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

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 February 2, 2015)

January 29, 2015

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ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT TORONTO

MOTION RECORD
(Returnable February 2, 2015)

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TAB 1

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

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NOTICE OF MOTION

(Returnable on February 2, 2015)

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 February 2, 2015 at 8:30 a.m. or as soon after that time as the motion can be heard at 330 University Avenue, Toronto, Ontario.

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

THE MOTION IS FOR:

1. An order substantially in the form of the draft order attached hereto as Schedule "A", *inter alia*:

   (a) abridging the timing and validating the method of service of this Notice of Motion and Motion Record, such that this motion is properly returnable on February 2, 2015;

   (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 DIP Obligors To Obtain Eighth 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* (to be entered by the U.S. Bankruptcy Court) (the "**Eighth Replacement DIP Order**");

      (ii) *Eleventh 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* (to be entered by the U.S. Bankruptcy Court) (the "**Twelfth Amended Cash Collateral Order**" and together with the Eighth Replacement DIP Order, the "**January 2015 Financing Orders**"); and

      (iii) Order Scheduling Certain Hearing Dates and Establishing Deadlines in Connection With Chapter 11 Plan Process [U.S. Bankruptcy Court Docket No. 1988] as modified by the U.S. Bankruptcy Court on record on January 20, 2015 (the "**December 2014 Scheduling Order**"); and

(iv) *Order Approving (A) Second Amended Specific Disclosure Statement For Second Amended Joint Plan Pursuant To Chapter 11 Of Bankruptcy Code and (B) Solicitation Procedures And Shortened Deadlines With Respect to Confirmation Of Such Plan. [Us Bankruptcy Court Docket No. 2036]* (the "**Second Amended Specific Disclosure Statement Approval Order**").

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

THE GROUNDS FOR THE MOTION ARE:

FINANCING MATTERS

1. On November 14, 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 Seventh 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. 1927] (the "**Seventh Replacement LP DIP Order**"); and

(b) *Tenth 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. 1928] (the "**Eleventh Amended Cash Collateral Order**");

2. On November 20, 2014, the Foreign Representative advised the Canadian Court that the Seventh Replacement LP DIP Order and the Eleventh Amended Cash Collateral Order would provide the LP Obligors (as defined below) with sufficient financing through to January 30, 2015;

3. Also on November 20, 2014, the Canadian Court recognized the Seventh Replacement LP DIP Order and the Eleventh Amended Cash Collateral Order;

4. Certain of the Chapter 11 Debtors are parties to a Credit Agreement (such parties, the "**LP Obligors**"), dated as of October 1, 2010 (as amended, supplemented, amended and restated, or otherwise modified from time to time), between the LP Obligors and 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[1], 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, the Second Replacement LP DIP Facility, the Third Replacement LP DIP Facility, the Fourth Replacement LP DIP Facility, the Fifth Replacement LP DIP Facility, the Sixth Replacement LP DIP Facility and most recently the Seventh Replacement DIP Facility (as defined in the Seventh Replacement LP DIP Order)[2];

EIGHTH REPLACEMENT DIP ORDER

6. On January 28, 2015, the Chapter 11 Debtors filed the *Notice of Presentment of Final Order (A) Authorizing DIP Obligors To Obtain Eighth 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. 2050], which presented the Eighth Replacement DIP Order to the U.S. Bankruptcy Court for entry and provided notice to parties in interest of the Chapter 11 Debtors' agreement to enter into that certain replacement senior secured, priming, superpriority postpetition financing facility (the "**Eighth Replacement DIP Facility**").

7. The funding of the Eighth Replacement DIP Facility is to be provided by Capital Research and Management Company and Cyrus Capital Partners, L.P., on behalf of its affiliates' managed funds and/or accounts (together, the "**Backstop Parties**"), along with the other financial institutions that commit to provide funding or convert previously provided funding pursuant to the terms of the Eighth Replacement DIP Order;

---

[1] 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].

[2] Capitalized terms used in this paragraph and not otherwise defined shall have the meaning set out in the Creary Affidavit (defined below).

8. The Eighth Replacement DIP Facility contemplates multiple stages of borrowing by the DIP Borrowers (being LightSquared and LightSquared Inc.). ***First***, upon entry of the Eighth Replacement DIP Order, the DIP Lenders (as defined below) will provide funds to the LP DIP Obligors to fund their operations and the administration of their Chapter 11 Cases, including to provide the Chapter 11 Debtors with sufficient time and liquidity to seek and obtain confirmation of a plan of reorganization by April 30, 2015. ***Second***, assuming, among other things, that (i) an order confirming the Joint Plan is entered by the U.S. Bankruptcy Court (a "**Confirmation Order**") by April 30, 2015, (ii) the Confirmation Order is recognized by the Canadian Court (a "**Confirmation Recognition Order**") by April 30, 2015, and (iii) the new investors in respect of the Joint Plan (the "**New Investors**") consent to the Inc. DIP Collateral (as defined in the Eighth Replacement DIP Order) becoming part of the DIP Collateral (as defined in the Eighth Replacement DIP Order) securing the Eighth Replacement DIP Facility in accordance with the terms of Eighth Replacement DIP Order, the DIP Lenders will provide further funding to all of the DIP Obligors to fund their operations and the administration of their Chapter 11 Cases through December 30, 2015.

9. In the event that (i) the Confirmation Order and Confirmation Recognition Order are not entered by April 30, 2015, (ii) the New Investors do not consent to the obligations under the Eighth Replacement DIP Facility being secured by a priming lien on the Inc. DIP Obligors' assets upon the entry of the Confirmation Order and the Confirmation Recognition Order, and/or (iii) the other prerequisites to the Inc. DIP Collateral becoming part of the DIP Collateral securing the Eighth Replacement DIP Order, are not satisfied, the DIP Lenders will continue to fund the LP DIP Obligors for the additional month of May 2015, and the Eighth Replacement DIP Facility will mature on June 1, 2015, giving the Chapter 11 Debtors the time and opportunity to find appropriate financing.

10. The current budget (the "**Budget**")[3] for the Chapter 11 Debtors shows that they require additional funding to be made available pursuant to the Eighth Replacement DIP Facility. As a result, the Eighth Replacement DIP Facility will provide up to $650,000,000 of

[3] The Budget is attached as Annex B of the Eighth Replacement LP DIP Order and Schedule 1 of the Twelfth Amended Cash Collateral Order.

financing to be allocated in accordance with the Eighth Replacement DIP allocation schedules (found at Schedules I, II and III to Annex A of the Eighth Replacement DIP Order) and used in accordance with the Budget in order for the DIP Obligors to continue to meet their general corporate and working capital needs.

11. Specifically, the Eighth Replacement DIP Facility features three components to it:

    (a) the initial loans to the LP DIP Obligors (the "**Initial DIP Loans**");

    (b) the Delayed Draw Tranche A Loans (as defined below, and together with the Initial DIP Loans, the "**Tranche A Loans**"); and

    (c) the Tranche B Loans (as defined below, and together with the Tranche A Loans, the "**Eighth Replacement DIP Loans**").

12. The Initial DIP Loans are to be provided by the Backstop Parties and each other financial institution or entity that commits to make, or otherwise agrees to convert its Seventh Replacement LP DIP Loans (as defined in the Seventh Replacement LP DIP Order), into Eighth Replacement DIP Loans (the "**Initial DIP Lenders**"), on the Initial Borrowing Date (i.e. the first date upon which all of the conditions precedent in subparagraph 2(c)(i) of the Eighth Replacement DIP Order are satisfied and the Initial DIP Loans are made and/or converted in accordance with the Eighth Replacement DIP Order).

13. The Initial DIP Loans are to be in the aggregate principal amount of $285,000,000.

14. Potential additional funding to the LP DIP Obligors may be provided pursuant to the Eighth Replacement DIP Facility (the "**Delayed Draw Tranche A Loans**"). The aggregate principal amount of such Delayed Draw Tranche A Loans is to be either (i) $155,000,000, in the event that all of the conditions precedent in subparagraph 2(c)(ii) of the Eighth Replacement DIP Order are satisfied (the "**Conditions to Combined Delayed Draw Funding**"); or (ii) $30,000,000, if only certain of the conditions precedent in subparagraph 2(c)(ii) of the Eighth Replacement DIP Order are satisfied (the "**Conditions to Reduced Delayed Draw Funding**").

15. The Delayed Draw Tranche A Loans are loans to be funded by the Backstop Parties and each other financial institution or entity that commits to make the Delayed Draw Tranche

A Loans (collectively, the "**Delayed Draw LP DIP Lenders**", and together with the Initial DIP Lenders, the "**LP DIP Lenders**") under the Eighth Replacement DIP Facility to the LP Borrower. In the event that the Conditions to Reduced Delayed Draw Funding are not met by April 30, 2015, the Delayed Draw Tranche A Loans shall be reduced to zero.

16. In the event that the Conditions to Combined Delayed Draw Funding are satisfied (the "**Delayed Draw Funding Date**"), the Backstop Parties, and each other financial institution or entity that commits to make (or otherwise agrees to convert its Inc. DIP Loans (as defined in the Eighth Replacement DIP Order) into) Tranche B Loans under Tranche B of the Eighth Replacement DIP Facility, on the Delayed Draw Funding Date, to the Inc. DIP Borrower (collectively, the "**Tranche B Lenders**" and together with the "**LP DIP Lenders**" and the "**DIP Lenders**") will provide, the aggregate principal amount of $210,000,000 of loans (the "**Tranche B Loans**", and collectively, with the Delayed Draw Tranche A Loans, the "**Delayed Draw Replacement DIP Loans**").

17. In the event of the funding of the Delayed Draw Replacement DIP Loans, (i) the aggregate principal amount of the Delayed Draw Tranche A Loans shall be added to, and constitute a part of, the Initial DIP Loans then outstanding and shall be deemed to constitute a part of a single tranche ("**Tranche A**"), and (ii) the aggregate principal amount of the Tranche B Loans, if any, shall be deemed to constitute a separate tranche of the Eighth Replacement DIP Loans ("**Tranche B**").

18. The funding of the Tranche A Loans is to be satisfied by the LP DIP Lenders in cash. The funding of the Tranche B Loans is to be satisfied by the Tranche B Lenders partly in cash and partly through a conversion of Inc. DIP Loans to Tranche B Loans.

19. Each of the LP DIP Obligors and the lenders under the Seventh Replacement LP DIP Facility consented to the entry of the Eighth Replacement LP DIP Order and the Eighth Replacement LP DIP Facility.

20. Subject to default interest rates and the conditions set forth in subparagraphs 2(c)(i) and 2(c)(ii) of the Eighth Replacement DIP Order, the Eighth Replacement DIP Loans shall

bear interest at a rate per annum equal to 9% payable in kind ("**PIK Interest**"). If, however, the conditions to Combined Delayed Draw Funding have not been satisfied by April 30, 2015, the LP DIP Borrower may elect to increase the per annum rate of PIK Interest from 9% to 15% for the period of May 1, 2015 to December 30, 2015.

21. The proceeds of the Initial DIP Loans shall be used to (i) repay in full all Seventh Replacement LP DIP Obligations (as defined in the Seventh Replacement LP DIP Order) under the Seventh Replacement LP DIP Facility and the Seventh Replacement LP DIP Order, (ii) permit the LP Debtors to meet their general corporate and working capital needs in accordance with the Eighth Replacement DIP Order for the types of expenditures set forth in the Budget (and other purposes described in paragraph 3(a) of the Eighth Replacement DIP Order) and (iii) pay the DIP Professional Fees (as defined in the Eighth Replacement DIP Order).

22. All proceeds of the Delayed Draw Tranche A Loans shall be used and/or applied to permit the LP Debtors to meet their general corporate and working capital needs in accordance with the Eighth Replacement DIP Order for the types of expenditures as set forth in the Budget (and other purposes described in paragraph 3(b)(ii) of the Eighth Replacement DIP Order).

23. In the event that Tranche B Loans are incurred, all proceeds of the Tranche B Loans shall be used and/or applied (i) first, to indefeasibly repay in full in cash all outstanding Inc. DIP Loans (other than the SIG Inc. DIP Loans, which are to be converted on a dollar-for-dollar basis into Tranche B Loans), and (ii) second, to permit the Inc. DIP Obligors to meet their general corporate and working capital needs as set forth in the Budget (and other purposes described in paragraph 3(b)(i) of the Eighth Replacement DIP Order).

24. The Eighth Replacement DIP Facility will mature on the earlier of (each such date, the "**Final Maturity Date**"):

    (i) December 30, 2015; and

    (ii) the effective date of any plan of reorganization confirmed in the Chapter 11 Cases;

> provided that, as noted above, if the Conditions to Combined Delayed Draw Funding have not been satisfied prior to or on April 30, 2015 and the Tranche B Loans have not been incurred, and the LP DIP Borrower has not elected to increase the per annum rate of the PIK Interest applicable to the Initial DIP Loans from 9% to 15%, the Final Maturity Date of the Eighth Replacement DIP Facility shall instead be June 1, 2015;

25. On the Final Maturity Date, all Eighth Replacement DIP Obligations shall be paid in full and in cash in U.S. dollars.

26. To the extent the conditions to Combined Delayed Draw Financing are not met and the Tranche B Loans are not made, only the LP DIP Collateral (as defined in the Eighth Replacement DIP Order) will secure the Eighth Replacement DIP Obligations. Upon the occurrence of the Delayed Draw Funding Date, the Inc. DIP Collateral (as defined in the Eighth Replacement DIP Order), in addition to the LP DIP Collateral, shall together secure the Eighth Replacement DIP Obligations.

27. The Eighth Replacement DIP Order is expected to be entered by the U.S. Bankruptcy Court on or about January 30, 2015.

28. As a condition subsequent to the Eighth Replacement DIP Order, the DIP Lenders require that the Foreign Representative obtain the Canadian Court's recognition of the Eighth Replacement DIP Order by no later than February 2, 2015.

29. 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 Eighth Replacement DIP Facility. Without such funds, the Chapter 11 Debtors will not have sufficient available sources of capital and financing to operate their businesses and maintain their properties in the ordinary course of business.

30. A draft of the Eighth Replacement DIP Order, is attached as Exhibit 'A' to the affidavit of Elizabeth Creary, sworn January 29, 2015 (the "**Creary Affidavit**").

TWELFTH AMENDED CASH COLLATERAL ORDER

31. In connection with the Eighth Replacement 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.

32. Pursuant to the Eleventh Amended Cash Collateral Order, the LP Obligors were consensually permitted to use the Prepetition LP Lenders' Cash Collateral through January 30, 2015. The Eleventh Amended Cash Collateral Order and dates contained therein were recognized by the Canadian Court on November 20, 2014.

33. On January 28, 2015, the Chapter 11 Debtors filed the *Notice of Presentment of Eleventh 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. 2048].

34. The Twelfth Amended Cash Collateral Order is anticipated to be granted by the U.S. Bankruptcy Court on January 30, 2015.

35. Pursuant to that Order the LP Obligors will be permitted to use the Prepetition LP Lenders' Collateral through April 30, 2015.

36. A draft of the Twelfth Amended Cash Collateral Order thereto, is attached as Exhibit '**B**' to the Creary Affidavit.

37. It is the intention of the Foreign Representative to serve on the service list and file with the Canadian Court on or before January 30, 2015, a supplemental affidavit (the "**Supplemental Affidavit**") containing copies of the January 2015 Financing Orders as granted by the U.S. Bankruptcy Court and identifying any material changes from the draft provided in the Creary Affidavit.

38. The Foreign Representative thus respectfully requests that the Canadian Court recognize the January 2015 Financing Orders once entered 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.

SECOND AMENDED SPECIFIC DISCLOSURE STATEMENT

39. A number of Chapter 11 plans (the "**Previous Plans**") have previously been filed with the U.S. Bankruptcy Court.

40. None of the Previous Plans have been confirmed by the U.S. Bankruptcy Court. As a result, the Canadian Court has not been called upon to recognize any orders by the U.S. Bankruptcy Court confirming any Previous Plan.

41. However, certain plans were accompanied by disclosure statements (the "**Previous Disclosure Statements**") that were approved by the U.S. Bankruptcy Court (the "**Previous Disclosure Statement Orders**"). The Previous Disclosure Statement Orders have been recognized by the Canadian Court, most recently, on August 26, 2014.

42. On December 18, 2014, the Chapter 11 Debtors, at the request and direction of the special committee of the boards of directors for LightSquared Inc. and LightSquared GP Inc., (the "**Special Committee**"), and on behalf of themselves and the other Plan Proponents (i.e. Fortress Credit Opportunities Advisors LLC, by and on behalf of certain of its and its affiliates managed funds and or accounts, Centrebridge Partners LP, on behalf of certain of its affiliated funds, and Harbinger Capital Partners LLP) filed initial versions of the (i) *Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* (as amended, modified or supplemented, the "**Joint Plan**"), and (ii) *Specific Disclosure Statement for Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* (the "**Specific Disclosure Statement**").

43. All of the Previous Plans that were filed with the US Bankruptcy Court prior to December 18, 2014, have either been withdrawn, terminated or are no longer viable and able to be confirmed.

44. On December 18, 2014, LightSquared also filed the Motion for Entry of Order Approving (A) Specific Disclosure Statement for Joint Plan pursuant to Chapter 11 of Bankruptcy Code, and (B) Solicitation Procedures and Shortened Deadlines with Respect to Confirmation of Such Plan.

45. On December 18, 2014, the U.S. Bankruptcy Court entered the December 2014 Scheduling Order, which, among other things, established January 6, 2015 as the deadline for the Plan Proponents to file exhibits to, and provide certain other information in, the Disclosure Statement, including financial projections, a liquidation analysis, and a valuation analysis.

46. On January 6, 2015, the Chapter 11 Debtors, at the request and direction of the Special Committee, and on behalf of themselves and the other Plan Proponents, filed an amended version of the Specific Disclosure Statement [U.S. Bankruptcy Court Docket No. 2009] (the "**First Amended Specific Disclosure Statement**"), which included as an exhibit an amended version of the Joint Plan. The First Amended Specific Disclosure Statement included the further information contemplated by the December 2014 Scheduling Order.

47. On January 15, 2015, the Chapter 11 Debtors, at the request and direction of the Special Committee, and on behalf of themselves and the other Plan Proponents, filed a further amended Specific Disclosure Statement [U.S. Bankruptcy Court Docket No. 2024] (as amended, supplemented, or modified from time to time, the "**Second Amended Specific Disclosure Statement**"), which included as an exhibit a further amended version of the Joint Plan.

48. On January 20, 2015, the U.S. Bankruptcy Court entered the Second Amended Specific Disclosure Statement Approval Order, which Order sets forth the dates, deadlines, voting and solicitation procedures, and briefing schedule with respect to the Joint Plan. The Second Amended Specific Disclosure Statement Approval Order provides for, among other things, that the confirmation hearing in respect of the Joint Plan is to commence at 10:00 am on March 9, 2015.

49. The solicitation versions of the Joint Plan and Second Amended Specific Disclosure Statement were filed on January 20, 2015 [U.S. Bankruptcy Court Docket No. 2035].

50. Pursuant to the Second Amended Specific Disclosure Statement Approval Order, the solicitation period in respect of the Joint Plan has commenced.

51. The December 2014 Scheduling Order is attached as Exhibit "**C**" to the Creary Affidavit. The Second Amended Specific Disclosure Statement Approval Order is attached as Exhibit "**D**" to the Creary Affidavit.

52. The Foreign Representative thus respectfully requests that the Canadian Court recognize the December 2014 Scheduling Order and Second Amended Specific Disclosure Statement Approval Order entered by the U.S. Bankruptcy Court, as the terms contained in those Orders are fair and reasonable and in the best interest of the LP Obligors' estates and creditors.

General

53. The facts as further set out in the twenty-third report of Alvarez & Marsal Canada Inc., in its capacity as Information Officer in these proceedings (the "**Twenty-Third Report**"), the Creary Affidavit and the Supplemental Affidavit;

54. The provisions of the CCAA, particularly s. 49 and including the other provisions of Part IV;

55. The *Rules of Civil Procedure*, including rules 2.03, 3.02 and 16; and

56. 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:

57. The Creary Affidavit including the exhibits referred to therein;

58. The Supplemental Affidavit and the exhibits referred to therein to be filed separately;

59. The Twenty-Third Report, to be filed separately; and

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

January 29, 2015

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

TO: THE SERVICE LIST

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

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

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION
(Returnable February 2, 2015)

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

Exhibit “A”

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE REGIONAL SENIOR JUSTICE MORAWETZ	)))	MONDAY, THE 2nd DAY OF FEBRUARY, 2015

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")

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 January 29, 2015 (the "**Notice of Motion**"), recognizing four 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 January 29, 2015, the affidavit of Elizabeth Creary sworn January 30, 2015, the twenty-third report of Alvarez & Marsal Canada Inc., in its capacity as court-appointed information officer of the Chapter 11 Debtors (the "**Information Officer**"), dated January 30, 2015 (the "**Twenty-Third 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[1], no one else appearing although duly served as appears from the affidavits of service of Sandra Cooper each dated January 30, 2015, 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:

[1] The Ad Hoc LP Secured Group, including Capital Research and Management Company, Cyrus Capital Partners, L.P., on behalf of its affiliates' managed funds and/or accounts and Fortress Credit Corp., on behalf of its affiliates' managed funds and/or accounts, as well as by Intermarket Corp., Solus Alternative Asset Management LP, fund entities managed by Aurelius Capital Management, LP, SP Special Opportunities, LLC, KKR Echo Investments I Limited and KKR Credit Relative Value Mast Fund LP

(a) *Final Order (A) Authorizing DIP Obligors To Obtain Eighth 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 "**Eighth Replacement DIP Order**");

(b) *Eleventh 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. ●];

(c) *Order Scheduling Certain Hearing Dates And Establishing Deadlines In Connection With Chapter 11 Plan Process* [U.S. Bankruptcy Court Docket No. 1988]; *and*

(d) *Order Approving (A) Second Amended Specific Disclosure Statement For Second Amended Joint Plan Pursuant To Chapter 11 of The Bankruptcy Code, And (B) Solicitation Procedures And Shortened Deadlines With Respect To Confirmation Of Such Plan* [U.S. Bankruptcy Court Docket No. 2036]*;*

attached hereto as **Schedules "A", "B", "C"** and **"D"** 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 Eighth Replacement 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.

SCHEDULE "A"

SCHEDULE "B"

SCHEDULE "C"

SCHEDULE "D"

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

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

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT TORONTO

RECOGNITION ORDER
(February 2, 2015)

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

TAB 2