapter 11

)  
) Case No. 12-12080 (SCC)

)  
) Jointly Administered  
)  
)

**FINAL ORDER (A) AUTHORIZING LP DIP OBLIGORS TO OBTAIN SIXTH  
REPLACEMENT SUPERPRIORITY SENIOR SECURED PRIMING POSTPETITION  
FINANCING, (B) GRANTING SUPERPRIORITY LIENS AND PROVIDING  
SUPERPRIORITY ADMINISTRATIVE EXPENSE STATUS, (C) GRANTING  
ADEQUATE PROTECTION, AND (D) MODIFYING AUTOMATIC STAY**

Upon the notice of presentment, dated August 25, 2014 [Docket No. \_\_\_] (the “Motion”),<sup>2</sup>  
of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession

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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 10802 Parkridge Boulevard, Reston, VA 20191.

<sup>2</sup> Terms used but not otherwise defined herein shall have the meanings given them, as applicable, in (a) Annex A hereto and (b) the *Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 544] (the “First Cash Collateral Order” and, as amended and modified by (i) the *Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1118] (the “First Order Amending First Cash Collateral Order”), (ii) the *Second Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1292] (the “Second Order Amending First Cash Collateral Order”), (iii) the *Third Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1477] (the “Third Order Amending First Cash Collateral Order”), (iv) the *Fourth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1580] (the “Fourth Order Amending First Cash Collateral Order”), (v) the *Fifth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1615] (the “Fifth Order Amending First Cash Collateral Order”), (vi) the *Sixth Order*

(collectively, the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), for entry of an order pursuant to sections 105, 361, 362, 363(c), 364(d), and 507 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”), Rules 2002, 4001, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 4001-2 of the Local Rules for the United States Bankruptcy Court for the Southern District of New York (the “Local Rules”), *inter alia*:

(i) authorizing LightSquared LP (the “LP DIP Borrower”) to obtain, and each existing and future, direct or indirect, subsidiary of the LP DIP Borrower (collectively, the “LP DIP Guarantors” and, together with the LP DIP Borrower, the “LP DIP Obligors”) to unconditionally guarantee, jointly and severally, the LP DIP Borrower’s obligations in respect of, replacement senior secured, priming, superpriority postpetition financing (the “Sixth Replacement LP DIP Facility” and, the loans made thereunder, the “Sixth Replacement LP DIP Loans”) made available by certain members of the ad hoc group of Prepetition LP Lenders (the “Ad Hoc LP Secured Group”), including Capital Research and Management Company and Cyrus Capital Partners, L.P., on behalf of its affiliates’ managed funds and/or accounts, as well as by Intermarket Corp., Solus Alternative Asset Management LP, Fortress Credit Corp., on behalf of its affiliates’ managed funds and/or accounts, fund entities managed by Aurelius Capital Management,

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*Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 1638] (the “Sixth Order Amending First Cash Collateral Order”), (vii) the Seventh Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 1667] (the “Seventh Order Amending First Cash Collateral Order”), (viii) the Eighth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 1682] (the “Eighth Order Amending First Cash Collateral Order”), and (ix) the Ninth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay (the “Ninth Order Amending First Cash Collateral Order”), and, as so amended, the “Final Cash Collateral Order”).*



LP, and SP Special Opportunities, LLC (each of the foregoing, an “LP DIP Lender” and, collectively, the “LP DIP Lenders”), pursuant to the terms and conditions of this order (this “Order”), including (i) the terms and conditions set forth in Annex A hereto, (ii) the budget prepared by the Debtors and annexed hereto as Annex B (as updated from time to time pursuant to, and in accordance with, the terms of this Order, the “Sixth Replacement LP DIP Budget”), and (iii) the other Sixth Replacement LP DIP Credit Documents (as defined below);

(ii) authorizing and directing the LP DIP Obligors to execute and deliver, and perform under, (A) the terms of the Sixth Replacement LP DIP Facility as set forth in this Order, (B) the related Sixth Replacement Notes (as defined in Annex A hereto), substantially in the form annexed hereto as Annex C, to be issued in favor of each LP DIP Lender by the LP DIP Borrower, each in the original principal amount equal to the Sixth Replacement LP DIP Loan made by such LP DIP Lender as set forth in the “Sixth Replacement LP DIP Loan Allocation Schedule” set forth on Schedule 1 to Annex A, and (C) the related “LP DIP Obligor Guaranty,” substantially in the form annexed hereto as Annex D (this Order, the Sixth Replacement Notes, and each LP DIP Obligor Guaranty, collectively, the “Sixth Replacement LP DIP Credit Documents”), and to perform such other acts as may be necessary or desirable in connection with the Sixth Replacement LP DIP Facility;

(iii) granting to the LP DIP Lenders allowed superpriority administrative expense claims (the “LP DIP Superpriority Claims”) with priority over all other allowed chapter 11 and chapter 7 administrative expense claims, including the expenses of any chapter 7 trustee or chapter 11 trustee and the adequate protection claims and liens

granted to the Prepetition LP Secured Parties under (and as defined in) the Final Cash Collateral Order, in each of the LP DIP Obligors' Chapter 11 Cases in respect of the Sixth Replacement LP DIP Obligations (as defined below);

(iv) granting to the LP DIP Lenders automatically perfected first priority priming security interests in, and liens on, all of the LP DIP Collateral (as defined below) in accordance with the terms set forth herein;

(v) authorizing the LP DIP Obligors to pay the principal, interest (including, without limit, interest paid in kind), fees, expenses, and other liabilities and amounts payable, as set forth herein, including, without limitation, under each of the Sixth Replacement LP DIP Credit Documents, as they become due, all to the extent provided by, and in accordance with, the terms of this Order and the other Sixth Replacement LP DIP Credit Documents, as applicable;

(vi) reaffirming and confirming the adequate protection to the Prepetition LP Secured Parties for any Diminution in Value of their respective interests in the Prepetition LP Collateral (as defined in Annex A) through November 15, 2014 as provided in the Final Cash Collateral Order; and

(vii) vacating and modifying the automatic stay imposed by Section 362 of the Bankruptcy Code solely to the extent necessary to implement and effectuate the terms and provisions of the Sixth Replacement LP DIP Facility and this Order.

The Court (as defined below) having considered the Motion, the terms of the Sixth Replacement LP DIP Facility, and the Ninth Order Amending First Cash Collateral Order, and in accordance with Bankruptcy Rules 2002, 4001(b), (c), and (d), and 9014 and the Local Rules, due and proper notice of the Motion having been given; and it appearing that approval of the

relief requested in the Motion is fair and reasonable and in the best interests of the Debtors, their creditors, and their estates and essential for the continued maintenance and preservation of the Debtors' assets and property; and all objections, if any, to the entry of this Order having been withdrawn, resolved, or overruled by the Court; and after due deliberation and consideration, and for good and sufficient cause appearing therefor:

**THE COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:**

A. **Petition Date.** On May 14, 2012 (the "Petition Date"), each of the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Southern District of New York (the "Court").

B. **Debtors in Possession.** The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these Chapter 11 Cases.

C. **Jurisdiction and Venue.** This Court has jurisdiction, pursuant to 28 U.S.C. §§ 157(b) and 1334, over the Chapter 11 Cases and property affected hereby. Consideration of the Motion constitutes a core proceeding under 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

D. **Committee Formation.** As of the date hereof, the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee") has not appointed a statutory committee of unsecured creditors in these Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code.

E. **Notice.** Notice of the Hearing and the relief requested in the Motion has been provided by the Debtors, by telecopy, email, overnight courier and/or hand delivery, to (i) the U.S. Trustee, (ii) the entities listed on the Consolidated List of Creditors Holding the 20 Largest

Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d), (iii) counsel to the agents under the Debtors' prepetition credit facilities, (iv) counsel to U.S. Bank National Association and MAST Capital Management, LLC, (v) counsel to Harbinger Capital Partners, LLC, (vi) the Internal Revenue Service, (vii) the United States Attorney for the Southern District of New York, (viii) the Federal Communications Commission, (ix) Industry Canada, and (x) all parties having filed a request for notice under Bankruptcy Rule 2002. Under the circumstances, such notice of the Hearing and the relief requested in the Motion constitutes due, sufficient, and appropriate notice and complies with section 102(1) of the Bankruptcy Code, Bankruptcy Rules 2002 and 4001(b) and (c), and the Local Rules.

F. **Final Cash Collateral Order.** On February 19, 2013, the Court entered the First Cash Collateral Order; on December 20, 2013, the Court entered the First Order Amending First Cash Collateral Order; on February 4, 2014, the Court entered the Second Order Amending First Cash Collateral Order; on April 10, 2014, the Court entered the Third Order Amending First Cash Collateral Order; on June 13, 2014, the Court entered the Fourth Order Amending First Cash Collateral Order; on June 30, 2014, the Court entered the Fifth Order Amending First Cash Collateral Order; on July 14, 2014, the Court entered the Sixth Order Amending First Cash Collateral Order; on July 24, 2014, the Court entered the Seventh Order Amending First Cash Collateral Order; and on August 1, 2014, the Court entered the Eighth Order Amending First Cash Collateral Order, which collectively provide for, among other things, the Debtors' continued use of the Prepetition LP Collateral, including Cash Collateral, subject to the terms contained therein, through August 31, 2014. Substantially simultaneously with entry of this Order, and as a prerequisite to the effectiveness of this Order, the Court will enter the Ninth Order Amending First Cash Collateral Order, which, among other things, amends the First Cash

Collateral Order (as amended by the First Order Amending First Cash Collateral Order, the Second Order Amending First Cash Collateral Order, the Third Order Amending First Cash Collateral Order, the Fourth Order Amending First Cash Collateral Order, the Fifth Order Amending First Cash Collateral Order, the Sixth Order Amending First Cash Collateral Order, the Seventh Order Amending First Cash Collateral Order, and the Eighth Order Amending First Cash Collateral Order) by (i) permitting the LP Debtors<sup>3</sup> to continue to use the Prepetition LP Collateral, including Cash Collateral, through and including November 15, 2014, (ii) permitting the LP Debtors to continue to make the Adequate Protection Payments on the terms set forth herein, (iii) allowing entry of this Order and approval of the Sixth Replacement LP DIP Facility, and (iv) preserving for the benefit of the Prepetition LP Secured Parties the LP Adequate Protection Liens and the LP Section 507(b) Claims.

G. **Fifth Replacement LP DIP Facility.** On February 4, 2014, this Court entered the *Final Order (A) Authorizing LP DIP Obligors To Obtain Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1291] and thereby approved, among other things, the provision of certain superpriority senior secured priming postpetition financing by the LP DIP Lenders to the LP DIP Obligors through April 15, 2014. On April 10, 2014, this Court entered the *Final Order (A) Authorizing LP DIP Obligors To Obtain Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic*

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<sup>3</sup> “LP Debtors” means, collectively, LightSquared LP, ATC Technologies, LLC, LightSquared Corp., LightSquared Finance Co., LightSquared Network LLC, LightSquared Inc. of Virginia, LightSquared Subsidiary LLC, SkyTerra Holdings (Canada) Inc., SkyTerra (Canada) Inc., Lightsquared Bermuda Ltd., LightSquared Investors Holdings Inc., TMI Communications Delaware, Limited Partnership, and LightSquared GP Inc.

*Stay* [Docket No. 1476] (the “Replacement LP DIP Order”) and thereby approved, among other things, the provision of certain superpriority senior secured priming postpetition financing by the LP DIP Lenders to the LP DIP Obligors through June 15, 2014 (the “Replacement LP DIP Facility”). On June 9, 2014, the Debtors filed the *Notice of Extension of Final Maturity Date Under Replacement LP DIP Facility* [Docket No. 1574], providing that the LP DIP Lenders had agreed to extend the maturity of the Replacement LP DIP Facility to June 30, 2014. On June 30, 2014, this Court entered the *Final Order (A) Authorizing LP DIP Obligors To Obtain Second Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1614] (the “Second Replacement LP DIP Order”) and thereby approved, among other things, the provision of certain superpriority senior secured priming postpetition financing by the LP DIP Lenders to the LP DIP Obligors through July 15, 2014 (the “Second Replacement LP DIP Facility”). On July 14, 2014, this Court entered the *Final Order (A) Authorizing LP DIP Obligors To Obtain Third Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1639] (the “Third Replacement LP DIP Order”) and thereby approved, among other things, the provision of certain superpriority senior secured priming postpetition financing by the LP DIP Lenders to the LP DIP Obligors through July 21, 2014 (the “Third Replacement LP DIP Facility”). On July 24, 2014, this Court entered the *Final Order (A) Authorizing LP DIP Obligors To Obtain Fourth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting*

*Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1668] (the “Fourth Replacement LP DIP Order”) and thereby approved, among other things, the provision of certain superpriority senior secured priming postpetition financing by the LP DIP Lenders to the LP DIP Obligors through July 31, 2014 (the “Fourth Replacement LP DIP Facility”). On August 1, 2014, this Court entered the *Final Order (A) Authorizing LP DIP Obligors To Obtain Fifth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1681] (the “Fifth Replacement LP DIP Order”) and thereby approved, among other things, the provision of certain superpriority senior secured priming postpetition financing by the LP DIP Lenders to the LP DIP Obligors through August 31, 2014 (the “Fifth Replacement LP DIP Facility”). Each of the LP DIP Obligors and the LP DIP Lenders under the Fifth Replacement LP DIP Facility have consented to the entry of this Order and the Sixth Replacement LP DIP Facility, the proceeds of which shall be used to (i) pay in full all Fifth Replacement LP DIP Obligations under (and as defined in) the Fifth Replacement LP DIP Facility and the Fifth Replacement LP DIP Order and (ii) permit the LP Debtors to meet their general corporate and working capital needs in accordance with this Order for the types of expenditures set forth in the Sixth Replacement LP DIP Budget (and other purposes described in paragraph 3(a) below) through the Final Maturity Date (as defined below) and pay the LP DIP Professional Fees (as defined below).

H. **Immediate Need for Postpetition Financing.** The Debtors have requested immediate entry of this Order pursuant to Bankruptcy Rule 4001(b)(2) and (c)(2). Good cause has been shown for entry of this Order. Since the Petition Date, the Debtors have been funding their businesses and the Chapter 11 Cases through the use of, among other things, the Prepetition

LP Collateral (including Cash Collateral) and the proceeds of the Fifth Replacement LP DIP Facility. The Prepetition LP Lenders' Cash Collateral and the proceeds of the Fifth Replacement LP DIP Facility are largely depleted. In the absence of the availability of the Sixth Replacement LP DIP Facility in accordance with the terms hereof, serious and irreparable harm to the LP Debtors and their estates and creditors would occur. Further, any remaining possibility for confirmation of a chapter 11 plan would be at severe risk in the absence of the availability of funds in accordance with the terms of this Order.

I. **No Credit Available on More Favorable Terms.** The Debtors have been unable to obtain, on more favorable terms and conditions than those provided in this Order, (i) adequate unsecured credit allowable under Bankruptcy Code section 503(b)(1) as an administrative expense, (ii) credit for money borrowed with priority over any or all administrative expenses of the kind specified in sections 503(b) or 507(b) of the Bankruptcy Code, (iii) credit for money borrowed secured by a lien on property of the estate that is not otherwise subject to a lien, or (iv) credit for money borrowed secured by a junior lien on property of the estate which is subject to a lien. The Debtors are unable to obtain credit for borrowed money without granting the LP DIP Liens and the LP DIP Superpriority Claim to (or for the benefit of) the LP DIP Lenders.

J. **Use of Proceeds of Sixth Replacement LP DIP Facility, LP DIP Collateral.** All proceeds of the Sixth Replacement LP DIP Facility and the LP DIP Collateral, including proceeds realized from a sale or disposition thereof, or from payment thereon (net of any amounts used to pay interest, fees, costs, expenses, and other liabilities payable under this Order or the Final Cash Collateral Order), shall be used and/or applied (i) first, to repay in full all Fifth Replacement LP DIP Obligations (as defined in the Fifth Replacement LP DIP Order) under the Fifth Replacement LP DIP Facility and the Fifth Replacement LP DIP Order, and (ii) second, to



permit the LP Debtors to meet their general corporate and working capital needs in accordance with this Order for the types of expenditures set forth in the Sixth Replacement LP DIP Budget and for no other purpose, and to provide the LP Debtors with sufficient time and liquidity to confirm a chapter 11 plan of reorganization, all in accordance with the terms and conditions of this Order.

K. **Extension of Financing.** The LP DIP Lenders have indicated a willingness to provide financing to the LP DIP Obligors in accordance with the terms of this Order and the other Sixth Replacement LP DIP Credit Documents (as applicable), but only upon (i) the entry of this Order, including, without limitation, approval of the terms of the Sixth Replacement LP DIP Loans as set forth herein and findings by this Court that the Sixth Replacement LP DIP Facility is essential to the LP Debtors' estates, that the LP DIP Lenders are good faith financiers, and that their claims, superpriority claims, security interests and liens, and other protections granted pursuant to this Order and the Sixth Replacement LP DIP Facility (including the LP DIP Superpriority Claim and the LP DIP Liens) will not be affected by any subsequent reversal, modification, vacatur, or amendment of, as the case may be, this Order, the Ninth Order Amending First Cash Collateral Order, or the Final Cash Collateral Order, as provided in section 364(e) of the Bankruptcy Code, (ii) the entry of the Ninth Order Amending First Cash Collateral Order, (iii) the execution and delivery of the Sixth Replacement Notes and the LP DIP Obligor Guaranties by each applicable LP DIP Obligor, (iv) receipt of evidence as to the delivery of certificates, if any, evidencing equity ownership in the Additional LP Subsidiary Guarantors (as defined below), together with undated stock powers therefor, executed in blank, to the Prepetition LP Collateral Trustee, and (v) the payment of LP DIP Professional Fees as and to the extent provided for herein. The LP DIP Obligors shall obtain, by no later than September 3,

2014, an order in form and substance acceptable to the LP DIP Lenders by the Canadian Court in connection with the Canadian Proceedings recognizing the entry of this Order (the “Canadian Recognition Order”).

L. **Business Judgment and Good Faith Pursuant to Section 364(e).**

(i) The terms and conditions of the Sixth Replacement LP DIP Facility, and the principal, interest (including, without limit, interest paid in kind), fees, expenses, and other liabilities paid and to be paid thereunder, are fair, reasonable, and the best available under the circumstances, reflect the Debtors’ exercise of prudent business judgment consistent with their fiduciary duties, and are supported by reasonably equivalent value and consideration;

(ii) The Sixth Replacement LP DIP Facility was negotiated in good faith and at arm’s length among the Debtors and the LP DIP Lenders; and

(iii) The proceeds of the Sixth Replacement LP DIP Loans shall be so extended in good faith and for valid business purposes and uses, as a consequence of which the LP DIP Lenders are entitled to the protection and benefits of section 364(e) of the Bankruptcy Code.

M. **Other Findings and Conclusions Regarding LP DIP Lenders.**

(i) Indemnity. The LP DIP Lenders have acted in good faith, and without negligence or violation of public policy or law, in respect of all actions taken by them in connection with, or related in any way to, negotiating, implementing, documenting, or obtaining requisite approvals of the Sixth Replacement LP DIP Facility, including in respect of the granting of the LP DIP Liens, any challenges or objections to the Sixth Replacement LP DIP Facility, and all documents related to and all transactions contemplated by the foregoing. Accordingly, the LP DIP Lenders shall be and hereby are indemnified and held harmless by the

Debtors in respect of any claim or liability incurred in respect thereof or in any way related thereto. No exception or defense in contract, law, or equity exists as to any obligation (contractual or legal) to indemnify and/or hold harmless any of the LP DIP Lenders, and any such defenses are hereby waived, except to the extent resulting from the applicable LP DIP Lender's gross negligence or willful misconduct as determined by a final non-appealable order of a court of competent jurisdiction.

(ii) No Control. None of the LP DIP Lenders are control persons or insiders of the Debtors or any of their affiliates by virtue of any of the actions taken with respect to, in connection with, related to, or arising from the Sixth Replacement LP DIP Facility and/or the Sixth Replacement LP DIP Credit Documents.

(iii) No Claims, Causes of Action. As of the date hereof, there exist no claims or causes of action against any of the LP DIP Lenders with respect to, in connection with, related to, or arising from the Sixth Replacement LP DIP Facility that may be asserted by the Debtors or any other person or entity.

(iv) Release. The LP DIP Obligors forever and irrevocably release, discharge, and acquit each of the LP DIP Lenders, and each of their respective former, current and future officers, employees, directors, agents, representatives, owners, members, partners, financial and other advisors and consultants, legal advisors, shareholders, managers, consultants, accountants, attorneys, affiliates, and predecessors and successors in interest (collectively, the "Releasees") of and from any and all claims, demands, liabilities, responsibilities, disputes, remedies, causes of action, indebtedness and obligations, in each case arising out of, in connection with, or relating to the Sixth Replacement LP DIP Facility and/or the Sixth Replacement LP DIP Credit Documents, including, without limitation, (x) any so-called "lender liability" or equitable

subordination claims or defenses with respect to or relating to the Sixth Replacement LP DIP Obligations, LP DIP Liens, or Sixth Replacement LP DIP Facility, as applicable, (y) any and all claims and causes of action arising under the Bankruptcy Code, and (z) any and all claims with respect to the validity, priority, perfection, or avoidability of the liens or secured claims of the LP DIP Lenders.

N. **Relief Essential; Best Interests.** The relief requested in the Motion (and provided in this Order) is necessary, essential, and appropriate for the continued management and preservation of the Debtors' assets and property and to preserve any remaining possibility of confirming a chapter 11 plan. It is in the best interest of the Debtors' estates that the LP DIP Obligors be allowed to enter into the Sixth Replacement LP DIP Facility and incur the Sixth Replacement LP DIP Obligations.

O. **Adequate Protection for Prepetition LP Secured Parties.** The Prepetition LP Agent and the other Prepetition LP Secured Parties are entitled to adequate protection for the priming of their liens and the other rights granted to the LP DIP Lenders hereunder. The adequate protection provided to the Prepetition LP Secured Parties in the Final Cash Collateral Order is sufficient adequate protection of the interests of the Prepetition LP Secured Parties, and is fair, reasonable, and sufficiently reflects that the Debtors have exercised prudent business judgment in agreeing to this Order and entering into the Sixth Replacement LP DIP Facility. Nothing in this Order shall be construed as a consent by any Prepetition LP Secured Party that it would be adequately protected in the event of any alternative debtor in possession financing or for any purposes in the Chapter 11 Cases other than entry of this Order.

**NOW, THEREFORE**, on the Motion of the Debtors and the record before this Court with respect to the Motion, including the record made during the Hearing, and good and sufficient cause appearing therefor,

**IT IS ORDERED** that:

1. **Motion Granted**. The Motion is granted on a final basis in accordance with the terms and conditions set forth in this Order. Any objections to the Motion, to the extent not withdrawn, waived, or otherwise resolved, are hereby denied and overruled.

2. **Sixth Replacement LP DIP Facility**.

(a) **Sixth Replacement LP DIP Obligations; Availability and Final Maturity Date, etc.** The LP DIP Obligor are hereby expressly and immediately authorized and directed to enter into the Sixth Replacement LP DIP Facility, to borrow the Sixth Replacement LP DIP Loans, and to incur and to perform the Sixth Replacement LP DIP Obligations in accordance with and subject to this Order and, as applicable, any other Sixth Replacement LP DIP Credit Documents, to execute and/or deliver any Sixth Replacement LP DIP Credit Documents and, as provided herein, all other instruments, certificates, agreements, and documents, and to take all actions, which may be reasonably required or otherwise necessary for the performance by the LP DIP Obligor under the Sixth Replacement LP DIP Facility, including the creation and perfection of the LP DIP Liens described and provided for herein. The LP DIP Obligor are hereby authorized and directed to pay all principal of the Sixth Replacement LP DIP Loans, interest thereon (including, without limitation, accrued but unpaid interest and interest paid in kind), fees and expenses, indemnities, and other amounts described herein and, as applicable, in the other Sixth Replacement LP DIP Credit Documents, as such shall accrue and become due hereunder or thereunder, including, without limitation, the LP DIP Professional

Fees, as and to the extent provided for herein (collectively, all loans, advances, extensions of credit, financial accommodations, interest, fees (including the LP DIP Professional Fees as and to the extent provided for herein), expenses, and other liabilities and obligations (including indemnities and similar obligations) in respect of the Sixth Replacement LP DIP Facility and the other Sixth Replacement LP DIP Credit Documents, the “Sixth Replacement LP DIP Obligations”). Interest on the Sixth Replacement LP DIP Loans shall accrue at the rates and be paid as set forth in Annex A hereto. The Sixth Replacement LP DIP Credit Documents and all Sixth Replacement LP DIP Obligations are hereby, and shall represent, constitute, and evidence, as the case may be, valid and binding obligations of the LP DIP Obligor, enforceable against the LP DIP Obligor, their estates, and any successors thereto in accordance with their terms. The term of the Sixth Replacement LP DIP Facility shall commence on the date all of the conditions precedent set forth in subparagraph (c) of this paragraph 2 are satisfied and end on November 15, 2014 or, if sooner, the effective date of any plan of reorganization confirmed in the LP Debtors’ Chapter 11 Cases (the “Final Maturity Date”), subject to the terms and conditions set forth herein and in the other Sixth Replacement LP DIP Credit Documents, including the protections afforded a party acting in good faith under section 364(e) of the Bankruptcy Code. On the Final Maturity Date, all Sixth Replacement LP DIP Obligations shall be paid in full and in cash in U.S. dollars, and to each LP DIP Lender in accordance with its Relevant Percentage in accordance with payment instructions provided by each LP DIP Lender.

(b) **Authorization To Borrow; Guarantees, etc.** Subject to the terms and conditions of this Order and the other Sixth Replacement LP DIP Credit Documents (including the Sixth Replacement LP DIP Budget), the LP DIP Borrower is hereby authorized and directed to borrow the Sixth Replacement LP DIP Loans under the Sixth Replacement LP DIP Facility,

and the LP DIP Borrower and such other LP DIP Obligors are authorized and are hereby deemed to, and shall, guarantee repayment of the Sixth Replacement LP DIP Loans and all other Sixth Replacement LP DIP Obligations, up to an aggregate principal amount of \$120,612,798, plus all interest (including, without limitation, interest paid in kind), fees, expenses, and all other liabilities and obligations constituting Sixth Replacement LP DIP Obligations under the Sixth Replacement LP DIP Credit Documents, in each case, without any right of notice, presentment, setoff, or waiver. Upon the making of the Sixth Replacement LP DIP Loans, the concurrent indefeasible payment in full of all Fifth Replacement LP DIP Obligations under (and as defined in) the Fifth Replacement LP DIP Order and the satisfaction of the other conditions precedent set forth in paragraph 2(c) below, all Fifth Replacement Notes under (and as defined in) the Fifth Replacement LP DIP Order are hereby automatically cancelled without any further action by any person.

(c) **Conditions Precedent.** No LP DIP Lender shall have any obligation to make its Sixth Replacement LP DIP Loan or any other financial accommodation hereunder or under the other Sixth Replacement LP DIP Credit Documents (and the LP DIP Borrower shall not make any request therefor) unless all of the following conditions precedent to making the Sixth Replacement LP DIP Loans have been satisfied (or are satisfied concurrently with the making of such Sixth Replacement LP DIP Loans): (i) the entry of this Order, including, without limitation, approval of the terms of the Sixth Replacement LP DIP Loans as set forth herein, (ii) the entry of the Ninth Order Amending First Cash Collateral Order, (iii) the execution and delivery of the Sixth Replacement Notes and the LP DIP Obligor Guaranties by each applicable LP DIP Obligor, (iv) receipt of evidence as to the delivery of certificates, if any, evidencing equity ownership in the Additional LP Subsidiary Guarantors, together with undated stock

powers thereof, executed in blank, to the Prepetition LP Collateral Trustee, (v) the payment of the LP DIP Professional Fees, as and to the extent provided for herein, and (vi) all Fifth Replacement LP DIP Obligations under (and as defined in) the Fifth Replacement LP DIP Order shall be indefeasibly paid in full, all commitments thereunder will be terminated, and any security interests or guarantees in connection therewith will be terminated or released. The Canadian Recognition Order shall have been entered by no later than September 3, 2014.

(d) **LP DIP Collateral**. As used herein, "LP DIP Collateral" shall mean all Prepetition LP Collateral (as defined in Annex A), including Cash Collateral of the Prepetition LP Secured Parties, of any LP DIP Obligor together with (i) all equity interests of any LP Debtor in LightSquared Finance Co., LightSquared Network LLC, and Lightsquared Bermuda Ltd. (together, the "Additional LP DIP Subsidiary Guarantors"), and (ii) all now owned or hereafter acquired assets and property, whether real or personal, tangible or intangible, of each of the Additional LP DIP Subsidiary Guarantors; provided, however, that the LP DIP Collateral shall not include any permit or license issued by a Governmental Authority (as defined in the Prepetition LP Credit Agreement) or other agreement to the extent and for so long as the terms thereof validly prohibit the creation by the pledgor thereof of a security interest in such permit, license, or other agreement.

(e) **LP DIP Liens**. Effective immediately upon the entry of this Order, and subject only to the LP Carve-Out (as defined in the Final Cash Collateral Order and as set forth more fully in this Order), the LP DIP Lenders are hereby granted the following security interests and liens, which shall immediately be valid, binding, perfected, continuing, enforceable, and non-avoidable (all such liens and security interests granted hereby, the "LP DIP Liens"):



(I) pursuant to section 364(c)(2) of the Bankruptcy Code, valid, enforceable, perfected, and non-avoidable first priority liens on and security interests in all LP DIP Collateral that was not encumbered by valid, enforceable, perfected, and non-avoidable liens as of the Petition Date;

(II) pursuant to section 364(c)(3) of the Bankruptcy Code, valid, enforceable, perfected, and non-avoidable liens on and security interests in (x) all LP DIP Collateral which is unencumbered by the Prepetition LP Liens but on which a third party, *i.e.*, not the Prepetition LP Secured Parties (a “Third Party Lienholder”), had a pre-existing lien on the Petition Date and (y) all LP DIP Collateral encumbered by the Prepetition LP Liens and LP Adequate Protection Liens on which a Third Party Lienholder had a pre-existing lien on the Petition Date that was senior to the Prepetition LP Liens, in each case junior only to any such liens and security interests of Third Party Lienholders, but solely to the extent that such liens and security interests of Third Party Lienholders were in each case valid, enforceable, perfected, and non-avoidable as of the Petition Date and were permitted by the terms of the Prepetition LP Credit Documents (the “Senior Third Party Liens”); and

(III) pursuant to section 364(d) of the Bankruptcy Code, valid, enforceable, perfected, and non-avoidable liens on and security interests in all Prepetition LP Collateral of the LP DIP Obligors, which liens and

security interests shall be senior to and prime the Prepetition LP Liens and any LP Adequate Protection Liens.

(f) **Other Provisions Relating to LP DIP Liens.** The LP DIP Liens shall secure all of the Sixth Replacement LP DIP Obligations. The LP DIP Liens shall not, without the consent of each of the LP DIP Lenders, be made junior to, or *pari passu* with, any other lien or security interest, other than to the extent expressly provided herein and to the LP Carve-Out, by any court order heretofore or hereafter entered in the Chapter 11 Cases of any of the LP DIP Obligors, and shall be valid and enforceable against any trustee appointed in the Chapter 11 Cases of any of the LP DIP Obligors, upon the conversion of any of the Chapter 11 Cases of any of the LP DIP Obligors to a case under chapter 7 of the Bankruptcy Code or in any other proceedings related to any of the foregoing (such cases or proceedings, “Successor Cases”), and/or upon the dismissal of any of the Chapter 11 Cases of any of the LP DIP Obligors. The LP DIP Liens shall not be subject to sections 510, 549, 550, or 551 of the Bankruptcy Code or the “equities of the case” exception of section 552 of the Bankruptcy Code or section 506(c) of the Bankruptcy Code.

(g) **Superpriority Administrative Claim Status.** The Sixth Replacement LP DIP Obligations shall, pursuant to section 364(c)(1) of the Bankruptcy Code, at all times constitute an LP DIP Superpriority Claim, and be payable from and have recourse to all LP DIP Collateral. The LP DIP Superpriority Claim shall be subject and subordinate only to the LP Carve-Out. Other than to the extent expressly provided herein, and with respect to the LP Carve-Out, no costs or expenses of administration, including, without limitation, any LP Section 507(b) Claim granted under the Final Cash Collateral Order or hereunder or any professional fees allowed and payable under Bankruptcy Code sections 328, 330, and 331, or otherwise, that have

been or may be incurred in these proceedings or in any Successor Cases, and no priority claims are, or will be, senior to, prior to, or *pari passu* with the LP DIP Superpriority Claim or any of the Sixth Replacement LP DIP Obligations, or with any other claims of the LP DIP Lenders arising hereunder, under the other Sixth Replacement LP DIP Credit Documents, or otherwise in connection with the Sixth Replacement LP DIP Facility.

3. **Authorization and Approval To Use Proceeds of Sixth Replacement LP DIP Facility.**

(a) Subject to the terms and conditions of this Order and the other Sixth Replacement LP DIP Credit Documents, and to the adequate protection granted to or for the benefit of the Prepetition LP Secured Parties as hereinafter set forth, each LP DIP Obligor is authorized and directed to request and use proceeds of the Sixth Replacement LP DIP Loans, (i) first, to indefeasibly repay in full all outstanding Fifth Replacement LP DIP Obligations under (and as defined in) the Fifth Replacement LP DIP Order and the other Fifth Replacement LP DIP Credit Documents (as defined in the Fifth Replacement LP DIP Order) and (ii) second, for (A) working capital, other general corporate purposes, and permitted payment of costs of administration of the LP Debtors' Chapter 11 Cases in order to provide the LP Debtors with sufficient time and liquidity to confirm a plan of reorganization, in each case only for the purposes specifically set forth in this Order and for the types of expenditures set forth in the Sixth Replacement LP DIP Budget and (B) payment of the LP DIP Professional Fees (as and to the extent set forth herein).

(b) Notwithstanding anything herein to the contrary, the Sixth Replacement LP DIP Obligations shall be due and payable on the Final Maturity Date.

(c) Nothing in this Order shall authorize the disposition of any assets of the Debtors or their estates or other proceeds resulting therefrom outside the ordinary course of business, except as permitted herein (subject to any required Court approval).

(d) Except as permitted by this Order and the Sixth Replacement LP DIP Budget, the LP DIP Obligors shall not make any payment on any prepetition indebtedness or obligations other than those authorized by the Court in accordance with orders entered into, on, or prior to the date hereof.

4. **Adequate Protection for Prepetition Secured Parties.** Pursuant to sections 361, 362, and 363(e) of the Bankruptcy Code, as adequate protection of the interests of the Prepetition LP Agent and the Prepetition LP Secured Parties in the Prepetition LP Collateral (including Cash Collateral) against any Diminution in Value, the Prepetition LP Agent, for the benefit of the Prepetition LP Secured Parties, shall continue to receive adequate protection in the form of the LP Adequate Protection Liens, the LP Section 507(b) Claims, and the LP Adequate Protection Payments (including payment of the LP Professional Fees), in each case, pursuant to and as more fully set forth in the Final Cash Collateral Order.

5. **Monitoring of Collateral.** The LP DIP Lenders, or their respective consultants and advisors, shall, consistent with past practices, be given reasonable access to the Debtors' books, records, assets, and properties for purposes of monitoring the LP Debtors' businesses and the value of the LP DIP Collateral, and shall be granted reasonable access to the Debtors' senior management.

6. **Financial and Other Reporting.** On Wednesday (or in the event such Wednesday is not a business day, the first business day thereafter) of each week, the LP Debtors will provide Willkie Farr & Gallagher LLP, Blackstone, and White & Case LLP (who shall

reasonably promptly forward such information to each of the LP DIP Lenders at substantially the same time) with (a) cash balances as of the last day of the prior week and (b) a summary of material or key expenditures by category during the prior week. On the tenth (10<sup>th</sup>) day of each month or the first business day thereafter, the LP Debtors will provide Willkie Farr & Gallagher LLP, Blackstone, and White & Case LLP (who shall reasonably promptly forward such information to each of the LP DIP Lenders at substantially the same time) with a reconciliation of revenues generated and expenditures made during the prior month and cumulatively during the Chapter 11 Cases, together with a comparison of such amounts to the amounts projected in the Sixth Replacement LP DIP Budget. In addition, the Debtors shall provide Blackstone and White & Case LLP with any and all other financial information made available to the Prepetition LP Agent or Ad Hoc LP Secured Group pursuant to the Final Cash Collateral Order.

7. **LP DIP Lien Perfection.** This Order shall be sufficient and conclusive evidence of the validity, perfection, and priority of the LP DIP Liens without the necessity of filing or recording any financing statement, deed of trust, mortgage, or other instrument or document which may otherwise be required under the law of any jurisdiction or the taking of any other action to validate or perfect the LP DIP Liens or to entitle the LP DIP Liens to the priorities granted herein. To the extent that the Prepetition LP Agent is the secured party under any account control agreements, listed as loss payee under any of the Debtors' insurance policies, or is the secured party under any Sixth Replacement LP DIP Credit Document, the LP DIP Lenders are also deemed to be secured parties under such account control agreements, loss payees under the Debtors' insurance policies, and the secured parties under each such Sixth Replacement LP DIP Credit Document, shall have all rights and powers attendant to that position (including, without limitation, rights of enforcement), and shall act in that capacity and distribute

any proceeds recovered or received in accordance with the terms of this Order and the other Sixth Replacement LP DIP Credit Documents. The Prepetition LP Collateral Trustee shall serve as the bailee for the LP DIP Lenders for the purpose of perfecting their respective security interests and liens on all LP DIP Collateral that is of a type whereby perfection of a security interest therein may be accomplished only by possession or control by a secured party.

8. **LP Carve-Out.** Subject to the terms and conditions contained in this paragraph, upon the occurrence of the Final Maturity Date, the LP DIP Liens and the LP DIP Superpriority Claim, which have the relative lien and payment priorities as set forth herein, shall, in any event, be subject and subordinate to the LP Carve-Out, without duplication. No portion of the LP Carve-Out and no proceeds of the Sixth Replacement LP DIP Facility or Sixth Replacement LP DIP Loans may be used for the payment of the fees and expenses of any person incurred in challenging, or in relation to the challenge of, any of the LP DIP Liens or the LP DIP Superpriority Claim.

9. **Payment of Compensation.** Nothing herein shall be construed as a consent to the allowance of any professional fees or expenses of any of the Debtors or shall limit or otherwise affect the right of the LP DIP Lenders and/or the Prepetition LP Secured Parties to object to the allowance and payment of any such fees and expenses. The LP Debtors shall be permitted to pay compensation and reimbursement of expenses allowed and payable under sections 330 and 331 of the Bankruptcy Code and in accordance with the Sixth Replacement LP DIP Budget, as the same may be due and payable and the same shall not reduce the LP Carve-Out.

10. **Section 506(c) Claims.** Except to the extent of the LP Carve-Out, no expenses of the administration of these Chapter 11 Cases or any future proceeding that may result therefrom,

including liquidation in bankruptcy or other proceedings under the Bankruptcy Code, shall be charged against or recovered from the LP DIP Collateral pursuant to section 506(c) of the Bankruptcy Code or any similar principle of law or in equity, without the prior written consent of the LP DIP Lenders, and no such consent shall be implied from any other action or inaction by the LP DIP Lenders.

11. **Collateral Rights; Limitations in Respect of Subsequent Court Orders.**

Without limiting, and subject to, any other provisions of this Order, there shall not be entered in the Chapter 11 Cases of any LP DIP Obligor, or in any Successor Case, any order which authorizes (a) the obtaining of credit or the incurring of indebtedness that is secured by a security, mortgage, or collateral interest or other lien on all or any portion of the LP DIP Collateral and/or entitled to priority administrative status which is superior to or *pari passu* with those granted pursuant to this Order to or for the benefit of the LP DIP Lenders or the Prepetition LP Secured Parties; (b) the use of Cash Collateral for any purpose other than as set forth in the Final Cash Collateral Order or the Sixth Replacement LP DIP Budget; (c) any LP DIP Obligor to incur, create, assume, guarantee, or permit to exist, directly or indirectly, any additional indebtedness, except (i) indebtedness incurred under this Order and the other Sixth Replacement LP DIP Credit Documents, (ii) indebtedness existing on the date of this Order (other than indebtedness created pursuant to the Fifth Replacement LP DIP Order, which shall be repaid in full from the proceeds of the Sixth Replacement LP DIP Loans as set forth herein) and additional indebtedness (including interest, fees, premium, expenses or other amounts accrued thereon) in accordance with the terms of such indebtedness, or (iii) indebtedness incurred in the ordinary course and not for borrowed money, which would not be senior in right of payment to the Sixth Replacement LP DIP Obligations; or (d) any LP DIP Obligor to create, incur, assume, or permit

to exist, directly or indirectly, any lien on any property now owned or hereafter acquired by it or on any income or revenues or rights in respect of any thereof, except (i) liens granted pursuant to this Order or the other Sixth Replacement LP DIP Credit Documents, (ii) any lien in existence on the date of this Order (other than LP DIP Liens created pursuant to the Fifth Replacement LP DIP Order, which shall be discharged and terminated in full upon payment in full of all Fifth Replacement LP DIP Obligations created under the Fifth Replacement LP DIP Order and the other Fifth Replacement LP DIP Credit Documents (as defined in the Fifth Replacement LP DIP Order) from the proceeds of the Sixth Replacement LP DIP Loans as set forth hereunder), and (iii) liens incurred in the ordinary course and which do not secure indebtedness for borrowed money, which would be junior to the LP DIP Liens.

12. **Proceeds of Subsequent Financing.** Without limiting the provisions and protections of paragraph 11 above, if at any time prior to the indefeasible repayment and satisfaction in full in cash of all Sixth Replacement LP DIP Obligations, the LP DIP Obligors' estates, any trustee, any examiner with enlarged powers, or any responsible officer subsequently appointed shall obtain credit or incur debt in violation of this Order or the other Sixth Replacement LP DIP Credit Documents, then all of the cash proceeds derived from such credit or debt shall immediately be turned over to the LP DIP Lenders for application in accordance with this Order.

13. **Cash Management.** Until the payment in full in cash of all Sixth Replacement LP DIP Obligations, the LP DIP Obligors shall maintain the cash management system as set forth in the *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, and (D) Waiving Investment Guidelines of Section 345(b) of Bankruptcy Code [Docket No. 115] (the "Cash Management Order")*, or as otherwise required by the Sixth Replacement LP DIP Credit Documents. To the extent the Debtors are required to give notice to any party as set forth in the Cash Management Order, such notice shall also be given to each of counsel to the LP DIP Lenders and the Ad Hoc LP Secured Group. The LP DIP Lenders shall be deemed to have "control" over the LP DIP Obligors' cash management accounts for all purposes of perfection under the Uniform Commercial Code. All amounts collected in the cash collection accounts of the LP DIP Obligors may be used and applied in accordance with this Order.

14. **Disposition of LP DIP Collateral.** The Debtors shall not sell, transfer, lease, encumber, or otherwise dispose of any portion of the LP DIP Collateral outside of the ordinary course of business unless approved by the Court, subject to the right of any party in interest to object.

15. **Termination of Automatic Stay; Rights and Remedies Following Final Maturity Date.**

(a) The Sixth Replacement LP DIP Obligations shall be due and payable on the Final Maturity Date.

(b) Any automatic stay otherwise applicable to the LP DIP Lenders in connection with the Sixth Replacement LP DIP Facility is hereby modified so that, following the Final Maturity Date, the LP DIP Lenders shall be immediately entitled to exercise all of their rights and remedies in respect of the LP DIP Collateral, in accordance with this Order and/or the other Sixth Replacement LP DIP Credit Documents, as applicable.

(c) Following the occurrence of the Final Maturity Date, if the Sixth Replacement LP DIP Obligations have not been indefeasibly paid in full in cash, the LP DIP Lenders are authorized to exercise all remedies and proceed under or pursuant to the applicable Sixth Replacement LP DIP Credit Documents (which, for the avoidance of doubt, shall be consistent with and incorporate, *mutatis mutandis* to make applicable to the LP DIP Lenders, the remedies available to the Prepetition LP Secured Parties under the Prepetition LP Credit Documents) or under applicable law, including the Uniform Commercial Code. All proceeds realized in connection with the exercise of the rights and remedies of the applicable LP DIP Lenders shall be turned over and applied in accordance with this Order.

(d) The automatic stay imposed under Bankruptcy Code section 362(a) is hereby modified pursuant to the terms of the Sixth Replacement LP DIP Credit Documents as necessary to (i) permit the LP DIP Obligors to grant LP DIP Liens and to incur all Sixth Replacement LP DIP Obligations and all liabilities and obligations to the LP DIP Lenders hereunder and under the other Sixth Replacement LP DIP Credit Documents, as the case may be, and (ii) authorize the LP DIP Lenders to retain and apply payments and otherwise enforce their respective rights and remedies hereunder.

(e) Notwithstanding anything in this Order to the contrary, the Prepetition LP Agent shall not be permitted to exercise any rights or remedies for itself or the Prepetition LP Secured Parties unless and until the Sixth Replacement LP DIP Obligations including, for the avoidance of doubt, the portion of the Sixth Replacement LP DIP Obligations originally constituting the Fifth Replacement LP DIP Obligations under (and as defined in) the Fifth Replacement LP DIP Order are indefeasibly paid and satisfied in full in cash.

16. **Applications of Proceeds of Collateral, Payments, and Collections.**

Subject to the LP Carve-Out, upon and after the occurrence of the Final Maturity Date, each LP DIP Obligor agrees that proceeds of any LP DIP Collateral, any amounts held on account of the LP DIP Collateral, and all payments and collections received by the LP DIP Obligors with respect to all proceeds of LP DIP Collateral and all unexpended proceeds of the Sixth Replacement LP DIP Loans shall be used and applied to permanently and indefeasibly repay and reduce all Sixth Replacement LP DIP Obligations then due and owing in accordance with the Sixth Replacement LP DIP Credit Documents, until paid and satisfied in full in cash. No asset or property of the LP DIP Obligors may be sold, leased, or otherwise disposed of by any Debtor outside the ordinary course of business absent an order of the Court (and subject to the right to object of any party in interest), and in any event, all proceeds of such sale, lease, or disposition shall be indefeasibly applied to repay the Sixth Replacement LP DIP Obligations as provided herein.

17. **Other Rights and Obligations.**

(a) **Good Faith Under Section 364(e) of the Bankruptcy Code; No Modification or Stay of Order.** Based on the findings set forth in this Order and in accordance with section 364(e) of the Bankruptcy Code, which is applicable to the Sixth Replacement LP DIP Facility as approved by this Order, in the event any or all of the provisions of this Order are hereafter modified, amended, or vacated by a subsequent order of this Court or any other court, the LP DIP Lenders are entitled to the protections provided in section 364(e) of the Bankruptcy Code, and no such modification, amendment, or vacatur shall affect the validity and enforceability of any advances made hereunder or the liens or priority authorized or created hereby. Notwithstanding any such modification, amendment, or vacatur, any claim granted to

the LP DIP Lenders hereunder arising prior to the effective date of such modification, amendment, or vacatur of any LP DIP Liens or of the LP DIP Superpriority Claim granted to or for the benefit of the LP DIP Lenders shall be governed in all respects by the original provisions of this Order, and the LP DIP Lenders shall be entitled to all of the rights, remedies, privileges, and benefits, including the LP DIP Liens and the LP DIP Superpriority Claim granted herein, with respect to any such claim. Because the Sixth Replacement LP DIP Loans are made in reliance on this Order, the Sixth Replacement LP DIP Obligations incurred by the LP DIP Obligors or owed to the LP DIP Lenders prior to the effective date of any stay, modification, or vacatur of this Order shall not, as a result of any subsequent order in the Chapter 11 Cases of any LP DIP Obligor or in any Successor Cases, be subordinated, lose their lien priority or superpriority administrative expense claim status, or be deprived of the benefit of the status of the liens and claims granted to the LP DIP Lenders under this Order.

(b) **Expenses.** The LP DIP Obligors shall pay all expenses incurred by the LP DIP Lenders (including, without limitation, the reasonable and documented fees and disbursements of their counsel, any other local or foreign counsel that they shall retain, and any internal or third-party appraisers, consultants, financial, restructuring, or other advisors and auditors advising any such counsel) in connection with (i) the preparation, execution, delivery, funding, and administration of the Sixth Replacement LP DIP Credit Documents, including, without limitation, all due diligence fees and expenses incurred or sustained in connection with the Sixth Replacement LP DIP Credit Documents and all expenses of the LP DIP Lenders directly arising from the Motion (including, without limitation, expenses and attorney's fees associated with the preparation and filing of objections and other responsive pleadings relating to the Motion and preparation for, and attendance at, any depositions taken in connection

therewith), (ii) the administration of the Sixth Replacement LP DIP Credit Documents, or (iii) enforcement of any rights or remedies under this Order or the Sixth Replacement LP DIP Credit Documents, in each case whether or not the transactions contemplated hereby are fully consummated (collectively, the “LP DIP Professional Fees”), which shall not exceed \$75,000 in the aggregate; provided, however, that, to the extent the LP DIP Professional Fees exceed \$75,000 in the aggregate, such excess amounts shall be paid as LP Professional Fees under, and in accordance with, the Final Cash Collateral Order.<sup>4</sup> The LP DIP Lenders, and their advisors and professionals, shall not be required to comply with the U.S. Trustee fee guidelines, but shall provide reasonably detailed statements (redacted, if necessary, for privileged, confidential, or otherwise sensitive information) to the Office of the U.S. Trustee and counsel for the Debtors. Within ten (10) days of presentment of and further statements, if no written objections to the reasonableness of the fees and expenses charged in any such invoice (or portion thereof) is made, the LP DIP Obligors shall promptly pay in cash all such fees and expenses of the LP DIP Lenders and their advisors and professionals, subject to the limitations set forth in this Order. Any objection to the payment of such fees or expenses shall be made only on the basis of “reasonableness,” and shall specify in writing the amount of the contested fees and expenses and the detailed basis for such objection. To the extent an objection only contests a portion of an invoice, the undisputed portion thereof shall be promptly paid. If any such objection to payment of an invoice (or any portion thereof) is not otherwise resolved between the Debtors or the U.S. Trustee and the issuer of the invoice, either party may submit such dispute to the Court for a determination as to the reasonableness of the relevant disputed fees and expenses set forth in the invoice. This Court shall resolve any dispute as to the reasonableness of any fees and expenses.

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<sup>4</sup> Nothing herein shall impact the payment of the LP Professional Fees under, and in accordance with, the Final Cash Collateral Order.

For the avoidance of doubt, and without limiting any of the foregoing or any other provision of this Order, all fees and expenses are, upon entry of this Order and irrespective of any subsequent order approving or denying the Sixth Replacement LP DIP Facility or any other financing pursuant to section 364 of the Bankruptcy Code, fully entitled to all protections of section 364(e) of the Bankruptcy Code and are deemed fully earned, indefeasibly paid, non-refundable, irrevocable, and non-avoidable as of the date of this Order.

(c) **Binding Effect.** The provisions of this Order shall be binding upon and inure to the benefit of the LP DIP Lenders, the Debtors, and their respective successors and assigns (including any trustee or other fiduciary hereinafter appointed as a legal representative of the Debtors or with respect to the property of the estates of the Debtors) whether in the Chapter 11 Cases, in any Successor Cases, or upon dismissal of any such chapter 11 or chapter 7 case.

(d) **No Waiver.** The failure of the LP DIP Lenders to seek relief or otherwise exercise their rights and remedies under this Order or any other Sixth Replacement LP DIP Credit Documents or under applicable law or otherwise, as applicable, shall not constitute a waiver of any of the LP DIP Lenders' rights hereunder, thereunder, or otherwise. Notwithstanding anything herein, the entry of this 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 of the LP DIP Lenders under the Bankruptcy Code or under non-bankruptcy law against any other person or entity in any court, including without limitation, the rights of the LP DIP Lenders to (i) request conversion of the Chapter 11 Cases to cases under chapter 7, dismissal of the Chapter 11 Cases, or the appointment of a trustee in the Chapter 11 Cases, (ii) propose, subject to the provisions of section 1121 of the Bankruptcy Code,

a Plan, or (iii) to exercise any of the rights, claims, or privileges (whether legal, equitable, or otherwise) on behalf of the LP DIP Lenders.

(e) **No Third Party Rights.** Except as explicitly provided for herein, this Order does not create any rights for the benefit of any third party, creditor, equity holder or any direct, indirect, third party, or incidental beneficiary.

(f) **No Marshaling.** The LP DIP Lenders shall not be subject to the equitable doctrine of “marshaling” or any other similar doctrine with respect to any of the LP DIP Collateral.

(g) **Section 552(b).** The LP DIP Lenders shall each be entitled to all of the rights and benefits of section 552(b) of the Bankruptcy Code, and the “equities of the case” exception under section 552(b) of the Bankruptcy Code shall not apply to the LP DIP Lenders or the Prepetition LP Secured Parties with respect to proceeds, product, offspring, or profits of any of the Prepetition LP Collateral or the LP DIP Collateral.

(h) **Credit Bid Rights.** The LP DIP Lenders shall have the right to “credit bid” the Sixth Replacement LP DIP Obligations during any sale of any of the LP DIP Collateral or Prepetition LP Collateral of the LP DIP Obligors, as applicable, including, without limitation, in connection with sales occurring pursuant to Bankruptcy Code section 363 or included as part of any plan subject to confirmation under Bankruptcy Code section 1129.

(i) **Amendment.** No provision of the Sixth Replacement LP DIP Credit Documents may be amended, modified, supplemented, altered, or waived.

(j) **Priority of Terms.** To the extent of any conflict between or among (i) any of the express terms or provisions of the Motion, any order of this Court (other than this Order), or any other agreements, on the one hand, and (ii) the express terms and provisions of

this Order, on the other hand, unless such term or provision herein is phrased in terms of “defined in” or “as set forth in” another order of this Court or agreement, the terms and provisions of this Order shall govern.

(k) **Survival of Order.** The provisions of this Order and any actions taken pursuant hereto shall survive entry of any order which may be entered (i) confirming any Plan in the Chapter 11 Cases of any LP DIP Obligor, (ii) converting any of the Chapter 11 Cases of any LP DIP Obligor to a case under chapter 7 of the Bankruptcy Code, (iii) to the extent authorized by applicable law, dismissing any of the Chapter 11 Cases of any LP DIP Obligor, (iv) withdrawing of the reference of any of the Chapter 11 Cases of any LP DIP Obligor from this Court, or (v) providing for abstention from handling or retaining of jurisdiction of any of the Chapter 11 Cases of any LP DIP Obligor in this Court. The terms and provisions of this Order, including the LP DIP Liens and LP DIP Superpriority Claim granted pursuant to this Order, and any protections granted to or for the benefit of the LP DIP Lenders, shall continue in full force and effect notwithstanding the entry of such order, and such LP DIP Liens and LP DIP Superpriority Claims shall maintain their priority as provided by this Order and the other Sixth Replacement LP DIP Credit Documents until all of the Sixth Replacement LP DIP Obligations have been indefeasibly paid and satisfied in full in cash and discharged.

(l) **Enforceability.** This Order shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052 and shall take effect and be fully enforceable *nunc pro tunc* to the Petition Date immediately upon execution hereof.

(m) **No Waivers or Modification of Order.** The Debtors irrevocably waive any right to seek any modification or extension of this Order.



(n) **Order Controls.** This Order supersedes the Fifth Replacement LP DIP Order in all respects.

(o) **Waiver of any Applicable Stay.** Any applicable stay (including, without limitation, under Bankruptcy Rule 6004(h)) is hereby waived and shall not apply to this Order.

(p) **Retention of Jurisdiction.** The Court has and will retain jurisdiction to enforce this Order according to its terms.

Dated: August \_\_, 2014  
New York, New York

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HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE

ANNEX A

LP DIP FACILITY TERMS AND CONDITIONS

This Annex A is the “Annex A” referenced in the Order to which it is attached and shall constitute, and form a part of, the Order.

1. Terms of Borrowing.

(a) Subject to the terms and conditions of this Order, the LP DIP Lenders agree, severally and not jointly, to make Sixth Replacement LP DIP Loans to LP DIP Borrower upon the satisfaction (or the concurrent satisfaction with the making of such Sixth Replacement LP DIP Loans) of the conditions precedent set forth in paragraph 2(c) of this Order, in an aggregate principal amount not to exceed its Relevant Percentage of \$120,612,798; provided, that no LP DIP Lender shall be responsible for the failure of any other LP DIP Lender to make any Sixth Replacement LP DIP Loan required to be made by such other LP DIP Lender.

(b) Each LP DIP Lender shall make each Sixth Replacement LP DIP Loan to be made by it hereunder by wire transfer of immediately available funds to an account directed by the LP DIP Borrower in writing; provided, that each LP DIP Lender shall satisfy its obligations to make such Sixth Replacement LP DIP Loan by (i) funding in cash an amount equal to its Net Funding Amount and (ii) converting its Fifth Replacement LP DIP Obligations (including all accrued and unpaid interest) into Sixth Replacement LP DIP Loans hereunder and, upon such conversion, the amount of such Fifth Replacement LP DP Obligations shall be deemed exchanged for, and thereafter constitute, Sixth Replacement LP DIP Loans hereunder.

(c) The Sixth Replacement LP DIP Loans shall be prepayable at any time without make-whole or premium. Amounts paid or prepaid in respect of Sixth Replacement LP DIP Loans may not be reborrowed.

2. Interest on Sixth Replacement LP DIP Loans.

(a) Subject to the provisions of Section 2(b) below, the Sixth Replacement LP DIP Loans shall bear interest at a rate *per annum* equal to 15.0%, payable in kind (the “PIK Interest”), by adding such accrued and unpaid interest to the unpaid principal amount of the Sixth Replacement LP DIP Loans on a monthly basis (whereupon from and after such date such additional amounts shall also accrue interest pursuant to this Section 2). All such PIK Interest so added shall be treated as principal of the Sixth Replacement LP DIP Loans for all purposes of this Order. The obligation of the LP DIP Borrower to pay all such PIK Interest so added shall be automatically evidenced by this Order, and, if applicable, any applicable Sixth Replacement Notes.

(b) Default Rate. Notwithstanding the foregoing, after the Final Maturity Date, the Sixth Replacement LP DIP Obligations shall, to the extent permitted by applicable law, bear interest, after as well as before judgment, at a rate per annum equal

to 2% *plus* the rate otherwise applicable to the Sixth Replacement LP DIP Loans as provided in Section 2(a).

(c) Interest Payment Dates. Accrued interest on each Sixth Replacement LP DIP Loan shall be payable in cash on the Final Maturity Date for such Sixth Replacement LP DIP Loan; provided, that (i) interest accrued pursuant to Section 2(b) shall be payable in cash on demand and (ii) in the event of any repayment or prepayment of any Sixth Replacement LP DIP Loan, accrued interest on the principal amount repaid or prepaid shall be payable in cash on the date of such repayment or prepayment.

(d) Interest Calculation. All interest hereunder shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(e) Interest Act (Canada). For the purposes of the *Interest Act (Canada)* and disclosure thereunder, in any case in which an interest or fee rate is stated in this Order to be calculated on the basis of a number of days that is other than the number in a calendar year, the yearly rate to which such interest or fee rate is equivalent is equal to such interest or fee rate multiplied by the actual number of days in the year in which the relevant interest or fee payment accrues and divided by the number of days used as the basis for such calculation.

(f) No Criminal Rate of Interest. If any provision of this Order would oblige a Canadian LP DIP Obligor to make any payment of interest or other amount payable to any LP DIP Lender in an amount or calculated at a rate which would be prohibited by any applicable law or would result in a receipt by that LP DIP Lender of “interest” at a “criminal rate” (as such terms are construed under the *Criminal Code (Canada)*), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by applicable law or so result in a receipt by that LP DIP Lender of “interest” at a “criminal rate,” such adjustment to be effected, to the extent necessary (but only to the extent necessary), as follows:

- i. first, by reducing the amount or rate of interest required to be paid to the affected LP DIP Lender; and
- ii. thereafter, by reducing any fees, commissions, costs, expenses, premiums and other amounts required to be paid to the affected LP DIP Lender which would constitute interest for purposes of section 347 of the *Criminal Code (Canada)*.

### 3. Final Maturity Date.

Following the Final Maturity Date, if the Sixth Replacement LP DIP Obligations have not been indefeasibly paid in full in cash, the full principal amount of the Sixth Replacement LP DIP Loans, together with accrued interest thereon and any unpaid accrued fees and all other Sixth Replacement LP DIP Obligations of LP DIP Obligor accrued hereunder and under any other

Sixth Replacement LP DIP Credit Document, shall become forthwith due and payable, without presentment, demand, protest, or any other notice of any kind, all of which are hereby expressly waived by the LP DIP Obligors, anything contained herein or in any other Sixth Replacement LP DIP Credit Document to the contrary notwithstanding. In addition, the automatic stay provided in section 362 of the Bankruptcy Code in connection with the Sixth Replacement LP DIP Facility shall be deemed automatically vacated without further action or order of the Court, and the LP DIP Lenders, shall be entitled, in their sole discretion, to enforce and exercise all of their respective rights and remedies under this Order and the other Sixth Replacement LP DIP Credit Documents (which, for the avoidance of doubt, shall be consistent with and incorporate, *mutatis mutandis* to make applicable to the LP DIP Lenders, the remedies available to the Prepetition LP Secured Parties under the Prepetition LP Credit Documents).

4. Application of Proceeds.

The proceeds received by the LP DIP Lenders in respect of any sale of, collection from, or other realization upon all or any part of the LP DIP Collateral pursuant to the exercise by such LP DIP Lenders of their remedies in accordance with this Order shall be applied, in full or in part, promptly by such LP DIP Lenders as follows:

(a) First, to the payment of that portion of the Sixth Replacement LP DIP Obligations constituting fees, indemnities, costs, expenses (other than principal and interest but including the fees, costs, and disbursements of counsel) payable to the LP DIP Lenders under this Order (including the LP DIP Obligor Guaranty), ratably among them in proportion to the amounts described in this clause (a) payable to them;

(b) Second, without duplication of amounts applied pursuant to clause (a) above, to the indefeasible payment in full in cash of that portion of the Sixth Replacement LP DIP Obligations constituting accrued and unpaid interest (excluding, for the avoidance of doubt, any PIK Interest that has already been added to the unpaid principal amount of the Sixth Replacement LP DIP Loans) on the Sixth Replacement LP DIP Loans, ratably among the LP DIP Lenders in proportion to the amounts described in this clause (b) payable to them;

(c) Third, to the indefeasible payment in full in cash of that portion of the Sixth Replacement LP DIP Obligations constituting unpaid principal (including all PIK Interest that has been added thereto) of the Sixth Replacement LP DIP Loans, ratably among the LP DIP Lenders in proportion to the amounts described in this clause (c) payable to them;

(d) Fourth, to the indefeasible payment in full in cash of all other Sixth Replacement LP DIP Obligations that are due and payable to the LP DIP Lenders, ratably based upon the respective aggregate amounts of all such Sixth Replacement LP DIP Obligations owing to the LP DIP Lenders on such date; and

(e) Fifth, the balance, if any, after all of the Sixth Replacement LP DIP Obligations then due and payable have been indefeasibly paid in full in cash, to the

person lawfully entitled thereto (including the applicable LP DIP Obligor or its successors or assigns) or as a court of competent jurisdiction may direct.

In the event that any such proceeds are insufficient to pay in full the items described in clauses (a) through (d) of this Section 5, the LP DIP Obligors shall remain liable, jointly and severally, for any deficiency.

5. Amendments.

The Annexes to this Order and any other Sixth Replacement LP DIP Credit Documents (including this Order) may not be amended, modified, supplemented, altered, or waived.

6. Assignments.

No LP DIP Lender may assign or otherwise transfer any of its rights or obligations hereunder (including, without limitation, by granting participations in Sixth Replacement LP DIP Loans other than as set forth below). Any attempted assignment or participation in violation of the preceding sentence shall be null and void. Notwithstanding the foregoing, any LP DIP Lender may at any time, without the consent of, or notice to, the LP DIP Borrower or any other LP DIP Lender, sell participations to any person (other than a natural person, the LP DIP Borrower, or any of its Affiliates, or any Disqualified Company (as such term is defined in the Prepetition LP Credit Agreement) or an Affiliate (as such term is defined in the Prepetition LP Credit Agreement) thereof that is not a financial institution, private equity firm, bona fide debt fund, or hedge fund) (each, a "Participant") in all or a portion of such LP DIP Lender's rights and/or obligations under this Order (including all or a portion of the Sixth Replacement LP DIP Loans owing to it); provided, that (a) such LP DIP Lender's obligations under this Order shall remain unchanged, (b) such LP DIP Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (c) the LP DIP Borrower and the other LP DIP Lenders shall continue to deal solely and directly with such LP DIP Lender in connection with such LP DIP Lender's rights and obligations under this Order. Any agreement or instrument pursuant to which an LP DIP Lender sells such a participation shall provide that the relevant participant shall not be permitted to sell sub-participations to any natural person, the LP DIP Borrower or any of its Affiliates or any Disqualified Company or an Affiliate thereof that is not a financial institution, private equity firm, bona fide debt fund, or hedge fund.

7. Integration.

This Order, the other Sixth Replacement LP DIP Credit Documents, and the Final Cash Collateral Order constitute the entire contract among the LP DIP Obligors and the LP DIP Lenders relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

8. Governing Law; Jurisdiction; Venue.

(a) Governing Law. This Order and each other Sixth Replacement LP DIP Credit Document, and the transactions contemplated hereby and thereby, and all disputes between the LP DIP Obligors and the LP DIP Lenders under or relating to this Order or

any other Sixth Replacement LP DIP Credit Document or the facts or circumstances leading to its or their execution, whether in contract, tort or otherwise, shall be construed in accordance with, and governed by, the laws (including statutes of limitation) of the State of New York (and, to the extent applicable, the Bankruptcy Code).

(b) Submission to Jurisdiction. Each LP DIP Obligor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Court, or to the extent that the Court does not have or does not exercise jurisdiction, the Supreme Court of the State of New York sitting in New York County and the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to any Sixth Replacement LP DIP Credit Document, or for recognition or enforcement of any judgment, and each of the LP DIP Obligors and LP DIP Lenders hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such Federal court. Each of the LP DIP Obligors and LP DIP Lenders agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Order or any other Sixth Replacement LP DIP Credit Document shall affect any right that any LP DIP Lender may otherwise have to bring any action or proceeding relating to this Order or any other Sixth Replacement LP DIP Credit Document against any LP DIP Obligor or its properties in the courts of any jurisdiction.

(c) Venue. Subject to the jurisdiction of the Court, each LP DIP Obligor hereby irrevocably and unconditionally waives, to the fullest extent permitted by applicable requirements of law, any objection which it may now or hereafter have to the laying of venue of any suit, action, or proceeding arising out of or relating to this Order or any other Sixth Replacement LP DIP Credit Document in any court referred to in Section 9(b). Each of the LP DIP Obligors and LP DIP Lenders hereby irrevocably waives, to the fullest extent permitted by applicable requirements of law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

9. Waiver of Jury Trial.

Each LP DIP Obligor hereby waives, to the fullest extent permitted by applicable requirements of law, any right it may have to a trial by jury in any legal proceeding directly or indirectly arising out of or relating to this Order, any other Sixth Replacement LP DIP Credit Document, or the transactions contemplated hereby (whether based on contract, tort, or any other theory). Each LP DIP Obligor and LP DIP Lender (a) certifies that no representative, agent, or attorney of any other such person has represented, expressly or otherwise, that such other person would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and all other such persons have been induced to become bound by this Order and the other Sixth Replacement LP DIP Credit Documents by, among other things, the mutual waivers and certifications in this Section.

10. Interest Rate Limitation.

Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Sixth Replacement LP DIP Loan, together with all fees, charges, and other amounts which are treated as interest on such Sixth Replacement LP DIP Loan under applicable requirements of law (collectively, the “Charges”), shall exceed the maximum lawful rate (the “Maximum Rate”) which may be contracted for, charged, taken, received, or reserved by the LP DIP Lender holding such Sixth Replacement LP DIP Loan in accordance with applicable requirements of law, the rate of interest payable in respect of such Sixth Replacement LP DIP Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate, and, to the extent lawful, the interest and Charges that would have been payable in respect of such Sixth Replacement LP DIP Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such LP DIP Lender in respect of other Sixth Replacement LP DIP Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System of the United States arranged by federal funds brokers to the date of repayment, shall have been received by such LP DIP Lender.

11. Currency Due.

If, for the purpose of obtaining a judgment in any court in any jurisdiction, it is necessary to convert a sum due under this Order or any other Sixth Replacement LP DIP Credit Document in one currency into another currency, then such amount shall be converted using the rate of exchange in effect on the Business Day immediately preceding that on which final judgment is given. The obligation of the LP DIP Borrower in respect of any amount due from the LP DIP Lenders under this Order or any other Sixth Replacement LP DIP Credit Document shall, notwithstanding any judgment in a currency (the “Judgment Currency”) other than that in which such amount is denominated in accordance with the applicable provisions of this Order (the “Order Currency”), be discharged only to the extent that on the Business Day following receipt by the LP DIP Lenders of any amount adjudged to be so due in the Judgment Currency, the LP DIP Lenders may purchase the Order Currency with the Judgment Currency. If the amount of the Order Currency so purchased is less than the amount originally due to the LP DIP Lenders from the LP DIP Borrower on the Order Currency, the LP DIP Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the LP DIP Lenders against such deficiency. For this purpose “rate of exchange” means the rate published by the Wall Street Journal on the date of such conversion or, if no such rate is published in the Wall Street Journal on such day as the Wall Street Journal ceases to publish such rate for any reason, then the “rate of exchange” shall mean the rate quoted by the Reuters World Company Page at 11:00 a.m. (New York time) on such day or, in the event such rate does not appear on any Reuters World Currency Page on such day, by reference to the rate published by Bloomberg foreign exchange and world currencies page on the date of such conversion.

12. Additional Defined Terms.

“Business Day” shall mean any day other than a Saturday, Sunday, or other day on which banks in New York City are authorized or required by law to close.

“Net Funding Amount” shall mean, as to any LP DIP Lender, the dollar amount set forth opposite such LP DIP Lender’s name (in the column entitled “Net Funding Amount”) in the table set forth in Schedule I to this Annex A.

“Prepetition LP Collateral” shall mean (a) substantially all of the assets of LightSquared LP and the Prepetition LP Subsidiary Guarantors, (b) the equity interests of LightSquared LP and the Prepetition LP Parent Guarantors (except LightSquared Inc.), (c) certain equity interests owned by the Pledgors (as defined in the applicable Prepetition LP Security Agreement (as defined herein)), (d) the Intercompany Notes (as defined in the Prepetition LP Security Agreements) and (e) the rights of LightSquared Inc. under and arising out of the Inmarsat Cooperation Agreement, by and between LightSquared LP, SkyTerra (Canada) Inc., LightSquared Inc., and Inmarsat Global Limited. For the avoidance of doubt, the Prepetition LP Collateral includes any proceeds, substitutions or replacements of any of the forgoing (unless such proceeds, substitutions or replacements would constitute Excluded Property (as defined in Prepetition LP Credit Documents)). The Prepetition LP Collateral does not include the following: (i) any permit or license issued by a Governmental Authority (as defined in the Prepetition LP Credit Agreement) or other agreement to the extent and for so long as the terms thereof validly prohibit the creation by the pledgor thereof of a security interest in such permit, license, or other agreement; (ii) property subject to any Purchase Money Obligation, Vendor Financing Indebtedness, or Capital Lease Obligations (in each case, as such term is defined in the Prepetition LP Credit Agreement) if the contract or other agreement in which such lien is granted validly prohibits the creation of any other lien on such property; (iii) the SkyTerra-2 satellite, while title remains with BSSI, and those ground segment assets related to the SkyTerra-2 satellite, while title remains with BSSI; (iv) any intent-to-use trademark application to the extent and for so long as a security interest therein would result in the loss by the pledgor thereof of any material rights therein; (v) certain deposit and securities accounts securing currency hedging or credit card vendor programs or letters of credit provided to vendors in the ordinary course of business; (vi) equity interests in (x) excess of 66% in non-U.S. subsidiaries (other than the Canadian Subsidiaries (as defined in the Prepetition LP Credit Agreement)) held by a US subsidiary, (y) LightSquared Network LLC, and (z) any joint venture or similar entity to the extent and for so long as the terms of such investment restrict such security interest; and (vii) any consumer goods subject to the Canadian Security Agreement (as defined in the Prepetition LP Credit Agreement).

“Relevant Percentage” shall mean, as to any LP DIP Lender, the percentage set forth opposite such LP DIP Lender’s name (in the column entitled “Relevant Percentage”) in the table set forth in Schedule I to this Annex A.

“Sixth Replacement Notes” shall mean any promissory note(s) evidencing the Sixth Replacement LP DIP Loans in the form set forth in Annex C hereto.



**SCHEDULE I TO ANNEX A**

**Sixth Replacement LP DIP Loan Allocation Schedule**

<u>Name of LP DIP Lender:</u>	<u>Relevant Percentage:</u>	<u>Principal Outstanding Under Fifth Replacement LP DIP Facility:</u>	<u>Accrued Interest Under Fifth Replacement LP DIP Facility as of 8/31/14:</u>	<u>Sixth Replacement LP DIP Loan Amount:</u>	<u>Net Funding Amount:</u>
SP Special Opportunities LLC	53.0%	\$52,246,061	\$65,308	\$63,981,762	\$11,670,393
Capital Research and Management Company, on behalf of American High-Income Trust	18.7%	20,493,224	25,617	24,638,722	4,119,882
Fortress Credit Corp., on behalf of its affiliates' managed funds and/or accounts	13.1%	9,986,384	12,483	12,873,230	2,874,363
Cyrus Capital Partners, L.P.	7.6%	8,322,521	10,403	10,006,052	1,673,129
SOLA LTD	3.6%	3,527,194	4,409	4,319,486	787,882
ULTRA MASTER LTD	1.0%	941,953	1,177	1,153,538	210,408
Solus Senior High Income Fund LP	0.2%	212,153	265	259,807	47,389
Intermarket Corporation, on behalf of Fernwood Associates LLC	0.6%	606,607	758	742,866	135,500
Intermarket Corporation, on behalf of Fernwood Restructurings Ltd.	0.6%	606,607	758	742,866	135,500
Aurelius Capital Master, Ltd.	0.8%	797,152	996	976,212	178,063
ACP Master, Ltd.	0.6%	552,554	691	676,671	123,426
Aurelius Convergence Master, Ltd.	0.2%	197,274	247	241,586	44,066
<b>Total</b>	<b>100.0%</b>	<b>\$98,489,685</b>	<b>\$123,112</b>	<b>\$120,612,798</b>	<b>\$22,000,000</b>

**ANNEX B**

**SIXTH REPLACEMENT LP DIP BUDGET**

Dollars in thousands

Month	Sep-14	Oct-14	Nov-14
<b>Beginning Cash Balance</b>	<b>335</b>	<b>(9,027)</b>	<b>(21,735)</b>
<b>Sources</b>			
Satellite Revenue	1,279	1,481	1,497
Interest Income	0	-	-
Equity Financing	-	-	-
Net Debt Financing	-	-	-
Financing Fees	-	-	-
Other	-	-	-
<b>Total Sources</b>	<b>1,279</b>	<b>1,481</b>	<b>1,497</b>
<b>Uses (OPEX)</b>			
In-Orbit / Launch Insurance	-	-	2,339
ISAT Coop Agmt	-	-	17,500
Spectrum (NOAA)	-	-	-
Staffing Related (entire company)	1,710	1,710	1,694
Legal / Regulatory / Lobbying / International	1,245	1,583	954
Facilities/Telecom	658	658	658
G&A	336	471	1,629
Travel Expenses (entire company)	50	50	50
Boeing Related Expenses	212	637	212
Other Items	858	636	795
<b>Subtotal - USES (OPEX)</b>	<b>5,069</b>	<b>5,744</b>	<b>25,830</b>
<b>Uses (CAPEX)</b>			
Boeing	1,400	-	-
Qualcomm	-	-	-
Alcatel Lucent S-BTS	-	-	-
Current Network Maintenance / Capex	230	250	500
<b>Subtotal - USES (CAPEX)</b>	<b>1,630</b>	<b>250</b>	<b>500</b>
<b>Debt Service Restructuring Related</b>			
Cash Interest	-	-	-
Restructuring Professionals	3,943	8,195	7,541
LP Adequate Protection Payments (2)	-	-	-
<b>Total Uses</b>	<b>10,642</b>	<b>14,189</b>	<b>33,871</b>
<b>Net Uses (Total Sources - Total Uses)</b>	<b>(9,362)</b>	<b>(12,708)</b>	<b>(32,374)</b>
<b>LP Group Ending Cash Balance (excl. Cash at TMI)</b>	<b>(9,027)</b>	<b>(21,735)</b>	<b>(54,109)</b>
<b>TMI Ending Cash Balance</b>	<b>10,896</b>	<b>10,896</b>	<b>10,896</b>

(1) Projected payments

(2) Assumes no Adequate Protection Payments



**ANNEX C**

**FORM OF TERM NOTE**

\$ \_\_\_\_\_

New York, New York  
\_\_\_\_\_, 2014

FOR VALUE RECEIVED, **LIGHTSQUARED LP**, a Delaware limited partnership, a debtor and debtor-in-possession under Chapter 11 of the Bankruptcy Code (the "LP DIP Borrower"), hereby promises to pay to [\_\_\_\_\_] [or its registered assigns] (the "LP DIP Lender"), in lawful money of the United States of America in immediately available funds the principal sum of \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_), as such amount may be increased by the addition of interest that has been paid in kind in accordance with the Final Order (A) Authorizing LP DIP Obligors To Obtain Sixth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay [Docket No. \_\_\_] (the "Sixth Replacement LP DIP Order")<sup>1</sup> or, if less, the unpaid principal amount of all Sixth Replacement LP DIP Loans made by the LP DIP Lender under the Sixth Replacement LP DIP Facility in accordance with the Sixth Replacement LP DIP Order, payable at such times and in such amounts as provided for in the Sixth Replacement LP DIP Order.

The LP DIP Borrower also promises to pay interest on the unpaid principal amount of each Sixth Replacement LP DIP Loan made by the LP DIP Lender in kind, from the date hereof until all principal, accrued and unpaid interest, and all other amounts have been indefeasibly paid in full in cash, at the rates and at the times specified in the Sixth Replacement LP DIP Order.

This Note is one of the Sixth Replacement Notes referred to in Annex A to the Sixth Replacement LP DIP Order and is entitled to the benefits thereof and of the other Sixth Replacement LP DIP Credit Documents. This Note is secured by the LP DIP Collateral and is entitled to the benefits of the guaranties from the LP DIP Guarantors. This Note, and any Sixth Replacement LP DIP Loans and other obligations (including any accrued and unpaid interest) represented hereby, shall be repaid in full in cash upon the occurrence of the Final Maturity Date as set forth in the Sixth Replacement LP DIP Order.

The LP DIP Borrower hereby waives presentment, demand, protest, or notice of any kind in connection with this Note.

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<sup>1</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Sixth Replacement LP DIP Order.

**THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH, AND  
BE GOVERNED BY, THE LAW OF THE STATE OF NEW YORK AND, TO THE  
EXTENT APPLICABLE, THE BANKRUPTCY CODE.**

**LIGHTSQUARED LP**

By: \_\_\_\_\_  
Name:  
Title:

**ANNEX D**

**FORM OF LP DIP OBLIGOR GUARANTY**

LP DIP OBLIGOR GUARANTY (as amended, modified, restated, and/or supplemented from time to time, this "Guaranty"), dated as of [\_\_\_\_\_] , 201[ ] , made by and among each of the undersigned guarantors (each, an "LP DIP Guarantor" and, collectively, the "LP DIP Guarantors") in favor of the LP DIP Lenders. Except as otherwise defined herein, all capitalized terms used herein and defined in the Sixth Replacement LP DIP Order (as defined below) shall be used herein as therein defined.

**W I T N E S S E T H :**

WHEREAS, pursuant to that certain Final Order (A) Authorizing LP DIP Obligors To Obtain Sixth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay [Docket No. \_\_\_] (including all annexures, exhibits, and schedules thereto, the "Sixth Replacement LP DIP Order"), the LP DIP Lenders shall make Sixth Replacement LP DIP Loans to the LP DIP Borrower on the terms and subject to the conditions set forth therein;

WHEREAS, each LP DIP Guarantor is a direct or indirect subsidiary of the LP DIP Borrower;

WHEREAS, the Sixth Replacement LP DIP Order requires that each LP DIP Guarantor shall have executed and delivered to the LP DIP Lenders this Guaranty; and

WHEREAS, each LP DIP Guarantor will obtain benefits from the incurrence of Sixth Replacement LP DIP Loans by the LP DIP Borrower and, accordingly, desires to execute this Guaranty in order to satisfy the requirements of the Sixth Replacement LP DIP Order and to induce the LP DIP Lenders to make Sixth Replacement LP DIP Loans to the LP DIP Borrower;

NOW, THEREFORE, in consideration of the foregoing and other benefits accruing to each LP DIP Guarantor, the receipt and sufficiency of which are hereby acknowledged, each LP DIP Guarantor hereby covenants and agrees with each other LP DIP Guarantor and the LP DIP Lenders as follows:

1. GUARANTY. The LP DIP Guarantors hereby jointly and severally guarantee, as a primary obligor and not as a surety, to each LP DIP Lender and their respective successors and assigns, the prompt payment in full when due (whether at stated maturity, by required prepayment, declaration, demand, acceleration, or otherwise) of all Sixth Replacement LP DIP Obligations. The LP DIP Guarantors hereby jointly and severally agree that if LP DIP Borrower or any other LP DIP Guarantor(s) shall fail to

pay in full in cash when due (whether at stated maturity, by acceleration, or otherwise) any of the Sixth Replacement LP DIP Obligations, the LP DIP Guarantors will promptly pay the same in cash, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Sixth Replacement LP DIP Obligations, the same will be promptly paid in full in cash when due (whether at extended maturity, by acceleration, or otherwise) in accordance with the terms of such extension or renewal. OBLIGATIONS UNCONDITIONAL. The obligations of the LP DIP Guarantors under Section 1 shall constitute a guaranty of payment and, to the fullest extent permitted by applicable requirements of law, are absolute, irrevocable, and unconditional, joint and several, irrespective of the value, genuineness, validity, regularity, or enforceability of the Sixth Replacement LP DIP Obligations of the LP DIP Borrower under the Sixth Replacement LP DIP Order, the Sixth Replacement Notes, or any other Sixth Replacement LP DIP Credit Documents, or any substitution, release, or exchange of any other guarantee of or security for any of the Sixth Replacement LP DIP Obligations, and, irrespective of any other circumstance whatsoever that might otherwise constitute a legal or equitable discharge or defense of a surety or LP DIP Guarantor (except for payment in full). Without limiting the generality of the foregoing, it is agreed that the occurrence of any one or more of the following shall not alter or impair the liability of the LP DIP Guarantors hereunder which shall remain absolute, irrevocable, and unconditional under any and all circumstances as described above:

(a) at any time or from time to time, without notice to any LP DIP Guarantors, the time for any performance of, or compliance with, any of the Sixth Replacement LP DIP Obligations shall be extended, or such performance or compliance shall be waived;

(b) any of the acts mentioned in any of the provisions of the Sixth Replacement LP DIP Order, the Sixth Replacement Notes, if any, or any other Sixth Replacement LP DIP Credit Document shall be done or omitted;

(c) the maturity of any of the Sixth Replacement LP DIP Obligations shall be accelerated, or any of the Sixth Replacement LP DIP Obligations shall be amended in any respect, any right under the Sixth Replacement LP DIP Credit Documents or any other agreement or instrument referred to herein or therein shall be amended or waived in any respect, or any other guarantee of any of the Sixth Replacement LP DIP Obligations or any security therefor shall be released or exchanged in whole or in part or otherwise dealt with;

(d) any lien or security interest granted to, or in favor of, any LP DIP Lender as security for any of the Sixth Replacement LP DIP Obligations shall fail to be perfected; or

(e) the release of any other LP DIP Guarantor pursuant to the terms of the Sixth Replacement LP DIP Order.

The LP DIP Guarantors hereby, to the fullest extent permitted by applicable requirements of law, expressly waive diligence, presentment, demand of payment, protest, and all

notices whatsoever, and any requirement that any LP DIP Lender exhaust any right, power, or remedy or proceed against the LP DIP Borrower under the Sixth Replacement LP DIP Order, the Sixth Replacement Notes, if any, or any other Sixth Replacement LP DIP Credit Document, or against any other person under any other guarantee of, or security for, any of the Sixth Replacement LP DIP Obligations. The LP DIP Guarantors waive any and all notice of the creation, renewal, extension, waiver, termination, or accrual of any of the Sixth Replacement LP DIP Obligations and notice of, or proof of reliance by any LP DIP Lender upon, this Guaranty or acceptance of this Guaranty, and the Sixth Replacement LP DIP Obligations, and any of them, shall conclusively be deemed to have been created, contracted, or incurred in reliance upon this Guaranty, and all dealings between LP DIP Borrower and the LP DIP Lenders shall likewise be conclusively presumed to have been had or consummated in reliance upon this Guaranty. This Guaranty shall be construed as a continuing, absolute, irrevocable, and unconditional guarantee of payment without regard to any right of offset with respect to the Sixth Replacement LP DIP Obligations at any time or from time to time held by LP DIP Lenders, and the obligations and liabilities of the LP DIP Guarantors hereunder shall not be conditioned or contingent upon the pursuit by the LP DIP Lenders or any other person at any time of any right or remedy against LP DIP Borrower or against any other person which may be or become liable in respect of all or any part of the Sixth Replacement LP DIP Obligations or against any collateral security or guarantee therefor or right of offset with respect thereto. This Guaranty shall remain in full force and effect and be binding in accordance with, and to the extent of, its terms upon the LP DIP Guarantors and the successors and assigns thereof, and shall inure to the benefit of the LP DIP Lenders, and their respective successors and assigns, notwithstanding that from time to time during the term of the Sixth Replacement LP DIP Order there may be no Sixth Replacement LP DIP Obligations outstanding.

3. REINSTATEMENT. The obligations of the LP DIP Guarantors under this Guaranty shall be automatically reinstated if and to the extent that for any reason any payment by, or on behalf of, the LP DIP Borrower or other LP DIP Obligors in respect of the Sixth Replacement LP DIP Obligations is rescinded or must be otherwise restored by any holder of any of the Sixth Replacement LP DIP Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise.

4. SUBROGATION; SUBORDINATION. Each LP DIP Guarantor hereby agrees that until the indefeasible payment and satisfaction in full in cash of all Sixth Replacement LP DIP Obligations, it shall waive any claim and shall not exercise any right or remedy, direct or indirect, arising by reason of any performance by it of its guarantee in Section 1, whether by subrogation or otherwise, against the LP DIP Borrower or any other LP DIP Obligor of any of the Sixth Replacement LP DIP Obligations or any security for any of the Sixth Replacement LP DIP Obligations.

5. REMEDIES. After the Final Maturity Date, the LP DIP Guarantors jointly and severally agree that, as between the LP DIP Guarantors and the LP DIP Lenders, the obligations of LP DIP Borrower under the Sixth Replacement LP DIP Order



and the Sixth Replacement Notes shall be due and payable as provided in the Sixth Replacement LP DIP Order for purposes of Section 1, notwithstanding any stay, injunction, or other prohibition preventing such obligations from becoming automatically due and payable as against LP DIP Borrower and that such obligations (whether or not due and payable by LP DIP Borrower) shall become forthwith due and payable by the LP DIP Guarantors for purposes of Section 1.

6. INSTRUMENT FOR THE PAYMENT OF MONEY. Each LP DIP Guarantor hereby acknowledges that this Guaranty constitutes an instrument for the payment of money, and consents and agrees that any LP DIP Lender, at its sole option, in the event of a dispute by such LP DIP Guarantor in the payment of any moneys due hereunder, shall have the right to bring a motion-action under New York CPLR Section 3213.

7. CONTINUING GUARANTY. The Guaranty is a continuing guarantee of payment and shall apply to all Sixth Replacement LP DIP Obligations whenever arising.

8. GENERAL LIMITATION ON SIXTH REPLACEMENT LP DIP OBLIGATIONS. In any action or proceeding involving any state corporate limited partnership or limited liability company law, or any applicable state, federal, or foreign bankruptcy, insolvency, reorganization, or other law affecting the rights of creditors generally, if the obligations of any LP DIP Guarantor under Section 1 would otherwise be held or determined to be void, voidable, invalid, or unenforceable, or subordinated to the claims of any other creditors, on account of the amount of its liability under Section 1, then, notwithstanding any other provision to the contrary, the amount of such liability shall, without any further action by such LP DIP Guarantor, any other LP DIP Obligor, or any other person, be automatically limited and reduced to the highest amount (after giving effect to the right of contribution established in Section 9) that is valid and enforceable and not subordinated to the claims of other creditors as determined in such action or proceeding.

9. RIGHT OF CONTRIBUTION. Each LP DIP Guarantor hereby agrees that to the extent that an LP DIP Guarantor shall have paid more than its proportionate share of any payment made hereunder, such LP DIP Guarantor shall be entitled to seek and receive contribution from and against any other LP DIP Guarantor hereunder which has not paid its proportionate share of such payment. Each LP DIP Guarantor's right of contribution shall be subject to the terms and conditions of Section 4. The provisions of this Section 9 shall in no respect limit the obligations and liabilities of any LP DIP Guarantor to the LP DIP Lenders, and each LP DIP Guarantor shall remain liable to the LP DIP Lenders for the full amount guaranteed by such LP DIP Guarantor hereunder.

10. COUNTERPARTS. This Guaranty may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. A set of counterparts executed by all the parties

hereto shall be lodged with the LP DIP Borrower and the LP DIP Lenders. Delivery of an executed counterpart hereof by facsimile or other electronic means (including “.pdf”, “.tif” or similar format) shall be effective as delivery of a manually executed counterpart hereof.

11. HEADINGS DESCRIPTIVE. The headings of the several Sections of this Guaranty are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Guaranty.

12. GOVERNING LAW, ETC. This Guaranty and the contents hereof are subject to the governing law, jurisdiction, venue, waiver of jury trial, currency indemnity, indemnification, and expense reimbursement provisions set forth in the Sixth Replacement LP DIP Order (including Annex A thereto) and such provisions are hereby incorporated herein by reference, *mutatis mutandis*.

\* \* \*

IN WITNESS WHEREOF, each LP DIP Guarantor has caused this Guaranty to be executed and delivered as of the date first above written.

Address:

[\_\_\_\_\_]

[\_\_\_\_\_],

[\_\_\_\_\_]

as a LP DIP Guarantor

Tel:[\_\_\_\_\_]

Fax:[\_\_\_\_\_]

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

Name:

Title:

[Accepted and Agreed to:

[\_\_\_\_\_],

as LP DIP Lender

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

Name:

Title:

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

Name:

Title:]

**Exhibit B**

**Redline of Sixth Replacement LP DIP Order Against Fifth Replacement LP DIP Order**

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

In re:

LIGHTSQUARED INC., *et al.*,

Debtors.<sup>1</sup>

)  
) Chapter 11

)  
) Case No. 12-12080 (SCC)

)  
) Jointly Administered  
)  
)

**FINAL ORDER (A) AUTHORIZING LP DIP OBLIGORS TO OBTAIN ~~FIFTH~~SIXTH  
REPLACEMENT SUPERPRIORITY SENIOR SECURED PRIMING POSTPETITION  
FINANCING, (B) GRANTING SUPERPRIORITY LIENS AND PROVIDING  
SUPERPRIORITY ADMINISTRATIVE EXPENSE STATUS, (C) GRANTING  
ADEQUATE PROTECTION, AND (D) MODIFYING AUTOMATIC STAY**

Upon the notice of presentment, dated ~~July 31~~August 25, 2014 [Docket No. ~~1678~~\_\_]

(the "Motion")<sup>2</sup> of LightSquared Inc. and certain of its affiliates, as debtors and debtors in

<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 10802 Parkridge Boulevard, Reston, VA 20191.

<sup>2</sup> Terms used but not otherwise defined herein shall have the meanings given them, as applicable, in (a) Annex A hereto and (b) the *Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 544] (the "First Cash Collateral Order") and, as amended and modified by (i) the *Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1118] (the "First Order Amending First Cash Collateral Order"), (ii) the *Second Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1292] (the "Second Order Amending First Cash Collateral Order"), (iii) the *Third Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1477] (the "Third Order Amending First Cash Collateral Order"), (iv) the *Fourth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1580] (the "Fourth Order Amending First Cash Collateral Order"), (v) the *Fifth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to*

possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), for entry of an order pursuant to sections 105, 361, 362, 363(c), 364(d), and 507 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”), Rules 2002, 4001, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 4001-2 of the Local Rules for the United States Bankruptcy Court for the Southern District of New York (the “Local Rules”), *inter alia*:

(i) authorizing LightSquared LP (the “LP DIP Borrower”) to obtain, and each existing and future, direct or indirect, subsidiary of the LP DIP Borrower (collectively, the “LP DIP Guarantors” and, together with the LP DIP Borrower, the “LP DIP Obligors”) to unconditionally guarantee, jointly and severally, the LP DIP Borrower’s obligations in respect of, replacement senior secured, priming, superpriority postpetition financing (the “FifthSixth Replacement LP DIP Facility” and, the loans made thereunder, the “FifthSixth Replacement LP DIP Loans”) made available by certain members of the ad hoc group of Prepetition LP Lenders (the “Ad Hoc LP Secured Group”), including Capital Research and Management Company and Cyrus Capital Partners, L.P., on behalf of its affiliates’ managed funds and/or accounts, as well as by Intermarket Corp., Solus Alternative Asset Management LP, Fortress Credit

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*Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1615] (the “Fifth Order Amending First Cash Collateral Order”), (vi) the *Sixth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1638] (the “Sixth Order Amending First Cash Collateral Order”), (vii) the *Seventh Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1667] (the “Seventh Order Amending First Cash Collateral Order”), and (viii) the *Eighth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1682] (the “Eighth Order Amending First Cash Collateral Order”), and (ix) the *Ninth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* (the “Ninth Order Amending First Cash Collateral Order”), and, as so amended, the “Final Cash Collateral Order”).

Corp., on behalf of its affiliates' managed funds and/or accounts, fund entities managed by Aurelius Capital Management, LP, and SP Special Opportunities, LLC (each of the foregoing, an "LP DIP Lender" and, collectively, the "LP DIP Lenders"), pursuant to the terms and conditions of this order (this "Order"), including (i) the terms and conditions set forth in Annex A hereto, (ii) the budget prepared by the Debtors and annexed hereto as Annex B (as updated from time to time pursuant to, and in accordance with, the terms of this Order, the "FifthSixth Replacement LP DIP Budget"), and (iii) the other FifthSixth Replacement LP DIP Credit Documents (as defined below);

(ii) authorizing and directing the LP DIP Obligors to execute and deliver, and perform under, (A) the terms of the FifthSixth Replacement LP DIP Facility as set forth in this Order, (B) the related FifthSixth Replacement Notes (as defined in Annex A hereto), substantially in the form annexed hereto as Annex C, to be issued in favor of each LP DIP Lender by the LP DIP Borrower, each in the original principal amount equal to the FifthSixth Replacement LP DIP Loan made by such LP DIP Lender as set forth in the "FifthSixth Replacement LP DIP Loan Allocation Schedule" set forth on Schedule 1 to Annex A, and (C) the related "LP DIP Obligor Guaranty," substantially in the form annexed hereto as Annex D (this Order, the FifthSixth Replacement Notes, and each LP DIP Obligor Guaranty, collectively, the "FifthSixth Replacement LP DIP Credit Documents"), and to perform such other acts as may be necessary or desirable in connection with the FifthSixth Replacement LP DIP Facility;

(iii) granting to the LP DIP Lenders allowed superpriority administrative expense claims (the "LP DIP Superpriority Claims") with priority over all other

allowed chapter 11 and chapter 7 administrative expense claims, including the expenses of any chapter 7 trustee or chapter 11 trustee and the adequate protection claims and liens granted to the Prepetition LP Secured Parties under (and as defined in) the Final Cash Collateral Order, in each of the LP DIP Obligors' Chapter 11 Cases in respect of the ~~Fifth~~Sixth Replacement LP DIP Obligations (as defined below);

(iv) granting to the LP DIP Lenders automatically perfected first priority priming security interests in, and liens on, all of the LP DIP Collateral (as defined below) in accordance with the terms set forth herein;

(v) authorizing the LP DIP Obligors to pay the principal, interest (including, without limit, interest paid in kind), fees, expenses, and other liabilities and amounts payable, as set forth herein, including, without limitation, under each of the ~~Fifth~~Sixth Replacement LP DIP Credit Documents, as they become due, all to the extent provided by, and in accordance with, the terms of this Order and the other ~~Fifth~~Sixth Replacement LP DIP Credit Documents, as applicable;

(vi) reaffirming and confirming the adequate protection to the Prepetition LP Secured Parties for any Diminution in Value of their respective interests in the Prepetition LP Collateral (as defined in Annex A) through ~~August 31~~November 15, 2014 as provided in the Final Cash Collateral Order; and

(vii) vacating and modifying the automatic stay imposed by Section 362 of the Bankruptcy Code solely to the extent necessary to implement and effectuate the terms and provisions of the ~~Fifth~~Sixth Replacement LP DIP Facility and this Order.

The Court (as defined below) having considered the Motion, the terms of the ~~Fifth~~Sixth Replacement LP DIP Facility, and the ~~Eighth~~Ninth Order Amending First Cash



Collateral Order, and in accordance with Bankruptcy Rules 2002, 4001(b), (c), and (d), and 9014 and the Local Rules, due and proper notice of the Motion having been given; and it appearing that approval of the relief requested in the Motion is fair and reasonable and in the best interests of the Debtors, their creditors, and their estates and essential for the continued maintenance and preservation of the Debtors' assets and property; and all objections, if any, to the entry of this Order having been withdrawn, resolved, or overruled by the Court; and after due deliberation and consideration, and for good and sufficient cause appearing therefor:

**THE COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:**

A. **Petition Date.** On May 14, 2012 (the "Petition Date"), each of the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Southern District of New York (the "Court").

B. **Debtors in Possession.** The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these Chapter 11 Cases.

C. **Jurisdiction and Venue.** This Court has jurisdiction, pursuant to 28 U.S.C. §§ 157(b) and 1334, over the Chapter 11 Cases and property affected hereby. Consideration of the Motion constitutes a core proceeding under 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

D. **Committee Formation.** As of the date hereof, the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee") has not appointed a statutory committee of unsecured creditors in these Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code.

E. **Notice.** Notice of the Hearing and the relief requested in the Motion has been provided by the Debtors, by telecopy, email, overnight courier and/or hand delivery, to (i) the U.S. Trustee, (ii) the entities listed on the Consolidated List of Creditors Holding the 20 Largest Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d), (iii) counsel to the agents under the Debtors' prepetition credit facilities, (iv) counsel to U.S. Bank National Association and MAST Capital Management, LLC, (v) counsel to Harbinger Capital Partners, LLC, (vi) the Internal Revenue Service, (vii) the United States Attorney for the Southern District of New York, (viii) the Federal Communications Commission, (ix) Industry Canada, and (x) all parties having filed a request for notice under Bankruptcy Rule 2002. Under the circumstances, such notice of the Hearing and the relief requested in the Motion constitutes due, sufficient, and appropriate notice and complies with section 102(1) of the Bankruptcy Code, Bankruptcy Rules 2002 and 4001(b) and (c), and the Local Rules.

F. **Final Cash Collateral Order.** On February 19, 2013, the Court entered the First Cash Collateral Order; on December 20, 2013, the Court entered the First Order Amending First Cash Collateral Order; on February 4, 2014, the Court entered the Second Order Amending First Cash Collateral Order; on April 10, 2014, the Court entered the Third Order Amending First Cash Collateral Order; on June 13, 2014, the Court entered the Fourth Order Amending First Cash Collateral Order; on June 30, 2014, the Court entered the Fifth Order Amending First Cash Collateral Order; on July 14, 2014, the Court entered the Sixth Order Amending First Cash Collateral Order; ~~and~~ on July 24, 2014, the Court entered the Seventh **Order Amending First Cash Collateral Order; and on August 1, 2014, the Court entered the Eighth** Order Amending First Cash Collateral Order, which collectively provide for, among other things, the Debtors' continued use of the Prepetition LP Collateral, including

Cash Collateral, subject to the terms contained therein, through ~~July~~August 31, 2014. Substantially simultaneously with entry of this Order, and as a prerequisite to the effectiveness of this Order, the Court will enter the ~~Eighth~~Ninth Order Amending First Cash Collateral Order, which, among other things, amends the First Cash Collateral Order (as amended by the First Order Amending First Cash Collateral Order, the Second Order Amending First Cash Collateral Order, the Third Order Amending First Cash Collateral Order, the Fourth Order Amending First Cash Collateral Order, the Fifth Order Amending First Cash Collateral Order, the Sixth Order Amending First Cash Collateral Order, ~~and~~ the Seventh Order Amending First Cash Collateral Order, and the Eighth Order Amending First Cash Collateral Order) by (i) permitting the LP Debtors<sup>3</sup> to continue to use the Prepetition LP Collateral, including Cash Collateral, through and including ~~August 31~~November 15, 2014, (ii) permitting the LP Debtors to continue to make the Adequate Protection Payments on the terms set forth herein, (iii) allowing entry of this Order and approval of the ~~Fifth~~Sixth Replacement LP DIP Facility, and (iv) preserving for the benefit of the Prepetition LP Secured Parties the LP Adequate Protection Liens and the LP Section 507(b) Claims.

G. FourthFifth Replacement LP DIP Facility. On February 4, 2014, this Court entered the *Final Order (A) Authorizing LP DIP Obligors To Obtain Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1291] and thereby approved, among other things, the

<sup>3</sup> “LP Debtors” means, collectively, LightSquared LP, ATC Technologies, LLC, LightSquared Corp., LightSquared Finance Co., LightSquared Network LLC, LightSquared Inc. of Virginia, LightSquared Subsidiary LLC, SkyTerra Holdings (Canada) Inc., SkyTerra (Canada) Inc., Lightsquared Bermuda Ltd., LightSquared Investors Holdings Inc., TMI Communications Delaware, Limited Partnership, and LightSquared GP Inc.

provision of certain superpriority senior secured priming postpetition financing by the LP DIP Lenders to the LP DIP Obligors through April 15, 2014. On April 10, 2014, this Court entered the *Final Order (A) Authorizing LP DIP Obligors To Obtain Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1476] (the “Replacement LP DIP Order”) and thereby approved, among other things, the provision of certain superpriority senior secured priming postpetition financing by the LP DIP Lenders to the LP DIP Obligors through June 15, 2014 (the “Replacement LP DIP Facility”). On June 9, 2014, the Debtors filed the *Notice of Extension of Final Maturity Date Under Replacement LP DIP Facility* [Docket No. 1574], providing that the LP DIP Lenders had agreed to extend the maturity of the Replacement LP DIP Facility to June 30, 2014. On June 30, 2014, this Court entered the *Final Order (A) Authorizing LP DIP Obligors To Obtain Second Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1614] (the “Second Replacement LP DIP Order”) and thereby approved, among other things, the provision of certain superpriority senior secured priming postpetition financing by the LP DIP Lenders to the LP DIP Obligors through July 15, 2014 (the “Second Replacement LP DIP Facility”). On ~~June~~July 14, 2014, this Court entered the *Final Order (A) Authorizing LP DIP Obligors To Obtain Third Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1639] (the “Third

Replacement LP DIP Order”) and thereby approved, among other things, the provision of certain superpriority senior secured priming postpetition financing by the LP DIP Lenders to the LP DIP Obligors through July 21, 2014 (the “Third Replacement LP DIP Facility”). On July 24, 2014, this Court entered the *Final Order (A) Authorizing LP DIP Obligors To Obtain Fourth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1668] (the “Fourth Replacement LP DIP Order”) and thereby approved, among other things, the provision of certain superpriority senior secured priming postpetition financing by the LP DIP Lenders to the LP DIP Obligors through July 31, 2014 (the “Fourth Replacement LP DIP Facility”). On August 1, 2014, this Court entered the Final Order (A) Authorizing LP DIP Obligors To Obtain Fifth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay [Docket No. 1681] (the “Fifth Replacement LP DIP Order”) and thereby approved, among other things, the provision of certain superpriority senior secured priming postpetition financing by the LP DIP Lenders to the LP DIP Obligors through August 31, 2014 (the “Fifth Replacement LP DIP Facility”). Each of the LP DIP Obligors and the LP DIP Lenders under the ~~Fourth~~Fifth Replacement LP DIP Facility have consented to the entry of this Order and the ~~Fifth~~Sixth Replacement LP DIP Facility, the proceeds of which shall be used to (i) pay in full all ~~Fourth~~Fifth Replacement LP DIP Obligations under (and as defined in) the ~~Fourth~~Fifth Replacement LP DIP Facility and the ~~Fourth~~Fifth Replacement LP DIP Order and (ii) permit the LP Debtors to meet their general corporate and

working capital needs in accordance with this Order for the types of expenditures set forth in the ~~Fifth~~Sixth Replacement LP DIP Budget (and other purposes described in paragraph 3(a) below) through the Final Maturity Date (as defined below) and pay the LP DIP Professional Fees (as defined below).

H. **Immediate Need for Postpetition Financing.** The Debtors have requested immediate entry of this Order pursuant to Bankruptcy Rule 4001(b)(2) and (c)(2). Good cause has been shown for entry of this Order. Since the Petition Date, the Debtors have been funding their businesses and the Chapter 11 Cases through the use of, among other things, the Prepetition LP Collateral (including Cash Collateral) and the proceeds of the ~~Fourth~~Fifth Replacement LP DIP Facility. The Prepetition LP Lenders' Cash Collateral and the proceeds of the ~~Fourth~~Fifth Replacement LP DIP Facility are largely depleted. In the absence of the availability of the ~~Fifth~~Sixth Replacement LP DIP Facility in accordance with the terms hereof, serious and irreparable harm to the LP Debtors and their estates and creditors would occur. Further, any remaining possibility for confirmation of a chapter 11 plan would be at severe risk in the absence of the availability of funds in accordance with the terms of this Order.

I. **No Credit Available on More Favorable Terms.** The Debtors have been unable to obtain, on more favorable terms and conditions than those provided in this Order, (i) adequate unsecured credit allowable under Bankruptcy Code section 503(b)(1) as an administrative expense, (ii) credit for money borrowed with priority over any or all administrative expenses of the kind specified in sections 503(b) or 507(b) of the Bankruptcy Code, (iii) credit for money borrowed secured by a lien on property of the estate that is not otherwise subject to a lien, or (iv) credit for money borrowed secured by a junior lien on

property of the estate which is subject to a lien. The Debtors are unable to obtain credit for borrowed money without granting the LP DIP Liens and the LP DIP Superpriority Claim to (or for the benefit of) the LP DIP Lenders.

J. **Use of Proceeds of ~~Fifth~~Sixth Replacement LP DIP Facility, LP DIP Collateral.** All proceeds of the ~~Fifth~~Sixth Replacement LP DIP Facility and the LP DIP Collateral, including proceeds realized from a sale or disposition thereof, or from payment thereon (net of any amounts used to pay interest, fees, costs, expenses, and other liabilities payable under this Order or the Final Cash Collateral Order), shall be used and/or applied (i) first, to repay in full all ~~Fourth~~Fifth Replacement LP DIP Obligations (as defined in the ~~Fourth~~Fifth Replacement LP DIP Order) under the ~~Fourth~~Fifth Replacement LP DIP Facility and the ~~Fourth~~Fifth Replacement LP DIP Order, and (ii) second, to permit the LP Debtors to meet their general corporate and working capital needs in accordance with this Order for the types of expenditures set forth in the ~~Fifth~~Sixth Replacement LP DIP Budget and for no other purpose, and to provide the LP Debtors with sufficient time and liquidity to confirm a chapter 11 plan of reorganization, all in accordance with the terms and conditions of this Order.

K. **Extension of Financing.** The LP DIP Lenders have indicated a willingness to provide financing to the LP DIP Obligors in accordance with the terms of this Order and the other ~~Fifth~~Sixth Replacement LP DIP Credit Documents (as applicable), but only upon (i) the entry of this Order, including, without limitation, approval of the terms of the ~~Fifth~~Sixth Replacement LP DIP Loans as set forth herein and findings by this Court that the ~~Fifth~~Sixth Replacement LP DIP Facility is essential to the LP Debtors' estates, that the LP DIP Lenders are good faith financiers, and that their claims, superpriority claims, security interests and liens, and other protections granted pursuant to this Order and the ~~Fifth~~Sixth Replacement LP

DIP Facility (including the LP DIP Superpriority Claim and the LP DIP Liens) will not be affected by any subsequent reversal, modification, vacatur, or amendment of, as the case may be, this Order, the ~~Eighth~~Ninth Order Amending First Cash Collateral Order, or the Final Cash Collateral Order, as provided in section 364(e) of the Bankruptcy Code, (ii) the entry of the ~~Eighth~~Ninth Order Amending First Cash Collateral Order, (iii) the execution and delivery of the ~~Fifth~~Sixth Replacement Notes and the LP DIP Obligor Guaranties by each applicable LP DIP Obligor, (iv) receipt of evidence as to the delivery of certificates, if any, evidencing equity ownership in the Additional LP Subsidiary Guarantors (as defined below), together with undated stock powers therefor, executed in blank, to the Prepetition LP Collateral Trustee, and (v) the payment of LP DIP Professional Fees as and to the extent provided for herein. The LP DIP Obligors shall obtain, by no later than ~~August 6~~September 3, 2014, an order in form and substance acceptable to the LP DIP Lenders by the Canadian Court in connection with the Canadian Proceedings recognizing the entry of this Order (the "Canadian Recognition Order").

L. **Business Judgment and Good Faith Pursuant to Section 364(e).**

(i) The terms and conditions of the ~~Fifth~~Sixth Replacement LP DIP Facility, and the principal, interest (including, without limit, interest paid in kind), fees, expenses, and other liabilities paid and to be paid thereunder, are fair, reasonable, and the best available under the circumstances, reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duties, and are supported by reasonably equivalent value and consideration;

(ii) The ~~Fifth~~Sixth Replacement LP DIP Facility was negotiated in good faith and at arm's length among the Debtors and the LP DIP Lenders; and



(iii) The proceeds of the ~~Fifth~~Sixth Replacement LP DIP Loans shall be so extended in good faith and for valid business purposes and uses, as a consequence of which the LP DIP Lenders are entitled to the protection and benefits of section 364(e) of the Bankruptcy Code.

M. **Other Findings and Conclusions Regarding LP DIP Lenders.**

(i) Indemnity. The LP DIP Lenders have acted in good faith, and without negligence or violation of public policy or law, in respect of all actions taken by them in connection with, or related in any way to, negotiating, implementing, documenting, or obtaining requisite approvals of the ~~Fifth~~Sixth Replacement LP DIP Facility, including in respect of the granting of the LP DIP Liens, any challenges or objections to the ~~Fifth~~Sixth Replacement LP DIP Facility, and all documents related to and all transactions contemplated by the foregoing. Accordingly, the LP DIP Lenders shall be and hereby are indemnified and held harmless by the Debtors in respect of any claim or liability incurred in respect thereof or in any way related thereto. No exception or defense in contract, law, or equity exists as to any obligation (contractual or legal) to indemnify and/or hold harmless any of the LP DIP Lenders, and any such defenses are hereby waived, except to the extent resulting from the applicable LP DIP Lender's gross negligence or willful misconduct as determined by a final non-appealable order of a court of competent jurisdiction.

(ii) No Control. None of the LP DIP Lenders are control persons or insiders of the Debtors or any of their affiliates by virtue of any of the actions taken with respect to, in connection with, related to, or arising from the ~~Fifth~~Sixth Replacement LP DIP Facility and/or the ~~Fifth~~Sixth Replacement LP DIP Credit Documents.

(iii) No Claims, Causes of Action. As of the date hereof, there exist no claims or causes of action against any of the LP DIP Lenders with respect to, in connection with, related to, or arising from the ~~Fifth~~Sixth Replacement LP DIP Facility that may be asserted by the Debtors or any other person or entity.

(iv) Release. The LP DIP Obligors forever and irrevocably release, discharge, and acquit each of the LP DIP Lenders, and each of their respective former, current and future officers, employees, directors, agents, representatives, owners, members, partners, financial and other advisors and consultants, legal advisors, shareholders, managers, consultants, accountants, attorneys, affiliates, and predecessors and successors in interest (collectively, the “Releasees”) of and from any and all claims, demands, liabilities, responsibilities, disputes, remedies, causes of action, indebtedness and obligations, in each case arising out of, in connection with, or relating to the ~~Fifth~~Sixth Replacement LP DIP Facility and/or the ~~Fifth~~Sixth Replacement LP DIP Credit Documents, including, without limitation, (x) any so-called “lender liability” or equitable subordination claims or defenses with respect to or relating to the ~~Fifth~~Sixth Replacement LP DIP Obligations, LP DIP Liens, or ~~Fifth~~Sixth Replacement LP DIP Facility, as applicable, (y) any and all claims and causes of action arising under the Bankruptcy Code, and (z) any and all claims with respect to the validity, priority, perfection, or avoidability of the liens or secured claims of the LP DIP Lenders.

N. Relief Essential; Best Interests. The relief requested in the Motion (and provided in this Order) is necessary, essential, and appropriate for the continued management and preservation of the Debtors’ assets and property and to preserve any remaining possibility of confirming a chapter 11 plan. It is in the best interest of the Debtors’ estates that the LP

DIP Obligors be allowed to enter into the ~~Fifth~~Sixth Replacement LP DIP Facility and incur the ~~Fifth~~Sixth Replacement LP DIP Obligations.

O. **Adequate Protection for Prepetition LP Secured Parties.** The Prepetition LP Agent and the other Prepetition LP Secured Parties are entitled to adequate protection for the priming of their liens and the other rights granted to the LP DIP Lenders hereunder. The adequate protection provided to the Prepetition LP Secured Parties in the Final Cash Collateral Order is sufficient adequate protection of the interests of the Prepetition LP Secured Parties, and is fair, reasonable, and sufficiently reflects that the Debtors have exercised prudent business judgment in agreeing to this Order and entering into the ~~Fifth~~Sixth Replacement LP DIP Facility. Nothing in this Order shall be construed as a consent by any Prepetition LP Secured Party that it would be adequately protected in the event of any alternative debtor in possession financing or for any purposes in the Chapter 11 Cases other than entry of this Order.

**NOW, THEREFORE,** on the Motion of the Debtors and the record before this Court with respect to the Motion, including the record made during the Hearing, and good and sufficient cause appearing therefor,

**IT IS ORDERED** that:

1. **Motion Granted.** The Motion is granted on a final basis in accordance with the terms and conditions set forth in this Order. Any objections to the Motion, to the extent not withdrawn, waived, or otherwise resolved, are hereby denied and overruled.

2. **FifthSixth Replacement LP DIP Facility.**

(a) **FifthSixth Replacement LP DIP Obligations; Availability and Final Maturity Date, etc.** The LP DIP Obligors are hereby expressly and immediately authorized

and directed to enter into the FifthSixth Replacement LP DIP Facility, to borrow the FifthSixth Replacement LP DIP Loans, and to incur and to perform the FifthSixth Replacement LP DIP Obligations in accordance with and subject to this Order and, as applicable, any other FifthSixth Replacement LP DIP Credit Documents, to execute and/or deliver any FifthSixth Replacement LP DIP Credit Documents and, as provided herein, all other instruments, certificates, agreements, and documents, and to take all actions, which may be reasonably required or otherwise necessary for the performance by the LP DIP Obligors under the FifthSixth Replacement LP DIP Facility, including the creation and perfection of the LP DIP Liens described and provided for herein. The LP DIP Obligors are hereby authorized and directed to pay all principal of the FifthSixth Replacement LP DIP Loans, interest thereon (including, without limitation, accrued but unpaid interest and interest paid in kind), fees and expenses, indemnities, and other amounts described herein and, as applicable, in the other FifthSixth Replacement LP DIP Credit Documents, as such shall accrue and become due hereunder or thereunder, including, without limitation, the LP DIP Professional Fees, as and to the extent provided for herein (collectively, all loans, advances, extensions of credit, financial accommodations, interest, fees (including the LP DIP Professional Fees as and to the extent provided for herein), expenses, and other liabilities and obligations (including indemnities and similar obligations) in respect of the FifthSixth Replacement LP DIP Facility and the other FifthSixth Replacement LP DIP Credit Documents, the “FifthSixth Replacement LP DIP Obligations”). Interest on the FifthSixth Replacement LP DIP Loans shall accrue at the rates and be paid as set forth in Annex A hereto. The FifthSixth Replacement LP DIP Credit Documents and all FifthSixth Replacement LP DIP Obligations are hereby, and shall represent, constitute, and evidence, as the case may be, valid and

binding obligations of the LP DIP Obligors, enforceable against the LP DIP Obligors, their estates, and any successors thereto in accordance with their terms. The term of the ~~Fifth~~Sixth Replacement LP DIP Facility shall commence on the date all of the conditions precedent set forth in subparagraph (c) of this paragraph 2 are satisfied and end on ~~August 31~~November 15, 2014 or, if sooner, the effective date of any plan of reorganization confirmed in the LP Debtors' Chapter 11 Cases (the "Final Maturity Date"), subject to the terms and conditions set forth herein and in the other ~~Fifth~~Sixth Replacement LP DIP Credit Documents, including the protections afforded a party acting in good faith under section 364(e) of the Bankruptcy Code. On the Final Maturity Date, all ~~Fifth~~Sixth Replacement LP DIP Obligations shall be paid in full and in cash in U.S. dollars, and to each LP DIP Lender in accordance with its Relevant Percentage in accordance with payment instructions provided by each LP DIP Lender.

(b) **Authorization To Borrow; Guarantees, etc.** Subject to the terms and conditions of this Order and the other ~~Fifth~~Sixth Replacement LP DIP Credit Documents (including the ~~Fifth~~Sixth Replacement LP DIP Budget), the LP DIP Borrower is hereby authorized and directed to borrow the ~~Fifth~~Sixth Replacement LP DIP Loans under the ~~Fifth~~Sixth Replacement LP DIP Facility, and the LP DIP Borrower and such other LP DIP Obligors are authorized and are hereby deemed to, and shall, guarantee repayment of the ~~Fifth~~Sixth Replacement LP DIP Loans and all other ~~Fifth~~Sixth Replacement LP DIP Obligations, up to an aggregate principal amount of ~~\$97,353,890~~120,612,798, plus all interest (including, without limitation, interest paid in kind), fees, expenses, and all other liabilities and obligations constituting ~~Fifth~~Sixth Replacement LP DIP Obligations under the ~~Fifth~~Sixth Replacement LP DIP Credit Documents, in each case, without any right of notice, presentment, setoff, or waiver. Upon the making of the ~~Fifth~~Sixth Replacement LP DIP

Loans, the concurrent indefeasible payment in full of all ~~Fourth~~Fifth Replacement LP DIP Obligations under (and as defined in) the ~~Fourth~~Fifth Replacement LP DIP Order and the satisfaction of the other conditions precedent set forth in paragraph 2(c) below, all ~~Fourth~~Fifth Replacement Notes under (and as defined in) the ~~Fourth~~Fifth Replacement LP DIP Order are hereby automatically cancelled without any further action by any person.

(c) **Conditions Precedent.** No LP DIP Lender shall have any obligation to make its ~~Fifth~~Sixth Replacement LP DIP Loan or any other financial accommodation hereunder or under the other ~~Fifth~~Sixth Replacement LP DIP Credit Documents (and the LP DIP Borrower shall not make any request therefor) unless all of the following conditions precedent to making the ~~Fifth~~Sixth Replacement LP DIP Loans have been satisfied (or are satisfied concurrently with the making of such ~~Fifth~~Sixth Replacement LP DIP Loans): (i) the entry of this Order, including, without limitation, approval of the terms of the ~~Fifth~~Sixth Replacement LP DIP Loans as set forth herein, (ii) the entry of the ~~Eighth~~Ninth Order Amending First Cash Collateral Order, (iii) the execution and delivery of the ~~Fifth~~Sixth Replacement Notes and the LP DIP Obligor Guaranties by each applicable LP DIP Obligor, (iv) receipt of evidence as to the delivery of certificates, if any, evidencing equity ownership in the Additional LP Subsidiary Guarantors, together with undated stock powers thereof, executed in blank, to the Prepetition LP Collateral Trustee, (v) the payment of the LP DIP Professional Fees, as and to the extent provided for herein, and (vi) all ~~Fourth~~Fifth Replacement LP DIP Obligations under (and as defined in) the ~~Fourth~~Fifth Replacement LP DIP Order shall be indefeasibly paid in full, all commitments thereunder will be terminated, and any security interests or guarantees in connection therewith will be terminated or released.

The Canadian Recognition Order shall have been entered by no later than ~~August~~  
September 3, 2014.

(d) **LP DIP Collateral**. As used herein, "LP DIP Collateral" shall mean all Prepetition LP Collateral (as defined in Annex A), including Cash Collateral of the Prepetition LP Secured Parties, of any LP DIP Obligor together with (i) all equity interests of any LP Debtor in LightSquared Finance Co., LightSquared Network LLC, and Lightsquared Bermuda Ltd. (together, the "Additional LP DIP Subsidiary Guarantors"), and (ii) all now owned or hereafter acquired assets and property, whether real or personal, tangible or intangible, of each of the Additional LP DIP Subsidiary Guarantors; provided, however, that the LP DIP Collateral shall not include any permit or license issued by a Governmental Authority (as defined in the Prepetition LP Credit Agreement) or other agreement to the extent and for so long as the terms thereof validly prohibit the creation by the pledgor thereof of a security interest in such permit, license, or other agreement.

(e) **LP DIP Liens**. Effective immediately upon the entry of this Order, and subject only to the LP Carve-Out (as defined in the Final Cash Collateral Order and as set forth more fully in this Order), the LP DIP Lenders are hereby granted the following security interests and liens, which shall immediately be valid, binding, perfected, continuing, enforceable, and non-avoidable (all such liens and security interests granted hereby, the "LP DIP Liens"):

(I) pursuant to section 364(c)(2) of the Bankruptcy Code, valid, enforceable, perfected, and non-avoidable first priority liens on and security interests in all LP DIP Collateral that was not encumbered by

valid, enforceable, perfected, and non-avoidable liens as of the Petition Date;

(II) pursuant to section 364(c)(3) of the Bankruptcy Code, valid, enforceable, perfected, and non-avoidable liens on and security interests in (x) all LP DIP Collateral which is unencumbered by the Prepetition LP Liens but on which a third party, i.e., not the Prepetition LP Secured Parties (a "Third Party Lienholder"), had a pre-existing lien on the Petition Date and (y) all LP DIP Collateral encumbered by the Prepetition LP Liens and LP Adequate Protection Liens on which a Third Party Lienholder had a pre-existing lien on the Petition Date that was senior to the Prepetition LP Liens, in each case junior only to any such liens and security interests of Third Party Lienholders, but solely to the extent that such liens and security interests of Third Party Lienholders were in each case valid, enforceable, perfected, and non-avoidable as of the Petition Date and were permitted by the terms of the Prepetition LP Credit Documents (the "Senior Third Party Liens"); and

(III) pursuant to section 364(d) of the Bankruptcy Code, valid, enforceable, perfected, and non-avoidable liens on and security interests in all Prepetition LP Collateral of the LP DIP Obligors, which liens and security interests shall be senior to and prime the Prepetition LP Liens and any LP Adequate Protection Liens.

(f) **Other Provisions Relating to LP DIP Liens.** The LP DIP Liens shall

secure all of the ~~Fifth~~Sixth Replacement LP DIP Obligations. The LP DIP Liens shall not,



without the consent of each of the LP DIP Lenders, be made junior to, or *pari passu* with, any other lien or security interest, other than to the extent expressly provided herein and to the LP Carve-Out, by any court order heretofore or hereafter entered in the Chapter 11 Cases of any of the LP DIP Obligors, and shall be valid and enforceable against any trustee appointed in the Chapter 11 Cases of any of the LP DIP Obligors, upon the conversion of any of the Chapter 11 Cases of any of the LP DIP Obligors to a case under chapter 7 of the Bankruptcy Code or in any other proceedings related to any of the foregoing (such cases or proceedings, “Successor Cases”), and/or upon the dismissal of any of the Chapter 11 Cases of any of the LP DIP Obligors. The LP DIP Liens shall not be subject to sections 510, 549, 550, or 551 of the Bankruptcy Code or the “equities of the case” exception of section 552 of the Bankruptcy Code or section 506(c) of the Bankruptcy Code.

(g) **Superpriority Administrative Claim Status.** The ~~Fifth~~Sixth Replacement LP DIP Obligations shall, pursuant to section 364(c)(1) of the Bankruptcy Code, at all times constitute an LP DIP Superpriority Claim, and be payable from and have recourse to all LP DIP Collateral. The LP DIP Superpriority Claim shall be subject and subordinate only to the LP Carve-Out. Other than to the extent expressly provided herein, and with respect to the LP Carve-Out, no costs or expenses of administration, including, without limitation, any LP Section 507(b) Claim granted under the Final Cash Collateral Order or hereunder or any professional fees allowed and payable under Bankruptcy Code sections 328, 330, and 331, or otherwise, that have been or may be incurred in these proceedings or in any Successor Cases, and no priority claims are, or will be, senior to, prior to, or *pari passu* with the LP DIP Superpriority Claim or any of the ~~Fifth~~Sixth Replacement LP DIP Obligations, or with any other claims of the LP DIP Lenders arising hereunder, under the other ~~Fifth~~Sixth

Replacement LP DIP Credit Documents, or otherwise in connection with the ~~Fifth~~Sixth Replacement LP DIP Facility.

3. **Authorization and Approval To Use Proceeds of ~~Fifth~~Sixth Replacement LP DIP Facility.**

(a) Subject to the terms and conditions of this Order and the other ~~Fifth~~Sixth Replacement LP DIP Credit Documents, and to the adequate protection granted to or for the benefit of the Prepetition LP Secured Parties as hereinafter set forth, each LP DIP Obligor is authorized and directed to request and use proceeds of the ~~Fifth~~Sixth Replacement LP DIP Loans,

(i) first, to indefeasibly repay in full all outstanding ~~Fourth~~Fifth Replacement LP DIP Obligations under (and as defined in) the ~~Fourth~~Fifth Replacement LP DIP Order and the other ~~Fourth~~Fifth Replacement LP DIP Credit Documents (as defined in the ~~Fourth~~Fifth Replacement LP DIP Order) and (ii) second, for (A) working capital, other general corporate purposes, and permitted payment of costs of administration of the LP Debtors' Chapter 11 Cases in order to provide the LP Debtors with sufficient time and liquidity to confirm a plan of reorganization, in each case only for the purposes specifically set forth in this Order and for the types of expenditures set forth in the ~~Fifth~~Sixth Replacement LP DIP Budget and (B) payment of the LP DIP Professional Fees (as and to the extent set forth herein).

(b) Notwithstanding anything herein to the contrary, the ~~Fifth~~Sixth Replacement LP DIP Obligations shall be due and payable on the Final Maturity Date.

(c) Nothing in this Order shall authorize the disposition of any assets of the Debtors or their estates or other proceeds resulting therefrom outside the ordinary course of business, except as permitted herein (subject to any required Court approval).

(d) Except as permitted by this Order and the ~~Fifth~~Sixth Replacement LP DIP Budget, the LP DIP Obligors shall not make any payment on any prepetition indebtedness or obligations other than those authorized by the Court in accordance with orders entered into, on, or prior to the date hereof.

4. **Adequate Protection for Prepetition Secured Parties.** Pursuant to sections 361, 362, and 363(e) of the Bankruptcy Code, as adequate protection of the interests of the Prepetition LP Agent and the Prepetition LP Secured Parties in the Prepetition LP Collateral (including Cash Collateral) against any Diminution in Value, the Prepetition LP Agent, for the benefit of the Prepetition LP Secured Parties, shall continue to receive adequate protection in the form of the LP Adequate Protection Liens, the LP Section 507(b) Claims, and the LP Adequate Protection Payments (including payment of the LP Professional Fees), in each case, pursuant to and as more fully set forth in the Final Cash Collateral Order.

5. **Monitoring of Collateral.** The LP DIP Lenders, or their respective consultants and advisors, shall, consistent with past practices, be given reasonable access to the Debtors' books, records, assets, and properties for purposes of monitoring the LP Debtors' businesses and the value of the LP DIP Collateral, and shall be granted reasonable access to the Debtors' senior management.

6. **Financial and Other Reporting.** On Wednesday (or in the event such Wednesday is not a business day, the first business day thereafter) of each week, the LP Debtors will provide Willkie Farr & Gallagher LLP, Blackstone, and White & Case LLP (who shall reasonably promptly forward such information to each of the LP DIP Lenders at substantially the same time) with (a) cash balances as of the last day of the prior week and (b) a summary of material or key expenditures by category during the prior week. On the

tenth (10<sup>th</sup>) day of each month or the first business day thereafter, the LP Debtors will provide Willkie Farr & Gallagher LLP, Blackstone, and White & Case LLP (who shall reasonably promptly forward such information to each of the LP DIP Lenders at substantially the same time) with a reconciliation of revenues generated and expenditures made during the prior month and cumulatively during the Chapter 11 Cases, together with a comparison of such amounts to the amounts projected in the ~~Fifth~~Sixth Replacement LP DIP Budget. In addition, the Debtors shall provide Blackstone and White & Case LLP with any and all other financial information made available to the Prepetition LP Agent or Ad Hoc LP Secured Group pursuant to the Final Cash Collateral Order.

7. **LP DIP Lien Perfection.** This Order shall be sufficient and conclusive evidence of the validity, perfection, and priority of the LP DIP Liens without the necessity of filing or recording any financing statement, deed of trust, mortgage, or other instrument or document which may otherwise be required under the law of any jurisdiction or the taking of any other action to validate or perfect the LP DIP Liens or to entitle the LP DIP Liens to the priorities granted herein. To the extent that the Prepetition LP Agent is the secured party under any account control agreements, listed as loss payee under any of the Debtors' insurance policies, or is the secured party under any ~~Fifth~~Sixth Replacement LP DIP Credit Document, the LP DIP Lenders are also deemed to be secured parties under such account control agreements, loss payees under the Debtors' insurance policies, and the secured parties under each such ~~Fifth~~Sixth Replacement LP DIP Credit Document, shall have all rights and powers attendant to that position (including, without limitation, rights of enforcement), and shall act in that capacity and distribute any proceeds recovered or received in accordance with the terms of this Order and the other ~~Fifth~~Sixth Replacement LP DIP Credit Documents. The

Prepetition LP Collateral Trustee shall serve as the bailee for the LP DIP Lenders for the purpose of perfecting their respective security interests and liens on all LP DIP Collateral that is of a type whereby perfection of a security interest therein may be accomplished only by possession or control by a secured party.

8. **LP Carve-Out.** Subject to the terms and conditions contained in this paragraph, upon the occurrence of the Final Maturity Date, the LP DIP Liens and the LP DIP Superpriority Claim, which have the relative lien and payment priorities as set forth herein, shall, in any event, be subject and subordinate to the LP Carve-Out, without duplication. No portion of the LP Carve-Out and no proceeds of the ~~Fifth~~Sixth Replacement LP DIP Facility or ~~Fifth~~Sixth Replacement LP DIP Loans may be used for the payment of the fees and expenses of any person incurred in challenging, or in relation to the challenge of, any of the LP DIP Liens or the LP DIP Superpriority Claim.

9. **Payment of Compensation.** Nothing herein shall be construed as a consent to the allowance of any professional fees or expenses of any of the Debtors or shall limit or otherwise affect the right of the LP DIP Lenders and/or the Prepetition LP Secured Parties to object to the allowance and payment of any such fees and expenses. The LP Debtors shall be permitted to pay compensation and reimbursement of expenses allowed and payable under sections 330 and 331 of the Bankruptcy Code and in accordance with the ~~Fifth~~Sixth Replacement LP DIP Budget, as the same may be due and payable and the same shall not reduce the LP Carve-Out.

10. **Section 506(c) Claims.** Except to the extent of the LP Carve-Out, no expenses of the administration of these Chapter 11 Cases or any future proceeding that may result therefrom, including liquidation in bankruptcy or other proceedings under the Bankruptcy

Code, shall be charged against or recovered from the LP DIP Collateral pursuant to section 506(c) of the Bankruptcy Code or any similar principle of law or in equity, without the prior written consent of the LP DIP Lenders, and no such consent shall be implied from any other action or inaction by the LP DIP Lenders.

11. **Collateral Rights; Limitations in Respect of Subsequent Court Orders.**

Without limiting, and subject to, any other provisions of this Order, there shall not be entered in the Chapter 11 Cases of any LP DIP Obligor, or in any Successor Case, any order which authorizes (a) the obtaining of credit or the incurring of indebtedness that is secured by a security, mortgage, or collateral interest or other lien on all or any portion of the LP DIP Collateral and/or entitled to priority administrative status which is superior to or *pari passu* with those granted pursuant to this Order to or for the benefit of the LP DIP Lenders or the Prepetition LP Secured Parties; (b) the use of Cash Collateral for any purpose other than as set forth in the Final Cash Collateral Order or the ~~Fifth~~**Sixth** Replacement LP DIP Budget; (c) any LP DIP Obligor to incur, create, assume, guarantee, or permit to exist, directly or indirectly, any additional indebtedness, except (i) indebtedness incurred under this Order and the other ~~Fifth~~**Sixth** Replacement LP DIP Credit Documents, (ii) indebtedness existing on the date of this Order (other than indebtedness created pursuant to the ~~Fourth~~**Fifth** Replacement LP DIP Order, which shall be repaid in full from the proceeds of the ~~Fifth~~**Sixth** Replacement LP DIP Loans as set forth herein) and additional indebtedness (including interest, fees, premium, expenses or other amounts accrued thereon) in accordance with the terms of such indebtedness, or (iii) indebtedness incurred in the ordinary course and not for borrowed money, which would not be senior in right of payment to the ~~Fifth~~**Sixth** Replacement LP DIP Obligations; or (d) any LP DIP Obligor to create, incur, assume, or permit to exist, directly or

indirectly, any lien on any property now owned or hereafter acquired by it or on any income or revenues or rights in respect of any thereof, except (i) liens granted pursuant to this Order or the other ~~Fifth~~Sixth Replacement LP DIP Credit Documents, (ii) any lien in existence on the date of this Order (other than LP DIP Liens created pursuant to the ~~Fourth~~Fifth Replacement LP DIP Order, which shall be discharged and terminated in full upon payment in full of all ~~Fourth~~Fifth Replacement LP DIP Obligations created under the ~~Fourth~~Fifth Replacement LP DIP Order and the other ~~Fourth~~Fifth Replacement LP DIP Credit Documents (as defined in the ~~Fourth~~Fifth Replacement LP DIP Order) from the proceeds of the ~~Fifth~~Sixth Replacement LP DIP Loans as set forth hereunder), and (iii) liens incurred in the ordinary course and which do not secure indebtedness for borrowed money, which would be junior to the LP DIP Liens.

12. **Proceeds of Subsequent Financing.** Without limiting the provisions and protections of paragraph 11 above, if at any time prior to the indefeasible repayment and satisfaction in full in cash of all ~~Fifth~~Sixth Replacement LP DIP Obligations, the LP DIP Obligors' estates, any trustee, any examiner with enlarged powers, or any responsible officer subsequently appointed shall obtain credit or incur debt in violation of this Order or the other ~~Fifth~~Sixth Replacement LP DIP Credit Documents, then all of the cash proceeds derived from such credit or debt shall immediately be turned over to the LP DIP Lenders for application in accordance with this Order.

13. **Cash Management.** Until the payment in full in cash of all ~~Fifth~~Sixth Replacement LP DIP Obligations, the LP DIP Obligors shall maintain the cash management system as set forth in the *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, and (D) Waiving Investment Guidelines of Section 345(b) of Bankruptcy Code* [Docket No. 115] (the "Cash Management Order"), or as otherwise required by the ~~Fifth~~Sixth Replacement LP DIP Credit Documents. To the extent the Debtors are required to give notice to any party as set forth in the Cash Management Order, such notice shall also be given to each of counsel to the LP DIP Lenders and the Ad Hoc LP Secured Group. The LP DIP Lenders shall be deemed to have "control" over the LP DIP Obligors' cash management accounts for all purposes of perfection under the Uniform Commercial Code. All amounts collected in the cash collection accounts of the LP DIP Obligors may be used and applied in accordance with this Order.

14. **Disposition of LP DIP Collateral.** The Debtors shall not sell, transfer, lease, encumber, or otherwise dispose of any portion of the LP DIP Collateral outside of the ordinary course of business unless approved by the Court, subject to the right of any party in interest to object.

15. **Termination of Automatic Stay; Rights and Remedies Following Final Maturity Date.**

(a) The ~~Fifth~~Sixth Replacement LP DIP Obligations shall be due and payable on the Final Maturity Date.

(b) Any automatic stay otherwise applicable to the LP DIP Lenders in connection with the ~~Fifth~~Sixth Replacement LP DIP Facility is hereby modified so that, following the Final Maturity Date, the LP DIP Lenders shall be immediately entitled to exercise all of their rights and remedies in respect of the LP DIP Collateral, in accordance



with this Order and/or the other ~~Fifth~~Sixth Replacement LP DIP Credit Documents, as applicable.

(c) Following the occurrence of the Final Maturity Date, if the ~~Fifth~~Sixth Replacement LP DIP Obligations have not been indefeasibly paid in full in cash, the LP DIP Lenders are authorized to exercise all remedies and proceed under or pursuant to the applicable ~~Fifth~~Sixth Replacement LP DIP Credit Documents (which, for the avoidance of doubt, shall be consistent with and incorporate, *mutatis mutandis* to make applicable to the LP DIP Lenders, the remedies available to the Prepetition LP Secured Parties under the Prepetition LP Credit Documents) or under applicable law, including the Uniform Commercial Code. All proceeds realized in connection with the exercise of the rights and remedies of the applicable LP DIP Lenders shall be turned over and applied in accordance with this Order.

(d) The automatic stay imposed under Bankruptcy Code section 362(a) is hereby modified pursuant to the terms of the ~~Fifth~~Sixth Replacement LP DIP Credit Documents as necessary to (i) permit the LP DIP Obligors to grant LP DIP Liens and to incur all ~~Fifth~~Sixth Replacement LP DIP Obligations and all liabilities and obligations to the LP DIP Lenders hereunder and under the other ~~Fifth~~Sixth Replacement LP DIP Credit Documents, as the case may be, and (ii) authorize the LP DIP Lenders to retain and apply payments and otherwise enforce their respective rights and remedies hereunder.

(e) Notwithstanding anything in this Order to the contrary, the Prepetition LP Agent shall not be permitted to exercise any rights or remedies for itself or the Prepetition LP Secured Parties unless and until the ~~Fifth~~Sixth Replacement LP DIP Obligations including, for the avoidance of doubt, the portion of the ~~Fifth~~Sixth Replacement LP DIP Obligations originally constituting the ~~Fourth~~Fifth Replacement LP DIP Obligations under

(and as defined in) the ~~Fourth~~Fifth Replacement LP DIP Order are indefeasibly paid and satisfied in full in cash.

16. **Applications of Proceeds of Collateral, Payments, and Collections.**

Subject to the LP Carve-Out, upon and after the occurrence of the Final Maturity Date, each LP DIP Obligor agrees that proceeds of any LP DIP Collateral, any amounts held on account of the LP DIP Collateral, and all payments and collections received by the LP DIP Obligors with respect to all proceeds of LP DIP Collateral and all unexpended proceeds of the ~~Fifth~~Sixth Replacement LP DIP Loans shall be used and applied to permanently and indefeasibly repay and reduce all ~~Fifth~~Sixth Replacement LP DIP Obligations then due and owing in accordance with the ~~Fifth~~Sixth Replacement LP DIP Credit Documents, until paid and satisfied in full in cash. No asset or property of the LP DIP Obligors may be sold, leased, or otherwise disposed of by any Debtor outside the ordinary course of business absent an order of the Court (and subject to the right to object of any party in interest), and in any event, all proceeds of such sale, lease, or disposition shall be indefeasibly applied to repay the ~~Fifth~~Sixth Replacement LP DIP Obligations as provided herein.

17. **Other Rights and Obligations.**

(a) **Good Faith Under Section 364(e) of the Bankruptcy Code; No Modification or Stay of Order.** Based on the findings set forth in this Order and in accordance with section 364(e) of the Bankruptcy Code, which is applicable to the ~~Fifth~~Sixth Replacement LP DIP Facility as approved by this Order, in the event any or all of the provisions of this Order are hereafter modified, amended, or vacated by a subsequent order of this Court or any other court, the LP DIP Lenders are entitled to the protections provided in

section 364(e) of the Bankruptcy Code, and no such modification, amendment, or vacatur shall affect the validity and enforceability of any advances made hereunder or the liens or priority authorized or created hereby. Notwithstanding any such modification, amendment, or vacatur, any claim granted to the LP DIP Lenders hereunder arising prior to the effective date of such modification, amendment, or vacatur of any LP DIP Liens or of the LP DIP Superpriority Claim granted to or for the benefit of the LP DIP Lenders shall be governed in all respects by the original provisions of this Order, and the LP DIP Lenders shall be entitled to all of the rights, remedies, privileges, and benefits, including the LP DIP Liens and the LP DIP Superpriority Claim granted herein, with respect to any such claim. Because the ~~Fifth~~Sixth Replacement LP DIP Loans are made in reliance on this Order, the ~~Fifth~~Sixth Replacement LP DIP Obligations incurred by the LP DIP Obligors or owed to the LP DIP Lenders prior to the effective date of any stay, modification, or vacatur of this Order shall not, as a result of any subsequent order in the Chapter 11 Cases of any LP DIP Obligor or in any Successor Cases, be subordinated, lose their lien priority or superpriority administrative expense claim status, or be deprived of the benefit of the status of the liens and claims granted to the LP DIP Lenders under this Order.

(b) **Expenses.** The LP DIP Obligors shall pay all expenses incurred by the LP DIP Lenders (including, without limitation, the reasonable and documented fees and disbursements of their counsel, any other local or foreign counsel that they shall retain, and any internal or third-party appraisers, consultants, financial, restructuring, or other advisors and auditors advising any such counsel) in connection with (i) the preparation, execution, delivery, funding, and administration of the ~~Fifth~~Sixth Replacement LP DIP Credit Documents, including, without limitation, all due diligence fees and expenses incurred or

sustained in connection with the ~~Fifth~~Sixth Replacement LP DIP Credit Documents and all expenses of the LP DIP Lenders directly arising from the Motion (including, without limitation, expenses and attorney's fees associated with the preparation and filing of objections and other responsive pleadings relating to the Motion and preparation for, and attendance at, any depositions taken in connection therewith), (ii) the administration of the ~~Fifth~~Sixth Replacement LP DIP Credit Documents, or (iii) enforcement of any rights or remedies under this Order or the ~~Fifth~~Sixth Replacement LP DIP Credit Documents, in each case whether or not the transactions contemplated hereby are fully consummated (collectively, the "LP DIP Professional Fees"), which shall not exceed \$75,000 in the aggregate; provided, however, that, to the extent the LP DIP Professional Fees exceed \$75,000 in the aggregate, such excess amounts shall be paid as LP Professional Fees under, and in accordance with, the Final Cash Collateral Order.<sup>4</sup> The LP DIP Lenders, and their advisors and professionals, shall not be required to comply with the U.S. Trustee fee guidelines, but shall provide reasonably detailed statements (redacted, if necessary, for privileged, confidential, or otherwise sensitive information) to the Office of the U.S. Trustee and counsel for the Debtors. Within ten (10) days of presentment of and further statements, if no written objections to the reasonableness of the fees and expenses charged in any such invoice (or portion thereof) is made, the LP DIP Obligors shall promptly pay in cash all such fees and expenses of the LP DIP Lenders and their advisors and professionals, subject to the limitations set forth in this Order. Any objection to the payment of such fees or expenses shall be made only on the basis of "reasonableness," and shall specify in writing the amount

<sup>4</sup> Nothing herein shall impact the payment of the LP Professional Fees under, and in accordance with, the Final Cash Collateral Order.

of the contested fees and expenses and the detailed basis for such objection. To the extent an objection only contests a portion of an invoice, the undisputed portion thereof shall be promptly paid. If any such objection to payment of an invoice (or any portion thereof) is not otherwise resolved between the Debtors or the U.S. Trustee and the issuer of the invoice, either party may submit such dispute to the Court for a determination as to the reasonableness of the relevant disputed fees and expenses set forth in the invoice. This Court shall resolve any dispute as to the reasonableness of any fees and expenses. For the avoidance of doubt, and without limiting any of the foregoing or any other provision of this Order, all fees and expenses are, upon entry of this Order and irrespective of any subsequent order approving or denying the ~~Fifth~~Sixth Replacement LP DIP Facility or any other financing pursuant to section 364 of the Bankruptcy Code, fully entitled to all protections of section 364(e) of the Bankruptcy Code and are deemed fully earned, indefeasibly paid, non-refundable, irrevocable, and non-avoidable as of the date of this Order.

(c) **Binding Effect.** The provisions of this Order shall be binding upon and inure to the benefit of the LP DIP Lenders, the Debtors, and their respective successors and assigns (including any trustee or other fiduciary hereinafter appointed as a legal representative of the Debtors or with respect to the property of the estates of the Debtors) whether in the Chapter 11 Cases, in any Successor Cases, or upon dismissal of any such chapter 11 or chapter 7 case.

(d) **No Waiver.** The failure of the LP DIP Lenders to seek relief or otherwise exercise their rights and remedies under this Order or any other ~~Fifth~~Sixth Replacement LP DIP Credit Documents or under applicable law or otherwise, as applicable, shall not constitute a waiver of any of the LP DIP Lenders' rights hereunder, thereunder, or

otherwise. Notwithstanding anything herein, the entry of this 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 of the LP DIP Lenders under the Bankruptcy Code or under non-bankruptcy law against any other person or entity in any court, including without limitation, the rights of the LP DIP Lenders to (i) request conversion of the Chapter 11 Cases to cases under chapter 7, dismissal of the Chapter 11 Cases, or the appointment of a trustee in the Chapter 11 Cases, (ii) propose, subject to the provisions of section 1121 of the Bankruptcy Code, a Plan, or (iii) to exercise any of the rights, claims, or privileges (whether legal, equitable, or otherwise) on behalf of the LP DIP Lenders.

(e) **No Third Party Rights.** Except as explicitly provided for herein, this Order does not create any rights for the benefit of any third party, creditor, equity holder or any direct, indirect, third party, or incidental beneficiary.

(f) **No Marshaling.** The LP DIP Lenders shall not be subject to the equitable doctrine of “marshaling” or any other similar doctrine with respect to any of the LP DIP Collateral.

(g) **Section 552(b).** The LP DIP Lenders shall each be entitled to all of the rights and benefits of section 552(b) of the Bankruptcy Code, and the “equities of the case” exception under section 552(b) of the Bankruptcy Code shall not apply to the LP DIP Lenders or the Prepetition LP Secured Parties with respect to proceeds, product, offspring, or profits of any of the Prepetition LP Collateral or the LP DIP Collateral.

(h) **Credit Bid Rights.** The LP DIP Lenders shall have the right to “credit bid” the ~~Fifth~~Sixth Replacement LP DIP Obligations during any sale of any of the LP DIP Collateral or Prepetition LP Collateral of the LP DIP Obligors, as applicable, including,

without limitation, in connection with sales occurring pursuant to Bankruptcy Code section 363 or included as part of any plan subject to confirmation under Bankruptcy Code section 1129.

(i) **Amendment.** No provision of the ~~Fifth~~Sixth Replacement LP DIP Credit Documents may be amended, modified, supplemented, altered, or waived.

(j) **Priority of Terms.** To the extent of any conflict between or among (i) any of the express terms or provisions of the Motion, any order of this Court (other than this Order), or any other agreements, on the one hand, and (ii) the express terms and provisions of this Order, on the other hand, unless such term or provision herein is phrased in terms of “defined in” or “as set forth in” another order of this Court or agreement, the terms and provisions of this Order shall govern.

(k) **Survival of Order.** The provisions of this Order and any actions taken pursuant hereto shall survive entry of any order which may be entered (i) confirming any Plan in the Chapter 11 Cases of any LP DIP Obligor, (ii) converting any of the Chapter 11 Cases of any LP DIP Obligor to a case under chapter 7 of the Bankruptcy Code, (iii) to the extent authorized by applicable law, dismissing any of the Chapter 11 Cases of any LP DIP Obligor, (iv) withdrawing of the reference of any of the Chapter 11 Cases of any LP DIP Obligor from this Court, or (v) providing for abstention from handling or retaining of jurisdiction of any of the Chapter 11 Cases of any LP DIP Obligor in this Court. The terms and provisions of this Order, including the LP DIP Liens and LP DIP Superpriority Claim granted pursuant to this Order, and any protections granted to or for the benefit of the LP DIP Lenders, shall continue in full force and effect notwithstanding the entry of such order, and such LP DIP Liens and LP DIP Superpriority Claims shall maintain their priority as provided by this Order and the

other ~~Fifth~~Sixth Replacement LP DIP Credit Documents until all of the ~~Fifth~~Sixth Replacement LP DIP Obligations have been indefeasibly paid and satisfied in full in cash and discharged.

(l) **Enforceability.** This Order shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052 and shall take effect and be fully enforceable *nunc pro tunc* to the Petition Date immediately upon execution hereof.

(m) **No Waivers or Modification of Order.** The Debtors irrevocably waive any right to seek any modification or extension of this Order.

(n) **Order Controls.** This Order supersedes the ~~Fourth~~Fifth Replacement LP DIP Order in all respects.

(o) **Waiver of any Applicable Stay.** Any applicable stay (including, without limitation, under Bankruptcy Rule 6004(h)) is hereby waived and shall not apply to this Order.

(p) **Retention of Jurisdiction.** The Court has and will retain jurisdiction to enforce this Order according to its terms.

Dated: August \_\_, 2014  
New York, New York

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HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE



ANNEX A

LP DIP FACILITY TERMS AND CONDITIONS

This Annex A is the “Annex A” referenced in the Order to which it is attached and shall constitute, and form a part of, the Order.

1. Terms of Borrowing.

(a) Subject to the terms and conditions of this Order, the LP DIP Lenders agree, severally and not jointly, to make ~~Fifth~~Sixth Replacement LP DIP Loans to LP DIP Borrower upon the satisfaction (or the concurrent satisfaction with the making of such ~~Fifth~~Sixth Replacement LP DIP Loans) of the conditions precedent set forth in paragraph 2(c) of this Order, in an aggregate principal amount not to exceed its Relevant Percentage of ~~\$97,353,890~~120,612,798; provided, that no LP DIP Lender shall be responsible for the failure of any other LP DIP Lender to make any ~~Fifth~~Sixth Replacement LP DIP Loan required to be made by such other LP DIP Lender.

(b) Each LP DIP Lender shall make each ~~Fifth~~Sixth Replacement LP DIP Loan to be made by it hereunder by wire transfer of immediately available funds to an account directed by the LP DIP Borrower in writing; provided, that each LP DIP Lender shall satisfy its obligations to make such ~~Fifth~~Sixth Replacement LP DIP Loan by (i) funding in cash an amount equal to its Net Funding Amount and (ii) converting its ~~Fourth~~Fifth Replacement LP DIP Obligations (including all accrued and unpaid interest) into ~~Fifth~~Sixth Replacement LP DIP Loans hereunder and, upon such conversion, the amount of such ~~Fourth~~Fifth Replacement LP DP Obligations shall be deemed exchanged for, and thereafter constitute, ~~Fifth~~Sixth Replacement LP DIP Loans hereunder.

(c) The ~~Fifth~~Sixth Replacement LP DIP Loans shall be prepayable at any time without make-whole or premium. Amounts paid or prepaid in respect of ~~Fifth~~Sixth Replacement LP DIP Loans may not be reborrowed.

2. Interest on ~~Fifth~~Sixth Replacement LP DIP Loans.

(a) Subject to the provisions of Section 2(b) below, the ~~Fifth~~Sixth Replacement LP DIP Loans shall bear interest at a rate *per annum* equal to 15.0%, payable in kind (the “PIK Interest”), by adding such accrued and unpaid interest to the unpaid principal amount of the ~~Fifth~~Sixth Replacement LP DIP Loans on a monthly basis (whereupon from and after such date such additional amounts shall also accrue interest pursuant to this Section 2). All such PIK Interest so added shall be treated as principal of the ~~Fifth~~Sixth Replacement LP DIP Loans for all purposes of this Order. The obligation of the LP DIP Borrower to pay all such PIK Interest so added shall be automatically evidenced by this Order, and, if applicable, any applicable ~~Fifth~~Sixth Replacement Notes.

(b) Default Rate. Notwithstanding the foregoing, after the Final Maturity Date, the ~~Fifth~~Sixth Replacement LP DIP Obligations shall, to the extent permitted by applicable law, bear interest, after as well as before judgment, at a rate per annum equal to 2% *plus* the rate otherwise applicable to the ~~Fifth~~Sixth Replacement LP DIP Loans as provided in Section 2(a).

(c) Interest Payment Dates. Accrued interest on each ~~Fifth~~Sixth Replacement LP DIP Loan shall be payable in cash on the Final Maturity Date for such ~~Fifth~~Sixth Replacement LP DIP Loan; provided, that (i) interest accrued pursuant to Section 2(b) shall be payable in cash on demand and (ii) in the event of any repayment or prepayment of any ~~Fifth~~Sixth Replacement LP DIP Loan, accrued interest on the principal amount repaid or prepaid shall be payable in cash on the date of such repayment or prepayment.

(d) Interest Calculation. All interest hereunder shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(e) Interest Act (Canada). For the purposes of the *Interest Act* (Canada) and disclosure thereunder, in any case in which an interest or fee rate is stated in this Order to be calculated on the basis of a number of days that is other than the number in a calendar year, the yearly rate to which such interest or fee rate is equivalent is equal to such interest or fee rate multiplied by the actual number of days in the year in which the relevant interest or fee payment accrues and divided by the number of days used as the basis for such calculation.

(f) No Criminal Rate of Interest. If any provision of this Order would oblige a Canadian LP DIP Obligor to make any payment of interest or other amount payable to any LP DIP Lender in an amount or calculated at a rate which would be prohibited by any applicable law or would result in a receipt by that LP DIP Lender of “interest” at a “criminal rate” (as such terms are construed under the *Criminal Code* (Canada)), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by applicable law or so result in a receipt by that LP DIP Lender of “interest” at a “criminal rate,” such adjustment to be effected, to the extent necessary (but only to the extent necessary), as follows:

- i. first, by reducing the amount or rate of interest required to be paid to the affected LP DIP Lender; and
- ii. thereafter, by reducing any fees, commissions, costs, expenses, premiums and other amounts required to be paid to the affected LP DIP Lender which would constitute interest for purposes of section 347 of the *Criminal Code* (Canada).

3. Final Maturity Date.

Following the Final Maturity Date, if the ~~Fifth~~Sixth Replacement LP DIP Obligations have not been indefeasibly paid in full in cash, the full principal amount of the ~~Fifth~~Sixth Replacement LP DIP Loans, together with accrued interest thereon and any unpaid accrued fees and all other ~~Fifth~~Sixth Replacement LP DIP Obligations of LP DIP Obligors accrued hereunder and under any other ~~Fifth~~Sixth Replacement LP DIP Credit Document, shall become forthwith due and payable, without presentment, demand, protest, or any other notice of any kind, all of which are hereby expressly waived by the LP DIP Obligors, anything contained herein or in any other ~~Fifth~~Sixth Replacement LP DIP Credit Document to the contrary notwithstanding. In addition, the automatic stay provided in section 362 of the Bankruptcy Code in connection with the ~~Fifth~~Sixth Replacement LP DIP Facility shall be deemed automatically vacated without further action or order of the Court, and the LP DIP Lenders, shall be entitled, in their sole discretion, to enforce and exercise all of their respective rights and remedies under this Order and the other ~~Fifth~~Sixth Replacement LP DIP Credit Documents (which, for the avoidance of doubt, shall be consistent with and incorporate, *mutatis mutandis* to make applicable to the LP DIP Lenders, the remedies available to the Prepetition LP Secured Parties under the Prepetition LP Credit Documents).

4. Application of Proceeds.

The proceeds received by the LP DIP Lenders in respect of any sale of, collection from, or other realization upon all or any part of the LP DIP Collateral pursuant to the exercise by such LP DIP Lenders of their remedies in accordance with this Order shall be applied, in full or in part, promptly by such LP DIP Lenders as follows:

(a) First, to the payment of that portion of the ~~Fifth~~Sixth Replacement LP DIP Obligations constituting fees, indemnities, costs, expenses (other than principal and interest but including the fees, costs, and disbursements of counsel) payable to the LP DIP Lenders under this Order (including the LP DIP Obligor Guaranty), ratably among them in proportion to the amounts described in this clause (a) payable to them;

(b) Second, without duplication of amounts applied pursuant to clause (a) above, to the indefeasible payment in full in cash of that portion of the ~~Fifth~~Sixth Replacement LP DIP Obligations constituting accrued and unpaid interest (excluding, for the avoidance of doubt, any PIK Interest that has already been added to the unpaid principal amount of the ~~Fifth~~Sixth Replacement LP DIP Loans) on the ~~Fifth~~Sixth Replacement LP DIP Loans, ratably among the LP DIP Lenders in proportion to the amounts described in this clause (b) payable to them;

(c) Third, to the indefeasible payment in full in cash of that portion of the ~~Fifth~~Sixth Replacement LP DIP Obligations constituting unpaid principal (including all PIK Interest that has been added thereto) of the ~~Fifth~~Sixth Replacement LP DIP Loans, ratably among the LP DIP Lenders in proportion to the amounts described in this clause (c) payable to them;

(d) Fourth, to the indefeasible payment in full in cash of all other ~~Fifth~~Sixth Replacement LP DIP Obligations that are due and payable to the LP DIP Lenders, ratably based upon the respective aggregate amounts of all such ~~Fifth~~Sixth Replacement LP DIP Obligations owing to the LP DIP Lenders on such date; and

(e) Fifth, the balance, if any, after all of the ~~Fifth~~Sixth Replacement LP DIP Obligations then due and payable have been indefeasibly paid in full in cash, to the person lawfully entitled thereto (including the applicable LP DIP Obligor or its successors or assigns) or as a court of competent jurisdiction may direct.

In the event that any such proceeds are insufficient to pay in full the items described in clauses (a) through (d) of this Section 5, the LP DIP Obligors shall remain liable, jointly and severally, for any deficiency.

5. Amendments.

The Annexes to this Order and any other ~~Fifth~~Sixth Replacement LP DIP Credit Documents (including this Order) may not be amended, modified, supplemented, altered, or waived.

6. Assignments.

No LP DIP Lender may assign or otherwise transfer any of its rights or obligations hereunder (including, without limitation, by granting participations in ~~Fifth~~Sixth Replacement LP DIP Loans other than as set forth below). Any attempted assignment or participation in violation of the preceding sentence shall be null and void. Notwithstanding the foregoing, any LP DIP Lender may at any time, without the consent of, or notice to, the LP DIP Borrower or any other LP DIP Lender, sell participations to any person (other than a natural person, the LP DIP Borrower, or any of its Affiliates, or any Disqualified Company (as such term is defined in the Prepetition LP Credit Agreement) or an Affiliate (as such term is defined in the Prepetition LP Credit Agreement) thereof that is not a financial institution, private equity firm, bona fide debt fund, or hedge fund) (each, a "Participant") in all or a portion of such LP DIP Lender's rights and/or obligations under this Order (including all or a portion of the ~~Fifth~~Sixth Replacement LP DIP Loans owing to it); provided, that (a) such LP DIP Lender's obligations under this Order shall remain unchanged, (b) such LP DIP Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (c) the LP DIP Borrower and the other LP DIP Lenders shall continue to deal solely and directly with such LP DIP Lender in connection with such LP DIP Lender's rights and obligations under this Order. Any agreement or instrument pursuant to which an LP DIP Lender sells such a participation shall provide that the relevant participant shall not be permitted to sell sub-participations to any natural person, the LP DIP Borrower or any of its Affiliates or any Disqualified Company or an Affiliate thereof that is not a financial institution, private equity firm, bona fide debt fund, or hedge fund.

7. Integration.

This Order, the other ~~Fifth~~Sixth Replacement LP DIP Credit Documents, and the Final Cash Collateral Order constitute the entire contract among the LP DIP Obligors and the LP DIP

Lenders relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

8. Governing Law; Jurisdiction; Venue.

(a) Governing Law. This Order and each other ~~Fifth~~Sixth Replacement LP DIP Credit Document, and the transactions contemplated hereby and thereby, and all disputes between the LP DIP Obligors and the LP DIP Lenders under or relating to this Order or any other ~~Fifth~~Sixth Replacement LP DIP Credit Document or the facts or circumstances leading to its or their execution, whether in contract, tort or otherwise, shall be construed in accordance with, and governed by, the laws (including statutes of limitation) of the State of New York (and, to the extent applicable, the Bankruptcy Code).

(b) Submission to Jurisdiction. Each LP DIP Obligor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Court, or to the extent that the Court does not have or does not exercise jurisdiction, the Supreme Court of the State of New York sitting in New York County and the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to any ~~Fifth~~Sixth Replacement LP DIP Credit Document, or for recognition or enforcement of any judgment, and each of the LP DIP Obligors and LP DIP Lenders hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such Federal court. Each of the LP DIP Obligors and LP DIP Lenders agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Order or any other ~~Fifth~~Sixth Replacement LP DIP Credit Document shall affect any right that any LP DIP Lender may otherwise have to bring any action or proceeding relating to this Order or any other ~~Fifth~~Sixth Replacement LP DIP Credit Document against any LP DIP Obligor or its properties in the courts of any jurisdiction.

(c) Venue. Subject to the jurisdiction of the Court, each LP DIP Obligor hereby irrevocably and unconditionally waives, to the fullest extent permitted by applicable requirements of law, any objection which it may now or hereafter have to the laying of venue of any suit, action, or proceeding arising out of or relating to this Order or any other ~~Fifth~~Sixth Replacement LP DIP Credit Document in any court referred to in Section 9(b). Each of the LP DIP Obligors and LP DIP Lenders hereby irrevocably waives, to the fullest extent permitted by applicable requirements of law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

9. Waiver of Jury Trial.

Each LP DIP Obligor hereby waives, to the fullest extent permitted by applicable requirements of law, any right it may have to a trial by jury in any legal proceeding directly

or indirectly arising out of or relating to this Order, any other ~~Fifth~~Sixth Replacement LP DIP Credit Document, or the transactions contemplated hereby (whether based on contract, tort, or any other theory). Each LP DIP Obligor and LP DIP Lender (a) certifies that no representative, agent, or attorney of any other such person has represented, expressly or otherwise, that such other person would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and all other such persons have been induced to become bound by this Order and the other ~~Fifth~~Sixth Replacement LP DIP Credit Documents by, among other things, the mutual waivers and certifications in this Section.

#### 10. Interest Rate Limitation.

Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any ~~Fifth~~Sixth Replacement LP DIP Loan, together with all fees, charges, and other amounts which are treated as interest on such ~~Fifth~~Sixth Replacement LP DIP Loan under applicable requirements of law (collectively, the “Charges”), shall exceed the maximum lawful rate (the “Maximum Rate”) which may be contracted for, charged, taken, received, or reserved by the LP DIP Lender holding such ~~Fifth~~Sixth Replacement LP DIP Loan in accordance with applicable requirements of law, the rate of interest payable in respect of such ~~Fifth~~Sixth Replacement LP DIP Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate, and, to the extent lawful, the interest and Charges that would have been payable in respect of such ~~Fifth~~Sixth Replacement LP DIP Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such LP DIP Lender in respect of other ~~Fifth~~Sixth Replacement LP DIP Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System of the United States arranged by federal funds brokers to the date of repayment, shall have been received by such LP DIP Lender.

#### 11. Currency Due.

If, for the purpose of obtaining a judgment in any court in any jurisdiction, it is necessary to convert a sum due under this Order or any other ~~Fifth~~Sixth Replacement LP DIP Credit Document in one currency into another currency, then such amount shall be converted using the rate of exchange in effect on the Business Day immediately preceding that on which final judgment is given. The obligation of the LP DIP Borrower in respect of any amount due from the LP DIP Lenders under this Order or any other ~~Fifth~~Sixth Replacement LP DIP Credit Document shall, notwithstanding any judgment in a currency (the “Judgment Currency”) other than that in which such amount is denominated in accordance with the applicable provisions of this Order (the “Order Currency”), be discharged only to the extent that on the Business Day following receipt by the LP DIP Lenders of any amount adjudged to be so due in the Judgment Currency, the LP DIP Lenders may purchase the Order Currency with the Judgment Currency. If the amount of the Order Currency so purchased is less than the amount originally due to the LP DIP Lenders from the LP DIP Borrower on the Order Currency, the LP DIP Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the LP DIP Lenders against such deficiency. For this purpose “rate

of exchange” means the rate published by the Wall Street Journal on the date of such conversion or, if no such rate is published in the Wall Street Journal on such day as the Wall Street Journal ceases to publish such rate for any reason, then the “rate of exchange” shall mean the rate quoted by the Reuters World Company Page at 11:00 a.m. (New York time) on such day or, in the event such rate does not appear on any Reuters World Currency Page on such day, by reference to the rate published by Bloomberg foreign exchange and world currencies page on the date of such conversion.

## 12. Additional Defined Terms.

“Business Day” shall mean any day other than a Saturday, Sunday, or other day on which banks in New York City are authorized or required by law to close.

~~“Fifth Replacement Notes” shall mean any promissory note(s) evidencing the Fifth Replacement LP DIP Loans in the form set forth in Annex C hereto.~~

“Net Funding Amount” shall mean, as to any LP DIP Lender, the dollar amount set forth opposite such LP DIP Lender’s name (in the column entitled “Net Funding Amount”) in the table set forth in Schedule I to this Annex A.

“Prepetition LP Collateral” shall mean (a) substantially all of the assets of LightSquared LP and the Prepetition LP Subsidiary Guarantors, (b) the equity interests of LightSquared LP and the Prepetition LP Parent Guarantors (except LightSquared Inc.), (c) certain equity interests owned by the Pledgors (as defined in the applicable Prepetition LP Security Agreement (as defined herein)), (d) the Intercompany Notes (as defined in the Prepetition LP Security Agreements) and (e) the rights of LightSquared Inc. under and arising out of the Inmarsat Cooperation Agreement, by and between LightSquared LP, SkyTerra (Canada) Inc., LightSquared Inc., and Inmarsat Global Limited. For the avoidance of doubt, the Prepetition LP Collateral includes any proceeds, substitutions or replacements of any of the forgoing (unless such proceeds, substitutions or replacements would constitute Excluded Property (as defined in Prepetition LP Credit Documents)). The Prepetition LP Collateral does not include the following: (i) any permit or license issued by a Governmental Authority (as defined in the Prepetition LP Credit Agreement) or other agreement to the extent and for so long as the terms thereof validly prohibit the creation by the pledgor thereof of a security interest in such permit, license, or other agreement; (ii) property subject to any Purchase Money Obligation, Vendor Financing Indebtedness, or Capital Lease Obligations (in each case, as such term is defined in the Prepetition LP Credit Agreement) if the contract or other agreement in which such lien is granted validly prohibits the creation of any other lien on such property; (iii) the SkyTerra-2 satellite, while title remains with BSSI, and those ground segment assets related to the SkyTerra-2 satellite, while title remains with BSSI; (iv) any intent-to-use trademark application to the extent and for so long as a security interest therein would result in the loss by the pledgor thereof of any material rights therein; (v) certain deposit and securities accounts securing currency hedging or credit card vendor programs or letters of credit provided to vendors in the ordinary course of business; (vi) equity interests in (x) excess of 66% in non-U.S. subsidiaries (other than the Canadian Subsidiaries (as defined in the Prepetition LP Credit Agreement)) held by a US subsidiary, (y) LightSquared Network LLC, and (z) any joint venture or similar entity to the extent and for so long as the terms of such

investment restrict such security interest; and (vii) any consumer goods subject to the Canadian Security Agreement (as defined in the Prepetition LP Credit Agreement).

“Relevant Percentage” shall mean, as to any LP DIP Lender, the percentage set forth opposite such LP DIP Lender’s name (in the column entitled “Relevant Percentage”) in the table set forth in Schedule I to this Annex A.

“Sixth Replacement Notes” shall mean any promissory note(s) evidencing the Sixth Replacement LP DIP Loans in the form set forth in Annex C hereto.



**SCHEDULE I TO ANNEX A**

**FifthSixth Replacement LP DIP Loan Allocation Schedule**

<u>Name of LP DIP Lender:</u>	<u>Relevant Percentage:</u>	<u>Principal Outstanding Under FourthFifth Replacement LP DIP Facility:</u>	<u>Accrued Interest Under FourthFifth Replacement LP DIP Facility as of 7/31/148/31/14:</u>	<u>FifthSixth Replacement LP DIP Loan Amount:</u>	<u>Net Funding Amount:</u>
SP Special Opportunities LLC	53.0%	\$40,897,730 <u>52,246,061</u>	\$136,375 <u>65,308</u>	\$51,643,554 <u>63,981,762</u>	\$10,609,448 <u>11,670,393</u>
Capital Research and Management Company, on behalf of American High-Income Trust	<del>20.8</del> <u>18.7</u> %	16,041,905 <u>20,493,224</u>	53,493 <u>25,617</u>	20,256,894 <u>24,638,722</u>	4,161,497 <u>4,119,882</u>
Fortress Credit Corp., on behalf of its affiliates' managed funds and/or accounts	<del>10.1</del> <u>13.1</u> %	7,817,248 <u>9,986,384</u>	26,067 <u>12,483</u>	9,871,220 <u>12,873,230</u>	2,027,905 <u>2,874,363</u>
Cyrus Capital Partners, L.P.	<del>8.5</del> <u>7.6</u> %	6,514,792 <u>8,322,521</u>	21,724 <u>10,403</u>	8,226,544 <u>10,006,052</u>	1,690,029 <u>1,673,129</u>
SO LA LTD	3.6%	2,761,055 <u>3,527,194</u>	9,207 <u>4,409</u>	3,486,518 <u>4,319,486</u>	716,257 <u>787,882</u>
ULTRA MASTER LTD	1.0%	737,352 <u>941,953</u>	2,459 <u>1,177</u>	931,091 <u>1,153,538</u>	191,280 <u>210,408</u>
Solus Senior High Income Fund LP	0.2%	166,071 <u>212,153</u>	554 <u>265</u>	209,706 <u>259,807</u>	43,081 <u>47,389</u>
Intermarket Corporation, on behalf of Fernwood Associates LLC	0.6%	474,846 <u>606,607</u>	1,583 <u>758</u>	599,612 <u>742,866</u>	123,182 <u>135,500</u>
Intermarket Corporation, on behalf of Fernwood Restructurings Ltd.	0.6%	474,846 <u>606,607</u>	1,583 <u>758</u>	599,612 <u>742,866</u>	123,182 <u>135,500</u>

Name of LP DIP Lender:	Relevant Percentage:	Principal Outstanding Under	Accrued Interest Under	Replacement LP DIP Loan		Net Funding Amount:
		<del>Fourth</del> <u>Fifth</u> Replacement LP DIP Facility:	<del>Fourth</del> <u>Fifth</u> Replacement LP DIP Facility as of <del>7/31/14</del> <u>8/31/14</u> :	<del>Fifth</del> <u>Sixth</u> Replacement LP DIP Loan Amount:	<del>Fifth</del> <u>Sixth</u> Replacement LP DIP Loan Amount:	
Aurelius Capital Master, Ltd.	0.8%	<del>624,004</del> <u>797,152</u>	<del>2,081</del> <u>996</u>	<del>787,960</del> <u>976,212</u>	<del>161,875</del> <u>178,063</u>	
ACP Master, Ltd.	0.6%	<del>432,534</del> <u>552,554</u>	<del>1,442</del> <u>691</u>	<del>546,182</del> <u>676,671</u>	<del>112,205</del> <u>123,426</u>	
Aurelius Convergence Master, Ltd.	0.2%	<del>154,424</del> <u>197,274</u>	<del>515</del> <u>247</u>	<del>194,999</del> <u>241,586</u>	<del>40,060</del> <u>44,066</u>	
<b>Total</b>	<b>100.0%</b>	<del>\$77,096,807</del> <u>\$98,489,685</u>	<del>\$257,083</del> <u>\$123,112</u>	<del>\$97,353,890</del> <u>\$120,612,798</u>	<del>\$20,000,000</del> <u>\$22,000,000</u>	

**ANNEX B**

**FIFTHSIXTH REPLACEMENT LP DIP BUDGET**

ANNEX C

FORM OF TERM NOTE

\$ \_\_\_\_\_

New York, New York

2014

FOR VALUE RECEIVED, **LIGHTSQUARED LP**, a Delaware limited partnership, a debtor and debtor-in-possession under Chapter 11 of the Bankruptcy Code (the “LP DIP Borrower”), hereby promises to pay to [\_\_\_\_\_] [or its registered assigns] (the “LP DIP Lender”), in lawful money of the United States of America in immediately available funds the principal sum of \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_), as such amount may be increased by the addition of interest that has been paid in kind in accordance with the Final Order

(A) Authorizing LP DIP Obligors To Obtain FifthSixth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay [Docket No. \_\_] (the “FifthSixth Replacement LP DIP Order”)<sup>1</sup> or, if less, the unpaid principal amount of all FifthSixth Replacement LP DIP Loans made by the LP DIP Lender under the FifthSixth Replacement LP DIP Facility in accordance with the FifthSixth Replacement LP DIP Order, payable at such times and in such amounts as provided for in the FifthSixth Replacement LP DIP Order.

The LP DIP Borrower also promises to pay interest on the unpaid principal amount of each FifthSixth Replacement LP DIP Loan made by the LP DIP Lender in kind, from the date hereof until all principal, accrued and unpaid interest, and all other amounts have been indefeasibly paid in full in cash, at the rates and at the times specified in the FifthSixth Replacement LP DIP Order.

This Note is one of the FifthSixth Replacement Notes referred to in Annex A to the FifthSixth Replacement LP DIP Order and is entitled to the benefits thereof and of the other FifthSixth Replacement LP DIP Credit Documents. This Note is secured by the LP DIP Collateral and is entitled to the benefits of the guaranties from the LP DIP Guarantors. This Note, and any FifthSixth Replacement LP DIP Loans and other obligations (including any accrued and unpaid interest) represented hereby, shall be repaid in full in cash upon the

<sup>1</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the FifthSixth Replacement LP DIP Order.

occurrence of the Final Maturity Date as set forth in the ~~Fifth~~Sixth Replacement LP DIP Order.

The LP DIP Borrower hereby waives presentment, demand, protest, or notice of any kind in connection with this Note.

**THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH, AND BE GOVERNED BY, THE LAW OF THE STATE OF NEW YORK AND, TO THE EXTENT APPLICABLE, THE BANKRUPTCY CODE.**

**LIGHTSQUARED LP**

By: \_\_\_\_\_  
Name:  
Title:

ANNEX D

FORM OF LP DIP OBLIGOR GUARANTY

LP DIP OBLIGOR GUARANTY (as amended, modified, restated, and/or supplemented from time to time, this "Guaranty"), dated as of [\_\_\_\_\_] , 201[ ], made by and among each of the undersigned guarantors (each, an "LP DIP Guarantor" and, collectively, the "LP DIP Guarantors") in favor of the LP DIP Lenders. Except as otherwise defined herein, all capitalized terms used herein and defined in the ~~Fifth~~Sixth Replacement LP DIP Order (as defined below) shall be used herein as therein defined.

W I T N E S S E T H :

WHEREAS, pursuant to that certain Final Order (A) Authorizing LP DIP Obligors To Obtain ~~Fifth~~Sixth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay [Docket No. \_\_\_] (including all annexures, exhibits, and schedules thereto, the "Fifth~~Sixth~~ Replacement LP DIP Order"), the LP DIP Lenders shall make ~~Fifth~~Sixth Replacement LP DIP Loans to the LP DIP Borrower on the terms and subject to the conditions set forth therein;

WHEREAS, each LP DIP Guarantor is a direct or indirect subsidiary of the LP DIP Borrower;

WHEREAS, the ~~Fifth~~Sixth Replacement LP DIP Order requires that each LP DIP Guarantor shall have executed and delivered to the LP DIP Lenders this Guaranty; and

WHEREAS, each LP DIP Guarantor will obtain benefits from the incurrence of ~~Fifth~~Sixth Replacement LP DIP Loans by the LP DIP Borrower and, accordingly, desires to execute this Guaranty in order to satisfy the requirements of the ~~Fifth~~Sixth Replacement LP DIP Order and to induce the LP DIP Lenders to make ~~Fifth~~Sixth Replacement LP DIP Loans to the LP DIP Borrower;

NOW, THEREFORE, in consideration of the foregoing and other benefits accruing to each LP DIP Guarantor, the receipt and sufficiency of which are hereby acknowledged, each LP DIP Guarantor hereby covenants and agrees with each other LP DIP Guarantor and the LP DIP Lenders as follows:

1. GUARANTY. The LP DIP Guarantors hereby jointly and severally guarantee, as a primary obligor and not as a surety, to each LP DIP Lender and their respective successors and assigns, the prompt payment in full when due (whether at stated maturity, by required prepayment, declaration, demand, acceleration,

or otherwise) of all ~~Fifth~~Sixth Replacement LP DIP Obligations. The LP DIP Guarantors hereby jointly and severally agree that if LP DIP Borrower or any other LP DIP Guarantor(s) shall fail to pay in full in cash when due (whether at stated maturity, by acceleration, or otherwise) any of the ~~Fifth~~Sixth Replacement LP DIP Obligations, the LP DIP Guarantors will promptly pay the same in cash, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the ~~Fifth~~Sixth Replacement LP DIP Obligations, the same will be promptly paid in full in cash when due (whether at extended maturity, by acceleration, or otherwise) in accordance with the terms of such extension or renewal. OBLIGATIONS UNCONDITIONAL. The obligations of the LP DIP Guarantors under Section 1 shall constitute a guaranty of payment and, to the fullest extent permitted by applicable requirements of law, are absolute, irrevocable, and unconditional, joint and several, irrespective of the value, genuineness, validity, regularity, or enforceability of the ~~Fifth~~Sixth Replacement LP DIP Obligations of the LP DIP Borrower under the ~~Fifth~~Sixth Replacement LP DIP Order, the ~~Fifth~~Sixth Replacement Notes, or any other ~~Fifth~~Sixth Replacement LP DIP Credit Documents, or any substitution, release, or exchange of any other guarantee of or security for any of the ~~Fifth~~Sixth Replacement LP DIP Obligations, and, irrespective of any other circumstance whatsoever that might otherwise constitute a legal or equitable discharge or defense of a surety or LP DIP Guarantor (except for payment in full). Without limiting the generality of the foregoing, it is agreed that the occurrence of any one or more of the following shall not alter or impair the liability of the LP DIP Guarantors hereunder which shall remain absolute, irrevocable, and unconditional under any and all circumstances as described above:

(a) at any time or from time to time, without notice to any LP DIP Guarantors, the time for any performance of, or compliance with, any of the ~~Fifth~~Sixth Replacement LP DIP Obligations shall be extended, or such performance or compliance shall be waived;

(b) any of the acts mentioned in any of the provisions of the ~~Fifth~~Sixth Replacement LP DIP Order, the ~~Fifth~~Sixth Replacement Notes, if any, or any other ~~Fifth~~Sixth Replacement LP DIP Credit Document shall be done or omitted;

(c) the maturity of any of the ~~Fifth~~Sixth Replacement LP DIP Obligations shall be accelerated, or any of the ~~Fifth~~Sixth Replacement LP DIP Obligations shall be amended in any respect, any right under the ~~Fifth~~Sixth Replacement LP DIP Credit Documents or any other agreement or instrument referred to herein or therein shall be amended or waived in any respect, or any other guarantee of any of the ~~Fifth~~Sixth Replacement LP DIP Obligations or any security therefor shall be released or exchanged in whole or in part or otherwise dealt with;

(d) any lien or security interest granted to, or in favor of, any LP DIP Lender as security for any of the ~~Fifth~~Sixth Replacement LP DIP Obligations shall fail to be perfected; or

(e) the release of any other LP DIP Guarantor pursuant to the terms of the ~~Fifth~~Sixth Replacement LP DIP Order.

The LP DIP Guarantors hereby, to the fullest extent permitted by applicable requirements of law, expressly waive diligence, presentment, demand of payment, protest, and all notices whatsoever, and any requirement that any LP DIP Lender exhaust any right, power, or remedy or proceed against the LP DIP Borrower under the ~~Fifth~~Sixth Replacement LP DIP Order, the ~~Fifth~~Sixth Replacement Notes, if any, or any other ~~Fifth~~Sixth Replacement LP DIP Credit Document, or against any other person under any other guarantee of, or security for, any of the ~~Fifth~~Sixth Replacement LP DIP Obligations. The LP DIP Guarantors waive any and all notice of the creation, renewal, extension, waiver, termination, or accrual of any of the ~~Fifth~~Sixth Replacement LP DIP Obligations and notice of, or proof of reliance by any LP DIP Lender upon, this Guaranty or acceptance of this Guaranty, and the ~~Fifth~~Sixth Replacement LP DIP Obligations, and any of them, shall conclusively be deemed to have been created, contracted, or incurred in reliance upon this Guaranty, and all dealings between LP DIP Borrower and the LP DIP Lenders shall likewise be conclusively presumed to have been had or consummated in reliance upon this Guaranty. This Guaranty shall be construed as a continuing, absolute, irrevocable, and unconditional guarantee of payment without regard to any right of offset with respect to the ~~Fifth~~Sixth Replacement LP DIP Obligations at any time or from time to time held by LP DIP Lenders, and the obligations and liabilities of the LP DIP Guarantors hereunder shall not be conditioned or contingent upon the pursuit by the LP DIP Lenders or any other person at any time of any right or remedy against LP DIP Borrower or against any other person which may be or become liable in respect of all or any part of the ~~Fifth~~Sixth Replacement LP DIP Obligations or against any collateral security or guarantee therefor or right of offset with respect thereto. This Guaranty shall remain in full force and effect and be binding in accordance with, and to the extent of, its terms upon the LP DIP Guarantors and the successors and assigns thereof, and shall inure to the benefit of the LP DIP Lenders, and their respective successors and assigns, notwithstanding that from time to time during the term of the ~~Fifth~~Sixth Replacement LP DIP Order there may be no ~~Fifth~~Sixth Replacement LP DIP Obligations outstanding.

3. REINSTATEMENT. The obligations of the LP DIP Guarantors under this Guaranty shall be automatically reinstated if and to the extent that for any reason any payment by, or on behalf of, the LP DIP Borrower or other LP DIP Obligors in respect of the ~~Fifth~~Sixth Replacement LP DIP Obligations is rescinded or must be otherwise restored by any holder of any of the ~~Fifth~~Sixth Replacement LP DIP Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise.

4. SUBROGATION; SUBORDINATION. Each LP DIP Guarantor hereby agrees that until the indefeasible payment and satisfaction in full in cash of all ~~Fifth~~Sixth Replacement LP DIP Obligations, it shall waive any claim and shall not



exercise any right or remedy, direct or indirect, arising by reason of any performance by it of its guarantee in Section 1, whether by subrogation or otherwise, against the LP DIP Borrower or any other LP DIP Obligor of any of the ~~Fifth~~Sixth Replacement LP DIP Obligations or any security for any of the ~~Fifth~~Sixth Replacement LP DIP Obligations.

5. REMEDIES. After the Final Maturity Date, the LP DIP Guarantors jointly and severally agree that, as between the LP DIP Guarantors and the LP DIP Lenders, the obligations of LP DIP Borrower under the ~~Fifth~~Sixth Replacement LP DIP Order and the ~~Fifth~~Sixth Replacement Notes shall be due and payable as provided in the ~~Fifth~~Sixth Replacement LP DIP Order for purposes of Section 1, notwithstanding any stay, injunction, or other prohibition preventing such obligations from becoming automatically due and payable as against LP DIP Borrower and that such obligations (whether or not due and payable by LP DIP Borrower) shall become forthwith due and payable by the LP DIP Guarantors for purposes of Section 1.

6. INSTRUMENT FOR THE PAYMENT OF MONEY. Each LP DIP Guarantor hereby acknowledges that this Guaranty constitutes an instrument for the payment of money, and consents and agrees that any LP DIP Lender, at its sole option, in the event of a dispute by such LP DIP Guarantor in the payment of any moneys due hereunder, shall have the right to bring a motion-action under New York CPLR Section 3213.

7. CONTINUING GUARANTY. The Guaranty is a continuing guarantee of payment and shall apply to all ~~Fifth~~Sixth Replacement LP DIP Obligations whenever arising.

8. GENERAL LIMITATION ON ~~FIFTH~~SIXTH REPLACEMENT LP DIP OBLIGATIONS. In any action or proceeding involving any state corporate limited partnership or limited liability company law, or any applicable state, federal, or foreign bankruptcy, insolvency, reorganization, or other law affecting the rights of creditors generally, if the obligations of any LP DIP Guarantor under Section 1 would otherwise be held or determined to be void, voidable, invalid, or unenforceable, or subordinated to the claims of any other creditors, on account of the amount of its liability under Section 1, then, notwithstanding any other provision to the contrary, the amount of such liability shall, without any further action by such LP DIP Guarantor, any other LP DIP Obligor, or any other person, be automatically limited and reduced to the highest amount (after giving effect to the right of contribution established in Section 9) that is valid and enforceable and not subordinated to the claims of other creditors as determined in such action or proceeding.

9. RIGHT OF CONTRIBUTION. Each LP DIP Guarantor hereby agrees that to the extent that an LP DIP Guarantor shall have paid more than its proportionate share of any payment made hereunder, such LP DIP Guarantor shall be entitled to seek and receive contribution from and against any other LP DIP Guarantor hereunder which has not paid its proportionate share of such payment. Each LP DIP

Guarantor's right of contribution shall be subject to the terms and conditions of Section 4. The provisions of this Section 9 shall in no respect limit the obligations and liabilities of any LP DIP Guarantor to the LP DIP Lenders, and each LP DIP Guarantor shall remain liable to the LP DIP Lenders for the full amount guaranteed by such LP DIP Guarantor hereunder.

10. COUNTERPARTS. This Guaranty may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. A set of counterparts executed by all the parties hereto shall be lodged with the LP DIP Borrower and the LP DIP Lenders. Delivery of an executed counterpart hereof by facsimile or other electronic means (including ".pdf", ".tif" or similar format) shall be effective as delivery of a manually executed counterpart hereof.

11. HEADINGS DESCRIPTIVE. The headings of the several Sections of this Guaranty are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Guaranty.

12. GOVERNING LAW, ETC. This Guaranty and the contents hereof are subject to the governing law, jurisdiction, venue, waiver of jury trial, currency indemnity, indemnification, and expense reimbursement provisions set forth in the ~~Fifth~~Sixth Replacement LP DIP Order (including Annex A thereto) and such provisions are hereby incorporated herein by reference, *mutatis mutandis*.

\* \* \*

IN WITNESS WHEREOF, each LP DIP Guarantor has caused this Guaranty to be executed and delivered as of the date first above written.

Address:

[\_\_\_\_\_]

[\_\_\_\_\_],

[\_\_\_\_\_]

as a LP DIP Guarantor

Tel:[\_\_\_\_\_]

Fax:[\_\_\_\_\_]

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

Name:

Title:

[Accepted and Agreed to:

[\_\_\_\_\_],

as LP DIP Lender

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

Name:

Title:

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

Name:

Title:]

**TAB B**

Exhibit “B” to the Affidavit of Elizabeth Creary,  
sworn before me this this 26<sup>th</sup> day of August, 2014.



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Commissioner for Taking Affidavits, etc.

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

Presentment Date and Time: August 28, 2014 at 12:00 p.m. (prevailing Eastern time)

Objection Deadline: August 28, 2014 at 11:00 a.m. (prevailing Eastern time)

Hearing Date (Only if Objection Filed): To Be Determined

Matthew S. Barr  
Karen Gartenberg  
MILBANK, TWEED, HADLEY & McCLOY LLP  
One Chase Manhattan Plaza  
New York, NY 10005-1413  
(212) 530-5000

*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>	)	Jointly Administered
_____	)	

**NOTICE OF PRESENTMENT OF NINTH ORDER AMENDING AMENDED AGREED  
FINAL ORDER (A) AUTHORIZING DEBTORS TO USE CASH COLLATERAL,  
(B) GRANTING ADEQUATE PROTECTION TO PREPETITION  
SECURED PARTIES, AND (C) MODIFYING AUTOMATIC STAY**

**PLEASE TAKE NOTICE** that the Prepetition LP Lenders (as defined in the Cash Collateral Order (as defined below)) have consented to the continued use by LightSquared LP and certain of its affiliates, as debtors and debtors in possession (collectively, “LightSquared”) in the above-captioned chapter 11 cases, of the Prepetition LP Lenders’ Cash Collateral (as defined in the Cash Collateral Order) and have consented to amend the *Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate*

<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



*Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 544] (as amended by the Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 1118], the Second Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 1292], the Third Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 1477], the Fourth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 1580], the Fifth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 1615], the Sixth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 1638], the Seventh Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 1667], and the Eighth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 1682], the “Cash Collateral Order”) to permit LightSquared to continue to use the Prepetition LP Lenders’ Cash*

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Corp. (0040). The location of the debtors’ corporate headquarters is 10802 Parkridge Boulevard, Reston, VA 20191.

Collateral through and including November 15, 2014 on the terms set forth in the *Ninth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay*, attached hereto as Exhibit A (the “Cash Collateral Extension Order”).

**PLEASE TAKE FURTHER NOTICE** that LightSquared will present the Cash Collateral Extension Order to the Honorable Shelley C. Chapman, Judge of the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”), for signature on **August 28, 2014 at 12:00 p.m. (prevailing Eastern time)**.

**PLEASE TAKE FURTHER NOTICE** that responses or objections, if any, to the Cash Collateral Extension Order must be made in writing, conform to the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the Southern District of New York, set forth the basis for the objection and the specific grounds therefor, and be filed with the Bankruptcy Court (a) by registered users of the Bankruptcy Court’s case filing system, electronically in accordance with General Order M-399 (which can be found at <http://nysb.uscourts.gov>) and (b) by all other parties in interest, in text-searchable portable document format (PDF) (with a hard copy delivered directly to Chambers (as defined below)), in accordance with the customary practices of the Bankruptcy Court and General Order M-399 and shall be served in accordance with General Order M-399 upon each of the following: (i) the chambers of the Honorable Shelley C. Chapman (“Chambers”), One Bowling Green, New York, New York 10004, 6th Floor, (ii) LightSquared Inc., 10802 Parkridge Boulevard, Reston, VA 20191, Attn: Marc R. Montagner and Curtis Lu, Esq., (iii) counsel to LightSquared, Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005-1413, Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq., (iv) counsel to the special committee of the



boards of directors for LightSquared Inc. and LightSquared GP Inc., Kirkland & Ellis LLP, 601 Lexington Avenue, New York, NY 10021, Attn: James H.M. Sprayregen, Esq., Paul M. Basta, Esq., and Joshua A. Sussberg, Esq., (v) the Office of the United States Trustee for the Southern District of New York, 201 Varick Street, Suite 1006, New York, NY 10014, Attn: Susan D. Golden, Esq., (vi) counsel to U.S. Bank, as administrative agent under the Prepetition Inc. Credit Agreement and the DIP Agreement, and MAST Capital Management, LLC, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attn: Philip C. Dublin, Esq., Meredith A. Lahaie, Esq., and Kenneth A. Davis, Esq., (vii) counsel to Wilmington Savings Fund Society, FSB, as administrative agent under the Prepetition LP Credit Agreement, McDermott Will & Emery LLP, 340 Madison Avenue, New York, NY 10173, Attn: Leonard Klingbaum, Esq. and Darren Azman, Esq., (viii) counsel to the Ad Hoc LP Secured Group, White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036, Attn: Thomas E Lauria, Esq. and Andrew C. Ambruso, Esq., (ix) counsel to SP Special Opportunities, LLC, Willkie Farr & Gallagher LLP, Attn: Rachel C. Strickland, Esq. and James C. Dugan, Esq., and (x) counsel to Harbinger Capital Partners, LLC, Kasowitz, Benson, Torres & Friedman LLP, 1633 Broadway, New York, NY 10019, Attn: David M. Friedman, Esq. and Adam L. Shiff, Esq., so as to be actually received **no later than August 28, 2014 at 11:00 a.m. (prevailing Eastern time)** (the “Objection Deadline”). Only those responses or objections that are timely filed, served, and received will be considered at the Hearing.

**PLEASE TAKE FURTHER NOTICE** that, if a written objection to the Cash Collateral Extension Order is not received by the Objection Deadline, the Bankruptcy Court may deem any opposition waived and enter the Cash Collateral Extension Order without further notice or hearing.

**PLEASE TAKE FURTHER NOTICE** that, if a written objection is received by the Objection Deadline, a hearing will be held to consider the Cash Collateral Extension Order, along with any written objection timely received, on **a date to be determined** at the United States Bankruptcy Court for the Southern District of New York, Honorable Shelley C. Chapman, United States Bankruptcy Judge, One Bowling Green, New York, New York 10004, Courtroom 623. The moving and objecting parties are required to attend the hearing, and failure to attend in person or by counsel may result in relief being granted or denied upon default.

**PLEASE TAKE FURTHER NOTICE** that a copy of the Cash Collateral Extension Order may be obtained at no charge at <http://www.kccllc.net/LightSquared> or for a fee via PACER at <http://www.nysb.uscourts.gov>.

New York, New York  
Dated: August 25, 2014

Respectfully submitted,

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

*Counsel to Debtors and Debtors in Possession*

**Exhibit A**

**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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**NINTH ORDER AMENDING AMENDED AGREED FINAL ORDER  
(A) AUTHORIZING DEBTORS TO USE CASH COLLATERAL,  
(B) GRANTING ADEQUATE PROTECTION TO PREPETITION  
SECURED PARTIES, AND (C) MODIFYING AUTOMATIC STAY**

Upon the initial motion (the “Initial 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”), seeking entry of an interim order and a final order, under sections 105, 361, 362, 363(c), and 507 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”), Rules 2002, 4001, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 4001-2 of the Local Rules for the United States Bankruptcy Court for the Southern District of New York (the “Local Rules”), *inter alia*:

- (a) authorizing the use of Cash Collateral (within the meaning of section 363(a) of the Bankruptcy Code) of the Prepetition Secured Parties and providing adequate protection to the Prepetition Secured Parties for any diminution in value of their

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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 10802 Parkridge Boulevard, Reston, VA 20191.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Initial Motion and the Amended Cash Collateral Order (as defined below), as applicable.

interests in the Prepetition Collateral, pursuant to sections 361, 362, and 363 of the Bankruptcy Code;

- (b) vacating and modifying the automatic stay imposed by section 362 of the Bankruptcy Code to the extent necessary to implement and effectuate the terms and provisions of the Initial Cash Collateral Order (as defined below), as limited pursuant thereto;
- (c) scheduling, pursuant to Bankruptcy Rule 4001, an interim hearing to consider the relief requested in the Motion on an interim basis; and
- (d) scheduling, pursuant to Bankruptcy Rule 4001, a final hearing (the “Final Hearing”) to consider the relief requested in the Motion on a final basis.

The Court having considered the Initial Motion, 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 exhibits and schedules attached thereto, and the evidence submitted at the Final Hearing; and notice of the Final Hearing having been given in accordance with Bankruptcy Rules 4001(b) and (d) and 9014; and the Final Hearing to consider the relief requested in the Initial Motion having been held and concluded; and all objections, if any, to the relief requested in the Initial Motion having been withdrawn, resolved, or overruled by the Court; and the Court having entered the *Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 136] (the “Initial Cash Collateral Order”) on June 13, 2012 upon consent of LightSquared, the Prepetition LP Agent, on behalf of the Prepetition LP Lenders, and the Ad Hoc LP Secured Group; and the Prepetition LP Agent, on behalf of the Prepetition LP Lenders, and the Ad Hoc LP Secured Group having agreed to permit LightSquared to amend the Initial Cash Collateral Order to continue to use the Prepetition LP Lenders’ Cash Collateral through and including December 31, 2013 on

substantially similar terms as were then set forth in the Initial Cash Collateral Order in connection with that certain *Order Pursuant to 11 U.S.C. § 1121(d) Further Extending LightSquared's Exclusive Periods To File a Plan of Reorganization and Solicit Acceptances Thereof* [Docket No. 522] (the "Second Exclusivity Extension Order"); and the Court having entered the *Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 544] (as amended or modified, the "Amended Cash Collateral Order"); and the Prepetition LP Agent, on behalf of the Prepetition LP Lenders, and the Ad Hoc LP Secured Group having agreed to permit LightSquared to amend the Amended Cash Collateral Order to, among other things, continue to use the Prepetition LP Lenders' Cash Collateral through and including January 31, 2014 on substantially similar terms as were then set forth in the Amended Cash Collateral Order; and the Court having entered the *Order Amending Amended Agreed Final Order (A) Authorizing Debtors to Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1118] (the "First Cash Collateral Extension Order"); and the Court having considered the Debtors' subsequent motion, submitted at the direction, and with the support, of the special committee of the boards of directors for LightSquared Inc. and LightSquared GP Inc., for an order (a) authorizing the LP DIP Obligors to obtain superpriority senior secured priming postpetition financing, (b) granting superpriority liens and providing superpriority administrative expense status, (c) granting adequate protection, and (d) modifying automatic stay [Docket No. 1237] (the "LP DIP Facility Motion") seeking, *inter alia*, entry of an order further amending the Amended Cash Collateral Order to, among other things, permit the LP Debtors to continue to use the Prepetition LP Lenders' Cash Collateral through and including April 15, 2014 on substantially similar terms as

currently set forth in the Amended Cash Collateral Order; and all objections, if any, to the relief requested in the LP DIP Facility Motion having been withdrawn, resolved, or overruled by the Court; and the Court having entered (a) that certain *Final Order (A) Authorizing LP DIP Obligors To Obtain Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1291] (the “Initial LP DIP Order”), (b) that certain *Final Order (A) Authorizing LP DIP Obligors To Obtain Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1476] (the “Replacement LP DIP Order”), (c) that certain *Final Order (A) Authorizing LP DIP Obligors To Obtain Second Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1614] (the “Second Replacement LP DIP Order”); (d) that certain *Final Order (A) Authorizing LP DIP Obligors To Obtain Third Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1639] (the “Third Replacement LP DIP Order”); (e) that certain *Final Order (A) Authorizing LP DIP Obligors To Obtain Fourth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1668] (the “Fourth Replacement LP DIP Order”); (f) that certain *Final Order (A) Authorizing LP DIP*

*Obligors To Obtain Fifth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1681] (the “Fifth Replacement LP DIP Order”); (g) that certain *Second Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1292] (the “Second Cash Collateral Extension Order”), (h) that certain *Third Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1477] (the “Third Cash Collateral Extension Order”), (i) that certain *Fourth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1580] (the “Fourth Cash Collateral Extension Order”), (j) that certain *Fifth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1615] (the “Fifth Cash Collateral Extension Order”), (k) that certain *Sixth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1638] (the “Sixth Cash Collateral Extension Order”), (l) that certain *Seventh Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1667] (the “Seventh Cash Collateral Extension Order”), and (m) that certain *Eighth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash*



*Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 1682] (the “Eighth Cash Collateral Extension Order” and, collectively with the First Cash Collateral Extension Order, the Second Cash Collateral Extension Order, the Third Cash Collateral Extension Order, the Fourth Cash Collateral Extension Order, the Fifth Cash Collateral Extension Order, the Sixth Cash Collateral Extension Order, and the Seventh Cash Collateral Extension Order, the “Cash Collateral Extension Orders”); and the Court having entered on a date even herewith that certain *Final Order (A) Authorizing LP DIP Obligors To Obtain Sixth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* (the “Sixth Replacement LP DIP Order”); and the Prepetition LP Agent, on behalf of the Prepetition LP Lenders, and the Ad Hoc LP Secured Group having agreed to permit LightSquared to amend the Amended Cash Collateral Order to, among other things, continue to use the Prepetition LP Lenders’ Cash Collateral through and including November 15, 2014 on substantially similar terms as currently set forth in the Amended Cash Collateral Order, as modified by the Cash Collateral Extension Orders and the terms set forth herein (this “Order”); and it appearing to the Court that entry of the Order is fair and reasonable and in the best interests of the Debtors, their estates, and their stakeholders, and is essential for the continued management of the Debtors’ businesses; and after due deliberation and consideration, and for good and sufficient cause appearing therefor; it is hereby **ORDERED** that:

1. All of the terms of the Amended Cash Collateral Order shall remain in full force and effect pursuant to the terms thereof, except to the extent modified or further modified

by this Order. For the avoidance of doubt, paragraph 25 of the Amended Cash Collateral Order shall read as follows:

“Except as otherwise provided herein, no waiver, modification, or amendment of any of the provisions hereof shall be effective unless set forth in writing, signed by, or on behalf of, all the Debtors, the Prepetition LP Agent, the Ad Hoc LP Secured Group, and SP Special Opportunities, LLC, and approved by the Court after notice to parties in interest.”

2. The last sentence of paragraph F(ii) of the Amended Cash Collateral Order is hereby amended in its entirety as follows: “Notwithstanding anything to the contrary in this Amended Final Order, capital expenditure lines totaling \$2,380,000 may be used on an aggregate basis at any time until November 15, 2014.”

3. Paragraph 7 of the Amended Cash Collateral Order is hereby amended as follows: Section (d) of paragraph 7 is hereby amended by replacing the words “August 31, 2014” with the words “November 15, 2014.”

4. Paragraph 14 of the Amended Cash Collateral Order is hereby amended as follows:

- (a) The first sentence of section (f) of paragraph 14 is hereby amended by inserting the words “, the *Final Order (A) Authorizing LP DIP Obligors To Obtain Sixth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* (the “Sixth Replacement LP DIP Order”)” after the words “(the “Fifth Replacement LP DIP Order”),”;
- (b) Section (h) of paragraph 14 is hereby amended by (i) deleting the word “and” before the words “the Fifth Replacement LP DIP Order” and inserting “,” in lieu thereof, and (ii) inserting the words “and the Sixth Replacement LP DIP Order” after the words “the Fifth Replacement LP DIP Order”;

- (c) The first sentence of section (k) of paragraph 14 is hereby amended by (i) inserting “, and the *Notice of Presentment of Final Order (A) Authorizing LP DIP Obligors To Obtain Sixth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* (the “Sixth Replacement LP DIP Facility Notice”)” following the words (“Fifth Replacement LP DIP Facility Notice”) and (ii) deleting the word “and” following the words “Other than the LP DIP Facility Motion (as defined in the LP DIP Order)” and inserting “,” in lieu thereof;
- (d) The first sentence of section (l) of paragraph 14 is hereby amended by (i) inserting the words “and the Sixth Replacement LP DIP Facility Notice” after the words “Fifth Replacement LP DIP Facility Notice” and (ii) deleting the word “and” before the words “Fifth Replacement LP DIP Facility Notice” and inserting “,” in lieu thereof; and
- (e) Section (n) of paragraph 14 is hereby amended by deleting the words “August 31, 2014.” and inserting the words “November 15, 2014.”

5. The Budget attached as Schedule 1 to the Eighth Cash Collateral Extension Order is hereby replaced in its entirety by the Budget attached hereto as Schedule 1. Notwithstanding anything to the contrary in the Amended Cash Collateral Order or the Cash Collateral Extension Orders, failure to comply with the Budget shall not constitute an LP Termination Event.

6. Upon entry of this Order, the LP Obligors shall not be required to pay the LP Adequate Protection Payment to the Prepetition LP Agent, for the benefit of the Prepetition LP Lenders, for the months of July 2014, August 2014, September 2014, October 2014, and November 2014; provided, however, that the LP Obligors shall pay, for the benefit of the Prepetition LP Lenders, all reasonable, actual, and documented fees and expenses of White & Case LLP and The Blackstone Group L.P. on the first Business Day of September 2014, October 2014, and November 2014 or as otherwise previously agreed to for the months of July 2014 and August 2014; provided, further, however, that payment of the LP Adequate Protection Payments for the months of July 2014, August 2014, September 2014, October 2014, and November 2014

shall not be deemed waived in the event that the Amended Cash Collateral Order is further extended, and such unpaid amounts shall be due and payable, and shall be paid, upon entry by this Court of an order approving any additional debtor-in-possession financing to the LP Obligors in these Chapter 11 Cases.

7. Any objections to the entry of this Order, to the extent not withdrawn or resolved, are hereby overruled.

8. This Order shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052 and shall take effect immediately upon execution thereof.

9. This Court has and will retain jurisdiction to enforce this Order according to its terms.

Dated: \_\_\_\_\_, 2014  
New York, New York

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HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE

**SCHEDULE 1**

**BUDGET**

Dollars in thousands

Month	Sep-14	Oct-14	Nov-14
<b>Beginning Cash Balance</b>	<b>335</b>	<b>(9,027)</b>	<b>(21,735)</b>
<b>Sources</b>			
Satellite Revenue	1,279	1,481	1,497
Interest Income	0	-	-
Equity Financing	-	-	-
Net Debt Financing	-	-	-
Financing Fees	-	-	-
Other	-	-	-
<b>Total Sources</b>	<b>1,279</b>	<b>1,481</b>	<b>1,497</b>
In-Orbit / Launch Insurance	-	-	2,339
ISAT Coop Agmt	-	-	17,500
Spectrum (NOAA)	-	-	-
Staffing Related (entire company)	1,710	1,710	1,694
Legal / Regulatory / Lobbying / International	1,245	1,583	954
Facilities/Telecom	658	658	658
G&A	336	471	1,629
Travel Expenses (entire company)	50	50	50
Boeing Related Expenses	212	637	212
Other Items	858	636	795
<b>Subtotal - USES (OPEX)</b>	<b>5,069</b>	<b>5,744</b>	<b>25,830</b>
Boeing	1,400	-	-
Qualcomm	-	-	-
Alcatel Lucent S-BTS	-	-	-
Current Network Maintenance / Capex	230	250	500
<b>Subtotal - USES (CAPEX)</b>	<b>1,630</b>	<b>250</b>	<b>500</b>
<b>Debt Service Restructuring Related</b>	-	-	-
Cash Interest	-	-	-
Restructuring Professionals	3,943	8,195	7,541
LP Adequate Protection Payments <sup>(2)</sup>	-	-	-
<b>Total Uses</b>	<b>10,642</b>	<b>14,189</b>	<b>33,871</b>
<b>Net Uses (Total Sources - Total Uses)</b>	<b>(9,362)</b>	<b>(12,708)</b>	<b>(32,374)</b>
<b>LP Group Ending Cash Balance (excl. Cash at TMI)</b>	<b>(9,027)</b>	<b>(21,735)</b>	<b>(54,109)</b>
<b>TMI Ending Cash Balance</b>	<b>10,896</b>	<b>10,896</b>	<b>10,896</b>

(1) Projected payments

(2) Assumes no Adequate Protection Payments



**TAB C**

Exhibit "C" to the Affidavit of Elizabeth Creary,  
sworn before me this this 26<sup>th</sup> day of August, 2014.



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Commissioner for Taking Affidavits, etc.

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



**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")**

**AFFIDAVIT OF ELIZABETH CREARY**  
(Sworn July 4, 2014)

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"), 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 Chapter 11 Cases (as defined below):

- (a) *Final Order (A) Authorizing LP DIP Obligors To Obtain Second Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket no. 1614] (the "**Second Replacement LP DIP Order**");
- (b) *Fourth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection To Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket no. 1580] (the "**Fifth Amended Cash Collateral Order**");
- (c) *Fifth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection To Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket no.1615] (the "**Sixth Amended Cash Collateral Order**");
- (d) *Order Selecting Mediator and Governing Mediation Procedure* [U.S. Bankruptcy Court Docket no.1557] (the "**Mediation Order**"); and
- (e) *Order Scheduling Certain Hearing Dates And Establishing Deadlines In Connection With Chapter 11 Plan Process And Subordination Trial* [U.S. Bankruptcy Court Docket no. 1621] (the "**Fourth Amended Plan Confirmation Schedule Order**").

3. Copies of the Foreign Orders are attached to this my affidavit as **Exhibits 'A'- 'E'** respectively.

#### **CORPORATE OVERVIEW**

4. 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.

5. The Chapter 11 Debtors are in the process of building what was at the time of the filing the only 4<sup>th</sup> Generation Long Term Evolution (“**4G LTE**”) 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.

6. 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’ 4G LTE network.

#### **BACKGROUND ON PROCEEDINGS**

7. On May 14, 2012, the Chapter 11 Debtors commenced cases in the U.S. Bankruptcy Court 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.

8. On May 15, 2012, the chapter 11 cases were consolidated for procedural purposes only, to be jointly administered by the U.S. Bankruptcy Court under Case No. 12-12080 (SCC), the case number assigned to LightSquared Inc. (the “**Chapter 11 Cases**”). Other than the Chapter 11 Cases and these proceedings, there are no other foreign proceedings in respect of the Chapter 11 Debtors.

9. On May 15, 2012, the Honourable Justice Morawetz (as he then was) 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.

10. On May 15, 2012 and May 16, 2012, the U.S. Bankruptcy Court in the Chapter 11 Cases entered various “first day” orders, including an interim order authorizing LightSquared to act as the Foreign Representative of the Chapter 11 Debtors.

11. On May 18, 2012, the Honourable Justice Morawetz (as he then was) 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 consolidated proceedings of the jointly administered 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.

12. On May 18, 2012, the Honourable Justice Morawetz also granted a Supplemental Order in these proceedings, which among other things: (i) appointed Alvarez & Marsal Canada Inc. as Information Officer in these proceedings (the “**Information Officer**”); (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 certain orders of the U.S. Bankruptcy Court in the Chapter 11 Cases, including the Interim Order Authorizing LightSquared LP to Act as Foreign Representative Pursuant to 11 U.S.C. § 1505.

13. On June 14, 2012, August 21, 2012, March 8, 2013, March 20, 2013, August 13, 2013, October 9, 2013, October 17, 2013, January 3, 2014 and February 26, 2014 the Canadian Court granted orders in these proceedings recognizing and enforcing in Canada certain additional orders of the U.S. Bankruptcy Court made in the Chapter 11 Cases;

14. In addition to the recognition orders referred to in the preceding paragraph, on February 5, 2014 the Canadian Court recognized and enforced in Canada certain orders of the U.S. Bankruptcy Court made in the Chapter 11 Cases, including:

- (a) *Final Order (A) Authorizing LP DIP Obligors To Obtain Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1291] (the “**Initial LP DIP Order**”); and

- (b) *Second Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1292] (the “**Third Amended Cash Collateral Order**”).

15. The Initial LP DIP Order provided for, among other things, the provision of certain superpriority senior secured priming postpetition financing by the LP DIP Lenders to the LP DIP Obligors through April 15, 2014 (the “**Initial LP DIP Facility**”).

16. The Initial LP DIP Order together with the extensions under the Initial Cash Collateral Order<sup>1</sup> were intended to provide sufficient funds for the Chapter 11 Debtors to implement a comprehensive reorganization plan and conclude the Chapter 11 Cases. As described below, the process to achieve such a result is ongoing.

17. In December 2013, LightSquared, at the direction of the special committee of the boards of directors for LightSquared Inc. and LightSquared GP Inc., determined not to pursue confirmation of the first amended plan and cancelled the attendant sale and auction process.

18. On December 24, 2013, LightSquared filed the second amended plan, which contemplated a reorganization of LightSquared through the provision of new financing and equity investments from certain of LightSquared’s existing stakeholders as well as third party investors.<sup>2</sup>

19. Beginning on January 9, 2014, the U.S. Bankruptcy Court held a trial on certain issues being litigated in the “Ergen Adversary Proceeding”.<sup>3</sup>

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<sup>1</sup> the *Amended Agreed Final Order (A) Authorizing Debtors to Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 544] (as amended, the “**Initial Cash Collateral Order**”)

<sup>2</sup> Those parties include (a) Fortress Investment Group, on behalf of its affiliates’ funds and/or managed accounts, (b) Melody Capital Advisors, LLC and/or Melody NewCo, LLC, each on behalf of itself and its funds, (c) Harbinger Capital Partners, LLC or its designated affiliates, and (d) JPMorgan Chase & Co. or its designated affiliates.

<sup>3</sup> The proceedings commenced by the filing of a complaint against Charles W. Ergen, Echostar Corporation, DISH Network Corporation, L-Band Acquisition LLC, SPSO, SP Special

20. On February 14, 2014, LightSquared filed the *Debtors' Third Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [U.S. Bankruptcy Court Docket no. 1308] (as amended, modified, or supplemented, the “**Third Amended Plan**”), which, following a U.S. Bankruptcy Court approved solicitation process, was accepted by all creditors and holders of equity interests eligible to vote on the Plan, other than SP Special Opportunities, LLC, which voted to reject (and actively opposed confirmation of) the Third Amended Plan.

21. On February 26, 2014 and in relation to the Third Amended Plan, the Canadian Court recognized the *Order Approving (A) LightSquared's Third Amended Specific Disclosure Statement and (B) Shortened Time To Object to Confirmation of LightSquared's Third Amended Plan and Streamlined Re-solicitation Thereof*.

22. The process seeking to confirm the Third Amended Plan (the “**Third Amended Plan Confirmation Process**”) has so far required two separate trials in order to bring all of the relevant facts to the U.S. Bankruptcy Court's attention.

## **DEVELOPMENTS IN THE CHAPTER 11 CASES**

### ***CONFIRMATION HEARINGS***

23. Since the date of the last Canadian Court appearance (being April 11, 2014) the parties in the Chapter 11 Cases filed post-trial briefs, findings of fact, joinders and reply briefs related to the Third Amended Plan Confirmation Process and the Ergen Adversary Proceeding.

24. The evidentiary portion of the Ergen Adversary Proceeding trial took place over a five day period, and concluded on March 17, 2014 following closing arguments.

25. On March 19, 2014, the U.S. Bankruptcy Court commenced the confirmation hearing for the Third Amended Plan (the “**Third Amended Plan Confirmation Hearings**”). The evidentiary portion of the Third Amended Plan Confirmation Hearings

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Opportunities Holdings LLC, Sound Point Capital Management LP, and Stephen Ketchum, and is captioned as Adversary Proceeding No. 13-01390-SCC.

concluded on March 31, 2014, and closing arguments took place on May 5 and May 6, 2014.

26. On May 8, 2014, Judge Chapman of the U.S. Bankruptcy Court issued a bench ruling with respect to the Ergen Adversary Proceeding, finding, among other things, that the defendants in such proceeding engaged in misconduct warranting equitable subordination in an amount to be determined at a later stage.

27. Also on May 8, 2014, Judge Chapman (a) issued a bench decision denying confirmation of the Third Amended Plan, (b) directed that the parties work to reach a consensual resolution on a reorganization path, taking into account the U.S. Bankruptcy Court's findings with respect to both plan confirmation and the Ergen Adversary Proceeding, and (c) imposed a deadline of May 27, 2014 to reach any such resolution, absent which the U.S. Bankruptcy Court would appoint the Honorable Robert D. Drain, United States Bankruptcy Judge for the Southern District of New York, (the "**Mediator**") as a mediator.

### ***MEDIATION***

28. Following Judge Chapman's May 8, 2014 bench decisions, the U.S. Bankruptcy Court held a status conference on May 27, 2014, at which time the parties informed the U.S. Bankruptcy Court that no resolution had been reached. Accordingly, on May 28, 2014, the U.S. Bankruptcy Court entered the Mediation Order.

29. Pursuant to the Mediation Order, the Mediator was authorized by the U.S. Bankruptcy Court to mediate any issues concerning, among other things, the terms of a plan or plans of reorganization for the Debtors, including the following disputes:

- (a) the amount of equitable subordination of the claim of SP Special Opportunities LLC ("**SPSO**" and the "**SPSO Claim**" respectively) and the classification and treatment of the SPSO Claim in a plan of reorganization;
- (b) the allocation of estate value among the various constituencies and the structure of a plan or plans of reorganization for the Debtors;

- (c) certain other plan confirmation or other issues appropriate for mediation, as determined by the parties to the mediation and the Mediator.

30. The mediation consisted of three day-long mediation sessions, on June 9, 17 and 23, 2014.

31. On June 27, 2014 the Mediator issued a memorandum (the “**Mediator’s Memorandum**”) that provided that “[w]ith the exception of one party, all of the parties to the mediation have agreed on the key business terms of a chapter 11 plan for the debtors that should be confirmable without the support of the one party, SPSO, which has not agreed”. The Mediator’s Memorandum is attached to this my affidavit as **Exhibit “F”**.

32. As the Mediation Order also impacts the Canadian assets of the Chapter 11 Debtors, the Foreign Representative respectfully request that the Canadian Court recognize the Mediation Order as the terms and conditions contained in such Order is in the best interests of the Chapter 11 Debtors’ stakeholders.

### ***SCHEDULING***

33. On July, 1 and 2, 2014 the U.S. Bankruptcy Court held a status hearing during which the parties agreed to the proposed schedule in respect of what is expected to be the Debtors’ Fourth Amended Joint Plan to Chapter 11 of Bankruptcy Code (the “**Fourth Amended Plan**”). The Fourth Amended Plan is estimated to be filed with the U.S. Bankruptcy Court by mid-July 2014.

34. On July 3, 2014, the U.S. Bankruptcy Court issued the Fourth Amended Plan Confirmation Schedule Order.

35. The timeline established under the Fourth Amended Plan Confirmation Schedule Order:

- (a) provides a streamlined and orderly process (the “**Fourth Amended Plan Confirmation Process**”) that allows all issues arising to be litigated and



considered by the U.S. Bankruptcy Court, thereby preserving the rights of all stakeholders;

- (b) is fair in the circumstances, providing stakeholders with ample notice and time to understand and participate in the plan process;
- (c) is expeditious and appropriate in the circumstances and does not result in unnecessary delays; and
- (d) minimizes restructuring costs, thereby maximizing value for the benefit of all stakeholders.

36. To my knowledge, no party has appealed the Fourth Amended Plan Confirmation Schedule Order in the Chapter 11 Cases.

37. The Foreign Representative thus respectfully request that the Canadian Court recognize the Fourth Amended Plan Confirmation Schedule Order, as the terms and conditions contained in the Fourth Amended Plan Confirmation Schedule Order are fair and reasonable and in the best interests of the Chapter 11 Debtors' estates and creditors, and thus the Foreign Representative requests to have the Fourth Amended Plan Confirmation Schedule Order recognized.

### ***FINANCING MATTERS***

38. Certain of the Chapter 11 Debtors are party to a Credit Agreement, dated as of October 1, 2010 (as amended, supplemented, amended and restated, or otherwise modified from time to time), between, *inter alia*, LightSquared LP, as borrower, LightSquared Inc. and the other parent guarantors party thereto (collectively, the "**Prepetition LP Parent Guarantors**"), the subsidiary guarantors party thereto (collectively, the "**Prepetition LP Subsidiary Guarantors**") and, collectively with LightSquared LP and the Prepetition LP Parent Guarantors, the "**LP Obligors**"), the lenders party thereto (the "**Prepetition LP Lenders**"), and UBS AG, Stamford Branch, as administrative agent (in such capacity, and together with Wilmington Trust FSB, the "**Prepetition LP Agent**"), under which the Prepetition LP Lenders provided term loans

in the aggregate principal amount of \$1,500,000,000 (the “**Prepetition LP Credit Facility**”).

39. As previously advised, the Chapter 11 Debtors required additional funds to carry them through to the date an order is entered confirming any chapter 11 plan(s). The Chapter 11 Debtors agreed to obtain replacement postpetition financing (the “**Replacement DIP Facility**”) for the estates of the LP DIP Obligors (as defined below) with financing to be provided by certain members of the ad hoc group of Prepetition LP Lenders, including Capital Research and Management Company, and Cyrus Capital Partners, L.P., on behalf of its affiliates’ managed funds and/or accounts, as well as by Intermarket Corp., as well as by Solus Alternative Asset Management LP, Fortress Credit Corp., on behalf of its affiliates’ managed funds and/or accounts, fund entities managed by Aurelius Capital Management, LP, and SP Special Opportunities, LLC (each of the foregoing, an “**LP DIP Lender**” and, collectively, the “**LP DIP Lenders**”).

40. On April 10, 2014, the U.S. Bankruptcy Court entered the following Orders:

- (a) *Final Order (A) Authorizing LP DIP Obligors To Obtain Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1476] (the “**Replacement LP DIP Order**”); and
- (b) *Third Order Amending Amended Agreed Final Order (a) Authorizing Debtors to Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. 1477 ] (the “**Fourth Amended Cash Collateral Order**”).

41. The Replacement LP DIP Order and Fourth Amended Cash Collateral Order were recognized by the Canadian Court on April 11, 2014.

42. The LP Obligors have been funding their businesses through the use of the Prepetition LP Collateral (as defined in the Initial Cash Collateral Order), including Cash Collateral (as such term is defined in section 363 of the Bankruptcy Code (the “**Cash Collateral**”)) and the proceeds of the Initial LP DIP Facility and subsequently the Replacement DIP Facility.

43. The Replacement LP DIP Facility was set to expire on June 15, 2014. However, pursuant to paragraph 17(i) of the Replacement LP DIP Order the Final Maturity Date (as such term is defined in the Replacement LP DIP Order) was permitted to be extended to June 30, 2014 without further order of the U.S. Bankruptcy Court.

44. On June 9, 2014 all of the LP DIP Lenders provided written consent to an extension of the Final Maturity Date from June 15, 2014 to June 30, 2014 and the *Notice Of Extension Of Final Maturity Date Under Replacement LP Dip Facility* [U.S. Bankruptcy Court Docket no. 1574] (the “**LP DIP Extension Notice**”) was filed to reflect such extension.

45. A copy of the LP DIP Extension Notice is attached to this my Affidavit as **Exhibit ‘G’**.

*Second Replacement LP DIP Order*

46. Given that the Fourth Amended Plan Confirmation Schedule in the Chapter 11 Cases is now contemplated to extend well past the Final Maturity Date specified by the previously recognised Replacement LP DIP Facility, the Chapter 11 Debtors require additional funds to carry them through to July 15, 2014. The current budget (the “**Budget**”)<sup>4</sup> for the Chapter 11 Debtors shows that they require the funding to be made available pursuant to the Second Replacement LP DIP Facility (as defined below) until July 15, 2014.

47. Therefore, the Chapter 11 Debtors agreed to obtain further replacement postpetition financing for the estates of the LP DIP Obligors with financing to be

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<sup>4</sup> The Budget is attached as Annex B of the Second Replacement LP DIP Order and Schedule 1 of the Sixth Amended Cash Collateral Order.

provided by certain members of the ad hoc group of Prepetition LP Lenders, including Capital Research and Management Company, and Cyrus Capital Partners, L.P., on behalf of its affiliates' managed funds and/or accounts, as well as by Intermarket Corp., as well as by Solus Alternative Asset Management LP, Fortress Credit Corp., on behalf of its affiliates' managed funds and/or accounts, fund entities managed by Aurelius Capital Management, LP, and SP Special Opportunities, LLC (each of the foregoing, an "**LP DIP Lender**") and, collectively, the "**LP DIP Lenders**").

48. On June 26, 2014, the Chapter 11 Debtors filed the *Notice of (I) Presentment of Final Order (A) Authorizing LP DIP Obligors To Obtain Second Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens And Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, And (D) Modifying Automatic Stay* in connection with the agreed upon replacement DIP financing facility (the "**Second Replacement LP DIP Facility**") to be provided by the LP DIP Lenders.

49. Each of the LP DIP Obligors (as defined in the Initial LP DIP Order) and the LP DIP Lenders under the Replacement DIP Facility have consented to the entry of the Second Replacement LP DIP Order and the Second Replacement LP DIP Facility, the proceeds of which shall be used to (i) pay in full all LP DIP Obligations under (and as defined in) the Replacement LP DIP Facility and the Replacement LP DIP Order, (ii) finance the general corporate and working capital needs of the LP DIP Obligors (and other purposes described in paragraph 3(a) of the Second Replacement LP DIP Order) through the Final Maturity Date (as defined in the Second Replacement LP DIP Order) and (iii) pay the LP DIP Professional Fees (as defined in the Second Replacement LP DIP Order).

50. On June 30, 2014, the Second Replacement LP DIP Order was granted by the U.S. Bankruptcy Court. As a condition subsequent to the Second Replacement LP DIP Order, the DIP Lenders required that the LP DIP Obligors obtain the Canadian Court's recognition of the Second Replacement LP DIP Order by no later than July 10, 2014.

51. Save for the term (ie. the Final Maturity Date being extended from June 30, 2014 to July 15, 2014), the terms of the Second Replacement LP DIP Order are

substantially the same as the terms set forth in the Replacement LP DIP Order, which was recognized by the Canadian Court on April 11, 2014.

52. The ability of the Chapter 11 Debtors to ensure a value-maximizing exit from the Chapter 11 Cases requires the availability of capital from the Second Replacement LP DIP Facility. Without such funds, the Chapter 11 Debtors will not have sufficient available sources of capital and financing to operate its businesses and maintain its properties in the ordinary course of business.

53. In summary, the Second Replacement LP DIP Order will provide the LP DIP Obligors with \$76,323,253 of financing through July 15, 2014. As the Fourth Amended Plan Confirmation Process is set to extend into the fall of 2014, the Foreign Representative anticipates obtaining further time in front of the Canadian Court on July 15, 2014 seeking recognition of further DIP arrangements to cover the period of July 15, 2014 to September 30, 2014.

54. To prevent the unfettered use of the proceeds of the Second Replacement LP DIP Facility, the LP DIP Obligors have agreed to use such proceeds in accordance with the Budget developed by the LP DIP Obligors and their financial advisors. The LP DIP Obligors believe that the Budget is achievable and will allow the LP DIP Obligors to operate without the accrual of unpaid administrative expenses.

55. In the absence of the availability of the Second Replacement LP DIP Facility serious and irreparable harm to the LP Debtors and their estates and creditors would occur. Further, any remaining possibility for confirmation of a chapter 11 plan would be at severe risk in the absence of the availability of funds in accordance with the terms of the Second Replacement LP DIP Order.

56. The Foreign Representative thus respectfully request that the Court recognize the Second Replacement LP DIP Order, as the terms and conditions contained in the Second Replacement LP DIP Order are fair and reasonable and in the best interests of the LP Obligors' estates and creditors.

Cash Collateral Extension Order

57. In connection with the Second Replacement LP DIP Facility the LP Obligors also required continued authorization from the U.S. Bankruptcy Court to use the Cash Collateral of the Prepetition LP Lenders. Such relief is necessary to ensure that the LP Obligors can (i) address working capital needs, (ii) fund reorganization efforts and (iii) continue to operate in the ordinary course during the Chapter 11 Cases.

58. Pursuant to the Fourth Amended Cash Collateral Order, the LP Obligors were consensually permitted to use the Prepetition LP Lenders' Cash Collateral through June 15, 2014. Such date was previously recognized by the Canadian Court on April 11, 2014 being the date upon which the Canadian Court recognized the Fourth Amended Cash Collateral Order.

59. As a result of the continuing nature of the Chapter 11 Cases, the Chapter 11 Debtors engaged in discussions with the Prepetition LP Lenders with respect to additional extensions and, upon agreement among the parties, the U.S. Bankruptcy Court entered the Fifth Amended Cash Collateral Order and the Sixth Amended Cash Collateral Order.

60. Under the Fifth Amended Cash Collateral Order granted by the U.S. Bankruptcy Court on June 13, 2014, the Chapter 11 Debtors were permitted to use the Prepetition LP Lenders' Collateral through June 30, 2014.

61. Under the Sixth Amended Cash Collateral Order granted by the U.S. Bankruptcy Court on June 30, 2014, the Chapter 11 Debtors were permitted to use the Prepetition LP Lenders' Collateral through July 15, 2014.

62. The Foreign Representative thus respectfully request that the Canadian Court recognize the Fifth Amended Cash Collateral Order and the Sixth Amended Cash Collateral Order, as the terms and conditions contained in those Orders are fair and reasonable and in the best interests of the LP Obligors' estates and creditors.

### **SUMMARY**

63. The secured creditors registered against the Canadian Chapter 11 Debtor entities are being given notice of the motion.

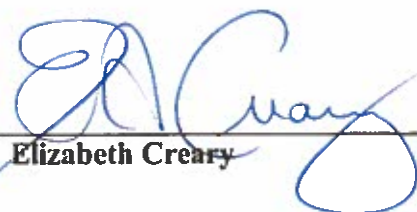
64. As a result, the Foreign Representative is requesting that the Canadian Court recognize in Canada and enforce the Second Replacement LP DIP Order, Fifth Amended Cash Collateral Order, the Sixth Amended Cash Collateral Order, the Mediation Order, and the Fourth Amended Plan Confirmation Schedule Order pursuant to Section 49 of the CCAA.

65. The Foreign Representative anticipates seeking further time in front of the Canadian Court on July 15, 2014 seeking recognition of further financing arrangements to cover the period of July 15, 2014 to September 30, 2014.

66. I make this affidavit in support of the motion of the Foreign Representative returnable July 8, 2014 and for no other or improper purpose.

SWORN before me in the City of Ottawa )  
in the Province of Ontario this 4<sup>th</sup> day of )  
July, 2014 )

  
\_\_\_\_\_  
Commissioner for Taking Affidavits, etc. )

  
\_\_\_\_\_  
Elizabeth Creary )

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

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

**AFFIDAVIT OF ELIZABETH CREARY  
(Sworn August 26, 2014)**

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*Solicitors for the Foreign Representative and  
Canadian counsel to the Chapter 11 Debtors.*



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

**MOTION RECORD  
(Returnable September 2, 2014)**

DENTONS CANADA LLP  
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*Solicitors for the Foreign Representative and  
Canadian counsel to the Chapter 11 Debtors.*