

**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 March 8, 2013)**

March 1, 2013

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TAB 1

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

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

**NOTICE OF MOTION
(Returnable on March 8, 2013)**

LightSquared LP, on its own behalf and in its capacity as foreign representative of the Chapter 11 Debtors ("**LightSquared**" or the "**Foreign Representative**"), will make a motion to the Court on March 8, 2013 at 10:00 a.m. or as soon after that time as the motion can be heard at 330 University Avenue, Toronto, Ontario.

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

THE MOTION IS FOR:

1. An order substantially in the form of the draft order attached hereto as Schedule "A", *inter alia*:
 - (a) Abridging the time for service and validating service of this Notice of Motion and Motion Record, such that this motion is properly returnable on March 8, 2013;
 - (b) Recognizing in Canada and giving full force and effect in all provinces and territories of Canada, pursuant to section 49 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C. 36, as amended (the "**CCAA**"), the following orders (collectively, the "**Foreign Orders**") of the United States Bankruptcy Court for the Southern District of New York (the "**U.S. Bankruptcy Court**") made in the cases commenced by the Chapter 11 Debtors in the U.S. Bankruptcy Court under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "**Chapter 11 Cases**"):
 - (i) Order Pursuant to 11 U.S.C. § 1121(d) Further Extending LightSquared's Exclusive Periods To File a Plan of Reorganization and Solicit Acceptances Thereof (the "**Exclusivity Order**");
 - (ii) 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 "**Amended Cash Collateral Order**"); and
 - (iii) Order, Pursuant To Section 105(a) Of Bankruptcy Code And Bankruptcy Rules 6006, 9014, And 9019, (A) Approving Settlement Agreement Regarding Sprint Claims Under Master Services Agreement And (B) Authorizing Any And All Actions Necessary To Consummate Settlement Agreement (the "**Sprint Order**"); and
 - (c) Approving the third report of Alvarez & Marsal Canada Inc. ("**A&M Canada**"), in its capacity as court-appointed information officer (the "**Information Officer**") of the Chapter 11 Debtors in respect of this proceeding, dated November 14, 2012 (the "**Third Report**"), the fourth

report to court of the Information Officer dated February 15, 2013 (the “**Fourth Report**”) and the fifth report to court of the Information Officer (the “**Fifth Report**”), and the activities of the Information Officer as set out therein.

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

THE GROUNDS FOR THE MOTION ARE:

Background

1. On May 14, 2012, the Chapter 11 Debtors commenced the Chapter 11 Cases by each filing a voluntary petition for relief under chapter 11 of title 11 of the United States Code in the U.S. Bankruptcy Court;
2. Other than the Chapter 11 Cases and these proceedings, there are no other foreign proceedings in respect of the Chapter 11 Debtors;
3. On May 15, 2012, the Honourable Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the “**Canadian Court**”) granted an order providing certain interim relief to the Chapter 11 Debtors, including a stay of proceedings in respect of the Chapter 11 Debtors, the property and business of the Chapter 11 Debtors and the directors and officers of the Chapter 11 Debtors;
4. On May 15, 2012 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;
5. On May 18, 2012, the Honourable Justice Morawetz granted an Initial Recognition Order in these proceedings, which among other things: (i) recognized LightSquared as the “foreign representative” of the Chapter 11 Debtors; (ii) declared the Chapter 11 Cases to be a “foreign main proceeding”

pursuant to Part IV of the CCAA; and (iii) stayed all proceedings against the Chapter 11 Debtors;

6. On May 18, 2012, the Honourable Justice Morawetz also granted a Supplemental Order in these proceedings, which among other things: (i) recognized and enforced in Canada certain orders of the U.S. Bankruptcy Court in the Chapter 11 Cases; (ii) appointed A&M Canada as Information Officer in these proceedings; (iii) stayed all claims and proceedings in respect of the Chapter 11 Debtors, the property and business of the Chapter 11 Debtors and the directors and officers of the Chapter 11 Debtors; and (iv) granted a super-priority charge over the Chapter 11 Debtors' property, in favour of the Information Officer and its counsel, as security for their professional fees and disbursements incurred in respect of these proceedings;
7. On June 14, 2012 and August 21, 2012, the Honourable Justice Morawetz and the Honourable Justice Newbould respectively, 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;

Foreign Orders

8. Pursuant to a motion brought by the Chapter 11 Debtors originally returnable January 31, 2013 and continued to February 6, 2013 and February 13, 2013 respectively (the "**Second Exclusivity Motion**"), the Exclusivity Order was entered by the U.S. Bankruptcy Court on February 13, 2013;
9. The Exclusivity Order approved a stipulation (the "**Stipulation**") entered into by the Chapter 11 Debtors, the Ad Hoc Secured Group of LightSquared LP Lenders, MAST Capital Management, LLC on behalf of itself and its managed accounts and the U.S. Bank National Association, as Prepetition Inc. Agent and DIP agent, which set forth the terms upon which the Chapter 11 Debtors and the Ad Hoc Secured Group of LightSquared LP Lenders had agreed to compromise and settle the issues raised by the Second Exclusivity Motion;

10. Pursuant to the terms of the Stipulation, the Amended Cash Collateral Order was entered by the U.S. Bankruptcy Court on February 19, 2013;
11. Pursuant to a motion brought by the Chapter 11 Debtors returnable February 27, 2013, the Sprint Order was entered by the U.S. Bankruptcy Court on February 27, 2013;
12. The Foreign Representative is of the view that the recognition of the Foreign Orders by the Canadian Court is necessary for the protection of the Chapter 11 Debtors' property and the interest of their creditors;
13. Accordingly, the Foreign Representative requests that this Honourable Court recognize in Canada and enforce the Foreign Orders, pursuant to Section 49 of the CCAA;

General

14. The facts as further set out in the Third Report, Fourth Report, Fifth Report and the affidavit of Elizabeth Creary sworn March 1, 2013 (the "**Creary Affidavit**");
15. The provisions of the CCAA, including Part IV;
16. The *Rules of Civil Procedure*, including rules 2.03, 3.02 and 16; and
17. Such further and other grounds as counsel may advise and this Court may permit.

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

1. The Creary Affidavit and the exhibits referred to therein;
2. The Information Officer's Third Report, Fourth Report and Fifth Report, filed or to be filed separately; and

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

March 1, 2013

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TO: THE SERVICE LIST

TAB A

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

THE HONOURABLE <>	)	FRIDAY, THE 8 th DAY OF
JUSTICE <>	)	MARCH, 2013
)	

**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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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

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 March 1, 2013 (the "**Notice of Motion**"), recognizing certain orders granted by the United States Bankruptcy Court for the

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

ON READING the Notice of Motion, the affidavit of Elizabeth Creary sworn March 1, 2013, the third report of Alvarez & Marsal Canada Inc., in its capacity as court-appointed information officer (the “**Information Officer**”) of the Chapter 11 Debtors, dated November 14, 2012 (the “**Third Report**”), the fourth report to court of the Information Officer dated February 15, 2013 (the “**Fourth Report**”) and the fifth report to court of the Information Officer dated March ◇, 2013 (the “**Fifth Report**”), and on hearing the submissions of counsel for the Foreign Representative and counsel for the Information Officer, no one else appearing although duly served as appears from the affidavit of service of Stephanie Waugh sworn March ●, 2013, filed,

SERVICE

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

RECOGNITION OF FOREIGN ORDERS

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

- (a) Order Pursuant to 11 U.S.C. § 1121(d) Further Extending LightSquared’s Exclusive Periods To File a Plan of Reorganization and Solicit Acceptances Thereof;

- (b) Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection To Prepetition Secured Parties, And (C) Modifying Automatic Stay; and
- (c) Order, Pursuant To Section 105(a) Of Bankruptcy Code And Bankruptcy Rules 6006, 9014, And 9019, (A) Approving Settlement Agreement Regarding Sprint Claims Under Master Services Agreement And (B) Authorizing Any And All Actions Necessary To Consummate Settlement Agreement,

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

INFORMATION OFFICER’S REPORTS

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

SCHEDULE "A"

SCHEDULE “B”

SCHEDULE "C"

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

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

RECOGNITION ORDER
(MARCH 8, 2013)

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ONTARIO

SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION

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TAB 2

**ONTARIO
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**AFFIDAVIT OF ELIZABETH CREARY
(Sworn March 1, 2013)**

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

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

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

Corporate Overview

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

4. The Chapter 11 Debtors are in the process of building the only 4th 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 May 14, 2012, the Chapter 11 Debtors commenced the Chapter 11 Cases by each filing a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 in the U.S. Bankruptcy Court. Other than the Chapter 11 Cases and these proceedings, there are no other foreign proceedings in respect of the Chapter 11 Debtors.

7. On May 15, 2012, the Honourable Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the "Canadian Court") granted an order providing

certain interim relief to the Chapter 11 Debtors, 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.

8. 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.

9. On May 18, 2012, the Honourable Justice Morawetz granted an Initial Recognition Order in these proceedings, which among other things: (i) recognized LightSquared as the “foreign representative” of the Chapter 11 Debtors; (ii) declared the Chapter 11 Cases to be a “foreign main proceeding” pursuant to Part IV of the CCAA; and (iii) stayed all proceedings against the Chapter 11 Debtors.

10. 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.

11. On June 14, 2012, 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 Authorizing LightSquared LP to Act as Foreign Representative Pursuant to 11 U.S.C. § 1505”; and

- (b) Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection To Prepetition Secured Parties, and (C) Modifying Automatic Stay (the “**Cash Collateral Order**”).

12. On August 21, 2012, the Canadian Court recognized and enforced in Canada the following orders of the U.S. Bankruptcy Court made in the Chapter 11 Cases:

- (a) Order Granting LightSquared’s Motion for Order Approving Expedited Procedures for Sale, Transfer, and/or Abandonment of De Minimis Assets; and
- (b) Order Pursuant to 11 U.S.C. § 502(b)(9) and Fed. R. Bankr. P. 2002 and 3003(c)(3) Establishing Deadlines for Filing Proofs of Claim and Procedures Relating Thereto and Approving Form and Manner and Notice Thereof.

A copy of the August 21st order is attached to this my affidavit as **Exhibit “A”**.

Foreign Orders

Exclusivity Order and Amended Cash Collateral Order

13. On January 17, 2013, the Chapter 11 Debtors filed with the U.S. Bankruptcy Court a motion (the “**Second Exclusivity Motion**”) seeking an order to further extend (a) the exclusive period to file a chapter 11 plan through and including May 31, 2013 and (b) the exclusive period in which to solicit acceptances of a chapter 11 plan through and including July 30, 2013. A copy of the Second Exclusivity Motion is attached to this my affidavit as **Exhibit “B”**.

14. The hearing of the Second Exclusivity Motion commenced on January 31, 2013 and was objected to by the Ad Hoc Secured Group of LightSquared LP Lenders (the “**Ad Hoc Secured Group**”). The hearing continued to February 6, 2013 and February 13, 2013, and on February 13, 2013 the Chapter 11 Debtors announced that a stipulation (the “**Stipulation**”) setting forth the terms upon which the Chapter 11 Debtors and the Ad Hoc Secured Group had agreed to compromise and settle the issues raised by the Second Exclusivity Motion had been entered into by the Chapter 11 Debtors, the Ad

Hoc Secured Group, MAST Capital Management, LLC on behalf of itself and its managed accounts (collectively “**MAST**”) and the U.S. Bank National Association, as Prepetition Inc. Agent and DIP agent (the “**U.S. Bank**”).

15. Pursuant to the Stipulation, on February 13, 2013 the U.S. Bankruptcy Court entered an Order Pursuant to 11 U.S.C. § 1121(d) Further Extending the Chapter 11 Debtors Exclusive Periods To File a Plan of Reorganization and Solicit Acceptances Thereof (the “**Exclusivity Order**”). A copy of the Exclusivity Order, of which the Stipulation is an attachment, is attached to this my affidavit as **Exhibit “C”**.

16. The Exclusivity Order approved the Stipulation and extended to July 15, 2013 (the “**Termination Date**”), the Chapter 11 Debtors’ exclusive period in which to file a Chapter 11 Plan and solicit acceptances of a Chapter 11 Plan, at which time such exclusive periods will terminate with prejudice unless the Ad Hoc Secured Group, MAST and the U.S. Bank consent to the Chapter 11 Debtors filing a motion seeking a further extension of its exclusive periods.

17. The primary terms of the Stipulation are as follows:

- (a) Prior to the Termination Date, the parties shall engage in good faith negotiations regarding the terms of a consensual chapter 11 plan;
- (b) The filing of a chapter 11 plan by the Chapter 11 Debtors shall not extend or otherwise affect the Termination Date;
- (c) Prior to the Termination Date, the Ad Hoc Secured Group, MAST and the U.S. Bank shall not file a motion to terminate exclusivity (assuming no breach of the Cash Collateral Order or DIP Order respectively);
- (d) Prior to the Termination Date, the Chapter 11 Debtors shall only be permitted to file a chapter 11 plan that (i) has been consented to by the Ad Hoc Secured Group or proposes to pay the Prepetition LP Obligations in cash in full on the effective date of such chapter 11 plan (or as soon as reasonably practicable thereafter) and (ii) has been consented to by U.S. Bank and MAST or proposes to pay the Prepetition Inc. Obligations and

the DIP Obligations in cash in full on the effective date of such chapter 11 plan (or as soon as reasonably practicable thereafter);

- (e) The parties shall reasonably cooperate with each other with respect to information needed to draft a disclosure statement with respect to a chapter 11 plan filed by any one of them, or jointly, following the Termination Date;
- (f) A hearing on any disclosure statement with respect to any chapter 11 plans filed after the Termination Date shall be held on a date between August 30, 2013 and September 15, 2013, subject to the Court's availability;
- (g) The Ad Hoc Secured Group shall direct and cause the Prepetition LP Agent to immediately consent to the amendment of the Cash Collateral Order to permit the Chapter 11 Debtors to continue to use the Prepetition LP Lenders' Cash Collateral (as defined in the Cash Collateral Order) through and including December 31, 2013 on substantially similar terms as set forth in the Cash Collateral Order;
- (h) U.S. Bank and MAST agree to waive certain future technical defaults under the Final DIP Order and DIP documents resulting from termination of exclusivity on July 15, 2013, and the Ad Hoc Secured Group agrees that it will not object to the Chapter 11 Debtors' motion to amend the DIP facility to provide for additional borrowings and an extension of the maturity of the DIP Facility to December 31, 2013;
- (i) Subject to the DIP facility (as may be amended, supplemented, restated, or otherwise modified from time to time in accordance with its terms), the Chapter 11 Debtors shall not seek Court approval of debtor in possession financing that is senior to, or *pari passu* with, the liens on the Prepetition LP Collateral and claims of the Prepetition LP Lenders without the consent of the Ad Hoc Secured Group; and

- (j) the Chapter 11 Debtors shall not seek Court approval of debtor in possession financing inconsistent with the DIP Order and the DIP documents.

18. As set out above, the Stipulation provided for the Cash Collateral Order to be amended to permit the Chapter 11 Debtors to use the Prepetition LP Lenders' Cash Collateral through and including December 31, 2013 on substantially similar terms as set forth in the Cash Collateral Order. On February 19, 2013, the U.S. Bankruptcy Court gave effect to these agreed amendments, entering an 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 "**Amended Cash Collateral Order**"). A copy of the Amended Cash Collateral Order is attached to this my affidavit as **Exhibit "D"**. A blackline comparing the Amended Cash Collateral Order to the Cash Collateral Order is attached to this my affidavit as **Exhibit "E"**.

19. The Foreign Representative is of the view that the recognition of the Exclusivity Order and the Amended Cash Collateral Order by the Canadian Court is appropriate and necessary for the protection of the Chapter 11 Debtors' property and the interest of their creditors for the following reasons:

- (a) The Chapter 11 Cases are large and complex and the prior exclusive periods did not provide sufficient time to properly pursue the objectives of a Chapter 11 reorganization. In addition to continuing the regulatory efforts discussed below, the Chapter 11 Debtors need additional time to evaluate the universe and amount of claims asserted against the Chapter 11 Debtors in order to formulate a chapter 11 plan and prepare a disclosure statement containing adequate information for solicitation purposes;
- (b) Since the commencement of the Chapter 11 Cases, the Chapter 11 Debtors have made significant progress on the regulatory problems facing the Chapter 11 Debtors and have put a comprehensive regulatory solution before the relevant government agencies for consideration. The Chapter 11 Debtors believe that extending the exclusive periods to allow

discussions with the government agencies regarding the deployment of the Chapter 11 Debtors' 4G LTE terrestrial wireless network to continue represents the path most likely to lead towards a value maximizing reorganization. Further certainty regarding the outcome of these discussions will not only expand the Chapter 11 Debtors' options generally, including the ability to find sources of financing, but it will also significantly enhance the Chapter 11 Debtors' ability to formulate a confirmable plan of reorganization or sales process, that maximizes value of the estates. The termination of the exclusive periods could potentially have been value-destructive, as it could have significantly undermined, if not completely halted, the progress the Chapter 11 Debtors have made to date with the relevant government agencies by introducing delays and uncertainty;

- (c) Since the commencement of the Chapter 11 Cases, the Chapter 11 Debtors have also made significant progress on operational matters, consistently remaining under budget and paying post-petition amounts as they come due. The Chapter 11 Debtors will continue to meet their obligations as they come due and believe they will have liquidity into the fourth quarter of 2013, which should provide the Chapter 11 Debtors with more than sufficient time and opportunity to conduct a sales process and/or craft an alternative resolution of the Chapter 11 Cases if same is necessary;
- (d) The Chapter 11 Debtors did not seek the extension of the exclusive periods to pressure creditors or to artificially delay the conclusion of the Chapter 11 Cases and no constituent is prejudiced by the extensions. Wireless spectrum is not a wasting asset and all stakeholders in the Chapter 11 Cases will continue to have ample opportunity to assess the Chapter 11 Debtors' progress on its regulatory discussions and reorganization efforts;
- (e) All of the Chapter 11 Debtors' stakeholders have been kept fully informed of all progress, both regulatory and operational, on a regular basis; and

- (f) Termination of the exclusive periods before a regulatory ruling could give rise to the threat of multiple plans. Competing plans would lead to a contentious chapter 11 plan confirmation process and result in increased administrative expenses and decreased returns to stakeholders.

Sprint Order

20. On June 3, 2011, LightSquared, LightSquared Inc. and SprintCom, Inc. (“**Sprint**”) entered into a master services agreement pursuant to which Sprint agreed to design, deploy, operate, manage and maintain a nationwide terrestrial broadband mobile network that would utilize the Chapter 11 Debtors’ spectrum to provide 4G wireless service throughout the United States (the “**Master Services Agreement**”).

21. Pursuant to the terms of the Master Services Agreement, as amended, Sprint elected to unwind the Master Services Agreement on March 16, 2012.

22. Subsequent to the unwinding of the Master Services Agreement and in the context of the Chapter 11 Cases, Sprint and its affiliate Sprint Nextel, filed three claims against the Chapter 11 Debtors in the Chapter 11 Cases; one priority claim for \$11,757.95 for services rendered and two contingent, unliquidated, secured claims related to the termination and unwind of the Master Services Agreement, Sprint claiming the obligations outstanding under the Master Services Agreement to be secured by a second priority security interest in the Prepetition LP Collateral (as defined in the Amended Cash Collateral Order) (the “**Bankruptcy Claims**”).

23. The Chapter 11 Debtors entered into negotiations with Sprint in an effort to resolve the Bankruptcy Claims and subject to court approval, entered into a settlement agreement with Sprint and Sprint Nextel on February 13, 2013 (the “**Settlement Agreement**”). The principal terms of the Settlement Agreement are as follows:

- (a) The Chapter 11 Debtors are to receive a payment of \$1,011,371 from Sprint;
- (b) Sprint shall be authorized to retain \$2,726,233 previously advanced to it by the Chapter 11 Debtors;

- (c) Sprint and Sprint Nextel shall withdraw the Bankruptcy Claims, with prejudice;
- (d) Sprint shall release its liens against the Chapter 11 Debtors' assets; and
- (e) The Chapter 11 Debtors shall release Sprint and Sprint Nextel, and Sprint and Sprint Nextel shall release the Chapter 11 Debtors, for all obligations and liabilities relating to the Master Services Agreement and the Bankruptcy Claims.

24. On February 13, 2013, the Chapter 11 Debtors filed with the U.S. Bankruptcy Court a motion (the "**Sprint Motion**") seeking an Order, Pursuant To Section 105(a) Of Bankruptcy Code And Bankruptcy Rules 6006, 9014, And 9019, (A) Approving Settlement Agreement Regarding Sprint Claims Under Master Services Agreement And (B) Authorizing Any And All Actions Necessary To Consummate Settlement Agreement (the "**Sprint Order**", and collectively with the Exclusivity Order and the Amended Cash Collateral Order, the "**Foreign Orders**"). A copy of the motion filed by the Chapter 11 Debtors in the U.S. Bankruptcy Court in support of the Sprint Order is attached to this my affidavit at **Exhibit "F"**.

25. On February 27, 2013, the U.S. Bankruptcy Court heard the Sprint Motion and granted the relief requested. The Sprint Order:

- (a) Approved and authorized the Chapter 11 Debtors entering into the Settlement Agreement and authorized the Chapter 11 Debtors to take any and all actions reasonably necessary to consummate and perform any and all obligations contemplated in the Settlement Agreement;
- (b) Deemed the Bankruptcy Claims to be disallowed and expunged them from the claims register; and
- (c) Terminated the "Sprint Second Lien Security Documents" and deemed released the Second Lien of the Collateral Trustee.


A copy of the entered Sprint Order is attached to this my affidavit as **Exhibit "G"**.

26. The Foreign Representative is of the view that the recognition of the Sprint Order by the Canadian Court is appropriate and necessary for the protection of the Chapter 11 Debtors' property and the interest of their creditors for the following reasons:

- (a) The parties engaged in extensive, good faith, arm's-length negotiations to arrive at the Settlement Agreement;
- (b) The Settlement Agreement reflects the sound business judgment of the Chapter 11 Debtors after considering the possibility of successfully objecting to the Bankruptcy Claims and pursuing the potential claims of the Chapter 11 Debtors against Sprint;
- (c) The consideration received by the Chapter 11 Debtors under the Settlement Agreement represents a fair and equitable settlement as it relates to the Chapter 11 Debtors and falls well within the range of reasonableness;
- (d) The consideration received includes a termination of all secured liens held by Sprint against the Prepetition LP Collateral;
- (e) To litigate the matters at issue between the Chapter 11 Debtors and Sprint would be costly and the Settlement Agreement fully, finally and forever resolves, discharges and settles the litigation regarding the Bankruptcy Claims and the Chapter 11 Debtors' potential claims against Sprint, without further expense;
- (f) The Settlement Agreement provides certainty, enabling the Chapter 11 Debtors to achieve a final result immediately without the added expense, delay and risk associated with litigation;
- (g) The Settlement Agreement is in the best interests of the Chapter 11 Debtors and their stakeholders. It resolves some of the largest disputed claims against the Chapter 11 Debtors and therefore provides predictability with respect to the claims pool in anticipation of a confirmation of a plan. With no future outlay of cash or litigation costs

TAB A

Exhibit "A" to the Affidavit of Elizabeth Creary,
sworn before me this 1st day of March, 2013.



Commissioner for Taking Affidavits, etc.

Jawaid Panjwani, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires April 6, 2014

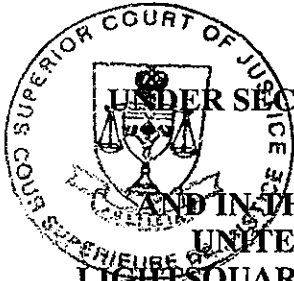
**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MR.
JUSTICE NEWBOULD

)
)
)

TUESDAY, THE 21st DAY
OF AUGUST, 2012

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



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

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

RECOGNITION ORDER

THIS MOTION, made by LightSquared LP in its capacity as the foreign representative (the "**Foreign Representative**") of the Chapter 11 Debtors, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order substantially in the form attached as Schedule "A" to the notice of motion of the Foreign Representative dated August 10, 2012 (the "**Notice of Motion**"), recognizing certain orders granted by the United States Bankruptcy Court for the

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

ON READING the Notice of Motion, the affidavit of Elizabeth Creary sworn August 9, 2012, the affidavit of Kate Stigler sworn August 15, 2012, the supplemental report to the first report of Alvarez & Marsal Canada Inc., in its capacity as court-appointed information officer (the “**Information Officer**”) of the Chapter 11 Debtors, dated June 22, 2012 (the “**Supplemental Report**”) and the second report of the Information Officer dated August 15, 2012 (the “**Second Report**”), and on hearing the submissions of counsel for the Foreign Representative and counsel for the Information Officer, no one else appearing although duly served as appears from the affidavits of service of Stephanie Waugh sworn August 10, 2012 and August 15, 2012, respectively,

SERVICE

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

RECOGNITION OF FOREIGN ORDERS

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

- (a) Order Granting LightSquared’s Motion for Order Approving Expedited Procedures for Sale, Transfer, and/or Abandonment of De Minimis Assets;
and

- (b) Order Pursuant to 11 U.S.C. § 502(b)(9) and Fed. R. Bankr. P. 2002 and 3003(c)(3) Establishing Deadlines for Filing Proofs of Claim and Procedures Relating Thereto and Approving Form and Manner of Notice Thereof;

each 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.

INFORMATION OFFICER'S REPORTS

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



RECORDED AT / ENREGISTRÉ À
ONTARIO / ONTARIO
LE / DANS LE REGISTRE NO:

AUG 21 2012

PER/PAR:



SCHEDULE “A”

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

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

**ORDER GRANTING LIGHTSQUARED'S MOTION FOR ORDER
APPROVING EXPEDITED PROCEDURES FOR SALE, TRANSFER,
AND/OR ABANDONMENT OF DE MINIMIS ASSETS**

Upon the motion (the "Motion")² of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, "LightSquared") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), for entry of an order (the "Order") pursuant to sections 363 and 554 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code"), rules 2002 and 6004(h) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and rules 2002-2 and 9013-1 of the Local Bankruptcy Rules for the Southern District of New York (the "Local Rules"); and the Court having found that the Court has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Motion in this

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal or foreign tax or registration identification number, are: LightSquared Inc. (8845), LightSquared Investors Holdings Inc. (0984), One Dot Four Corp. (8806), One Dot Six Corp. (8763), SkyTerra Rollup LLC (N/A), SkyTerra Rollup Sub LLC (N/A), SkyTerra Investors LLC (N/A), TMI Communications Delaware, Limited Partnership (4456), LightSquared GP Inc. (6190), LightSquared LP (3801), ATC Technologies, LLC (3432), LightSquared Corp. (1361), LightSquared Finance Co. (6962), LightSquared Network LLC (1750), LightSquared Inc. of Virginia (9725), LightSquared Subsidiary LLC (9821), Lightsquared Bermuda Ltd. (7247), SkyTerra Holdings (Canada) Inc. (0631), SkyTerra (Canada) Inc. (0629) and One Dot Six TVCC Corp. (0040). The location of the debtors' corporate headquarters is 450 Park Avenue, Suite 2201, New York, NY 10022.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion or the First Day Declaration, as applicable.

district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and having heard statements in support of the Motion at the hearing held on August 14, 2012 (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion is in the best interests of LightSquared's estates, its creditors, and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The Motion is granted to the extent set forth herein.

2. Pursuant to section 363(b) of the Bankruptcy Code, LightSquared is authorized to sell or transfer De Minimis Assets in accordance with the following De Minimis Asset Sale Procedures.

- (a) **Sale Price Less Than or Equal to \$500,000.** With regard to a sale or transfer of De Minimis Assets in any individual transaction or series of related transactions to a single buyer or group of related buyers with a selling price³ less than or equal to \$500,000, LightSquared may consummate such a sale or transfer without further notice or order of the Court if LightSquared determines, in the reasonable exercise of its business judgment and after consultation with the Prepetition Agents and the Ad Hoc LP Secured Group, that it is in the best interests of the estates.
- (b) **Sale Price Greater Than \$500,000 but Less Than or Equal to \$1,000,000.** With regard to a sale or transfer of De Minimis Assets in any individual transaction or series of related transactions to a single buyer or group of related buyers with a selling price greater than \$500,000 and less than or equal to \$1,000,000 (the "Sale Cap"), the following procedures

³ For purposes of these procedures, selling price shall refer to the proposed net proceeds of any sale transaction.

(the "Sale Notice Procedures") are approved and will be implemented for each such sale or transfer (each, a "Proposed Sale"):

- (i) LightSquared will serve a notice of each Proposed Sale (the "Sale Notice") on: (a) the U.S. Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Susan D. Golden, Esq., (b) counsel to U.S. Bank National Association, as administrative agent under the Prepetition Inc. Credit Agreement and the DIP Agreement, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attn: Philip C. Dublin, Esq. and Kenneth A. Davis, Esq., (c) counsel to UBS AG, Stamford Branch, as administrative agent under the Prepetition LP Credit Agreement, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: Mark A. Broude, Esq., (d) counsel to the ad hoc secured group of Prepetition LP Lenders (the "Ad Hoc LP Secured Group,") White & Case LLP, 1155 Avenue of the Americas, New York, NY 10036, Attn: Thomas E Lauria, Esq. and Scott Greissman, Esq., (e) counsel to Harbinger Capital Partners LLC, Attn: Debra A. Dandeneau, Esq. and Ronit Berkovich, Esq., (f) any known holder of other Liens (as defined below) asserted against the relevant De Minimis Assets, and (g) the proposed purchaser or transferee (the "Proposed Purchaser") (collectively, the "Sale Notice Parties"). The Sale Notice will be served on the Sale Notice Parties by facsimile or e-mail, if possible, and by overnight mail. LightSquared may, but is not required to, file a copy of the Sale Notice with the Bankruptcy Court.
- (ii) The Sale Notice will specify:
 - 1. the De Minimis Asset(s) to be sold or transferred;
 - 2. the identity of the Proposed Purchaser and any relationship the Proposed Purchaser has to LightSquared;
 - 3. the proposed cash consideration and other consideration to be paid by the Proposed Purchaser;
 - 4. the material economic terms and conditions of the Proposed Sale; provided, that LightSquared shall not be obligated to disclose any confidential pricing terms included in any supply, manufacturing, licensing, or other similar contracts executed or proposed to be executed as part of the Proposed Sale to any interested party unless such party has entered into an acceptable confidentiality agreement with LightSquared;

5. any contracts to be assumed and assigned in connection with the Proposed Sale;
 6. the identities of any known parties holding or asserting Liens or other interests or potential interests in the relevant De Minimis Assets; and
 7. instructions regarding the procedures to assert objections to the Proposed Sale.
- (iii) The Sale Notice Parties will have until 5:00 p.m., prevailing Eastern time, on the fifth (5th) Business Day following service of the Sale Notice (the "Sale Objection Deadline") to object to the Proposed Sale. Any such objection (a "Sale Objection") must be:
- (a) made in writing, stating the Sale Objection with specificity; and
 - (b) filed with the Bankruptcy Court and served on counsel to LightSquared and the Sale Notice Parties so as to be received by or on the Sale Objection Deadline. "Business Day" shall mean any day other than a Saturday, a Sunday, or a day on which banks in New York City, NY are authorized or obligated by law or executive order to close.
1. If the terms of a Proposed Sale are materially amended after transmittal of the Sale Notice but prior to the Sale Objection Deadline, LightSquared will send a revised Sale Notice to the Sale Notice Parties. The Sale Notice Parties will have an additional three (3) Business Days to object in accordance with the Sale Objection procedures described above.
 2. If no Sale Objection is properly filed and served by the Sale Objection Deadline, LightSquared will be authorized, without further notice and without further Bankruptcy Court approval, to consummate the Proposed Sale in accordance with the terms and conditions of the underlying contract or contracts and take such other actions as are necessary to close the transaction and collect the proceeds of such sale, including, without limitation, payment of any commission.
 3. If a Sale Notice Party properly files and serves a Sale Objection to a Proposed Sale prior to the Sale Objection Deadline, LightSquared and such objecting party will use good faith efforts to resolve the Sale Objection consensually; provided, however, that if terms of the Proposed Sale were materially amended to resolve the

Sale Objection, LightSquared will send a revised Sale Notice to the Sale Notice Parties and the Sale Notice Parties will have an additional five (5) Business Days to object in accordance with the Sale Objection procedures described above. If LightSquared and the objecting Sale Notice Party are unable to resolve the Sale Objection, LightSquared will not consummate the proposed transaction without first obtaining Bankruptcy Court approval of such Proposed Sale upon notice and a hearing, unless such Sale Objection shall have been withdrawn; provided further that LightSquared may consummate any portion of the Proposed Sale that is not a subject of the Sale Objection without Bankruptcy Court approval.

4. Any valid and enforceable Liens on the De Minimis Assets to be sold will attach to the net proceeds of the Proposed Sale in the same priority as existed prior to such sale and subject to any claims and defenses that LightSquared may possess with respect thereto.
5. To the extent that a competing bid is received for the purchase of De Minimis Assets in a particular Proposed Sale after service of the Sale Notice that, in LightSquared's sole discretion in the exercise of its business judgment, and after consultation with the Prepetition Agents and the Ad Hoc LP Secured Group, materially exceeds the value of the purchase price contained in the Sale Notice and/or represents a superior sale arrangement for LightSquared, then LightSquared may file and serve an amended Sale Notice for the Proposed Sale to the subsequent bidder pursuant to the Sale Notice Procedures, even if the proposed purchase price exceeds the Sale Cap, and may consummate the Proposed Sale to the subsequent bidder without Bankruptcy Court approval on terms otherwise consistent with the Sale Notice Procedures.
6. LightSquared may consummate a Proposed Sale prior to the expiration of the applicable Sale Objection Deadline if LightSquared obtains each Sale Notice party's prior consent to the Proposed Sale. The applicable Proposed Sale, including the assumption and assignment or rejection of executory contracts and unexpired leases proposed in connection with the Proposed Sale, will be deemed final and fully

authorized by the Bankruptcy Court upon either the (a) expiration of the Sale Objection Deadline without the assertion of any Sale Objections or (b) consent of all Sale Notice Parties.

- (c) Nothing in the foregoing De Minimis Asset Sale Procedures shall prevent LightSquared, in its sole discretion, from seeking Bankruptcy Court approval of any Proposed Sale upon notice and a hearing.

3. Sales to “insiders,” as that term is defined in section 101 of the Bankruptcy Code, are not covered by this Order.

4. Sales of De Minimis Assets shall be deemed arm’s-length transactions entitled to the protections of section 363(m) of the Bankruptcy Code.

5. Failure to timely file a Sale Objection in accordance with the terms of this Order shall not be determined to be “consent” to such sale or transfer within the meaning of 11 U.S.C. § 363(f)(2).

6. Sales and transfers of De Minimis Assets are free and clear of all Liens, with such Liens attaching to the proceeds of such sale or transfer with the same validity, extent, and priority as had attached to such De Minimis Assets immediately prior to such sale or transfer.

7. LightSquared is authorized, pursuant to section 554(a) of the Bankruptcy Code, to abandon De Minimis Assets in accordance with the following De Minimis Asset Abandonment Procedures:

- (a) **De Minimis Assets with Book Value of \$500,000 or Less:** With regard to De Minimis Assets with a book value of \$500,000 or less, no notice or hearing shall be required for LightSquared to abandon such De Minimis Assets where maintaining the De Minimis Assets is more expensive than not doing so and it appears after reasonable investigation and consultation with the Prepetition Agents and the Ad Hoc LP Secured Group that it is not possible to sell the De Minimis Assets for more than the likely expenses of such sale. LightSquared will maintain records for all such abandonments.

- (b) **De Minimis Assets with Book Value of \$500,000 but Less Than or Equal to \$1,000,000 ("Abandonment Cap," and Together with Sale Cap, "Cap")**: LightSquared proposes that the following procedures (the "Abandonment Notice Procedures") be approved and implemented for the abandonment of the De Minimis Assets where maintaining the De Minimis Assets is more expensive than not doing so and it appears after reasonable investigation that it is not possible to sell the De Minimis Assets for more than the likely expenses of such sale:
- (i) LightSquared will serve a notice of each proposed abandonment (the "Abandonment Notice") on: (a) the U.S. Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Susan D. Golden, Esq., (b) counsel to U.S. Bank National Association, as administrative agent under the Prepetition Inc. Credit Agreement and the DIP Agreement, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attn: Philip C. Dublin, Esq. and Kenneth A. Davis, Esq., (c) counsel to UBS AG, Stamford Branch, as administrative agent under the Prepetition LP Credit Agreement, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: Mark A. Broude, Esq., (d) 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 Scott Griessman, Esq., (e) counsel to Harbinger Capital Partners LLC, Attn: Debra A. Dandeneau, Esq. and Ronit Berkovich, Esq., and (f) any holder of other Liens asserted against the relevant De Minimis Assets or any other known interested party in the relevant De Minimis Assets (the "Abandonment Notice Parties"). The Abandonment Notice will be served on the Abandonment Notice Parties by facsimile or e-mail, if possible, and by overnight mail. LightSquared may, but is not required to, file a copy of the Abandonment Notice with the Bankruptcy Court.
- (ii) The Abandonment Notice will specify:
1. the De Minimis Assets being abandoned;
 2. a summary of the reasons for abandoning such De Minimis Assets; and
 3. the identities of any known parties holding or asserting Liens or other interests or potential interests in the relevant De Minimis Assets.
- (iii) The Abandonment Notice Parties will have until 5:00 p.m., prevailing Eastern time, on the fifth (5th) Business Day following

service of the Abandonment Notice (the "Abandonment Objection Deadline") to object to the proposed abandonment. Any such objection (an "Abandonment Objection") must be (a) made in writing, stating the Abandonment Objection with specificity; and (b) filed with the Bankruptcy Court and served on counsel to LightSquared and the Abandonment Notice Parties so as to be received by the Abandonment Objection Deadline. The Abandonment Objection Deadline and required service addresses will be identified in the Abandonment Notice.

- (iv) If an Abandonment Notice Party properly files and serves an Abandonment Objection to a proposed abandonment prior to the Abandonment Objection Deadline, LightSquared and such objecting party will use good faith efforts to resolve the Abandonment Objection consensually. If LightSquared and the objecting Abandonment Notice Party are unable to resolve the Abandonment Objection, LightSquared will not consummate the proposed abandonment without first obtaining Bankruptcy Court approval of such proposed abandonment upon notice and a hearing, unless such Abandonment Objection shall have been withdrawn; provided, however, that LightSquared may consummate any portion of the proposed abandonment that is not a subject of the Abandonment Objection without Bankruptcy Court approval.

8. LightSquared shall provide, to the extent practicable, a written report or reports, within fifteen (15) days after each calendar month (to the extent De Minimis Asset Sales or Abandonments were consummated for the relevant month), concerning any such sales, transfers, or abandonments made pursuant to the relief requested herein (including the names of the purchasing parties and the types and amounts of the sales) to the U.S. Trustee, counsel to the Prepetition LP Agent, counsel to the Prepetition Inc. Agent and the DIP Agent, counsel to the Ad Hoc LP Secured Group, counsel to Harbinger Capital Partners LLC, and those parties requesting notice pursuant to Bankruptcy Rule 2002; provided, that LightSquared shall have no additional further reporting obligations with respect to sales of De Minimis Assets following LightSquared's filing a report pursuant to the Order thirty (30) days after confirmation of a chapter 11 plan.

9. Service of the Sale Notice in accordance with the Asset Sale Procedures and/or the Abandonment Notice in accordance with the Abandonment Notice Procedures is sufficient notice of the sale, transfer, and/or abandonment of such De Minimis Assets.

10. LightSquared is authorized to pay those reasonable and necessary fees and expenses incurred in the sale, transfer, or abandonment of De Minimis Assets, including commission fees to agents, brokers, auctioneers, and liquidators, if any.

11. The requirements set forth in Local Bankruptcy Rule 9013-1(b) are satisfied by the contents of the Motion. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

12. LightSquared is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

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

Dated: August 14, 2012
New York, New York

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

SCHEDULE “B”

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

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

**ORDER PURSUANT TO 11 U.S.C. § 502(b)(9) AND
FED. R. BANKR. P. 2002 AND 3003(c)(3) ESTABLISHING DEADLINES FOR
FILING PROOFS OF CLAIM AND PROCEDURES RELATING THERETO
AND APPROVING FORM AND MANNER OF NOTICE THEREOF**

Upon the motion (the "Motion")² of LightSquared Inc. and certain of its affiliates as debtors and debtors in possession (collectively, "LightSquared") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), for entry of an order (the "Order"), pursuant to section 502(b)(9) of the Bankruptcy Code, Bankruptcy Rules 2002 and 3003(c)(3), and the Second Amended Procedural Guidelines for Filing Requests for Bar Orders in the United States Bankruptcy Court for the Southern District of New York, dated November 24, 2009, established by the Board of Judges for the Southern District of New York (General Order M-386) (the "Guidelines"), establishing deadlines for filing proofs of claim (each, a "Proof of Claim") and procedures relating thereto (the "Procedures"), and approving the form and manner of notice

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal or foreign tax or registration identification number, are: LightSquared Inc. (8845), LightSquared Investors Holdings Inc. (0984), One Dot Four Corp. (8806), One Dot Six Corp. (8763), SkyTerra Rollup LLC (N/A), SkyTerra Rollup Sub LLC (N/A), SkyTerra Investors LLC (N/A), TMI Communications Delaware, Limited Partnership (4456), LightSquared GP Inc. (6190), LightSquared LP (3801), ATC Technologies, LLC (3432), LightSquared Corp. (1361), LightSquared Finance Co. (6962), LightSquared Network LLC (1750), LightSquared Inc. of Virginia (9725), LightSquared Subsidiary LLC (9821), Lightsquared Bermuda Ltd. (7247), SkyTerra Holdings (Canada) Inc. (0631), SkyTerra (Canada) Inc. (0629), and One Dot Six TVCC Corp. (0040). The location of the debtors' corporate headquarters is 450 Park Avenue, Suite 2201, New York, NY 10022.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion or the First Day Declaration, as applicable.

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

1. The Motion is granted to the extent set forth herein.
2. The following Procedures for the filing of Proofs of Claim are hereby approved and shall apply:
 - (a) unless otherwise provided, the deadline for each person or entity (including, without limitation, individuals, partnerships, corporations, joint ventures, and trusts, but not including governmental units (as defined in section 101(27) of the Bankruptcy Code, "Governmental Units")) to file a Proof of Claim in respect of a prepetition claim (as defined in section 101(5) of the

Bankruptcy Code, including, for the avoidance of doubt, secured claims and priority claims against any of the LightSquared debtors, a "Claim"), shall be **September 25, 2012 at 5:00 p.m. (prevailing Eastern time)** (the "General Bar Date");

- (b) unless otherwise provided, the deadline for Governmental Units to file a Proof of Claim in respect of a Claim against LightSquared (the "Governmental Bar Date" and, together with the General Bar Date, the "Bar Dates") shall be **November 12, 2012 at 5:00 p.m. (prevailing Eastern time)**;
- (c) Proofs of Claim must: (i) be written in the English language; (ii) be denominated in the lawful currency of the United States as of the Petition Date (using the exchange rate, if applicable, as of the Petition Date); (iii) conform substantially to the Proof of Claim form distributed by LightSquared to potential creditors, a copy of which is attached to the Order as Schedule 3 (the "Proof of Claim Form") or the Official Bankruptcy Form No. 10 ("Official Form 10");³ (iv) specify the name and case number of the particular LightSquared debtor against which the Proof of Claim is filed; (v) set forth with specificity the legal and factual basis of the alleged Claim; (vi) include supporting documentation for the Claim or an explanation as to why such documentation is not available; and (vii) be signed by the claimant or, if the claimant is not an individual, by an authorized agent of the claimant;
- (d) all holders of Claims must check the appropriate box on the Proof of Claim Form identifying the specific LightSquared debtor and case number against which the Claim is filed;
- (e) any Proof of Claim asserting a Claim under section 503(b)(9) of the Bankruptcy Code (each, a "503(b)(9) Claim") must also: (i) include the value of the goods delivered to and received by LightSquared in the twenty (20) days prior to the Petition Date, (ii) attach any documentation identifying the particular invoices for which the 503(b)(9) Claim is being asserted, and (iii) attach documentation of any reclamation demand made to any LightSquared debtor under section 546(c) of the Bankruptcy Code (if applicable);
- (f) if a claimant asserts a Claim against more than one LightSquared debtor or has Claims against different LightSquared debtors, the

³ Official Form 10 can be found at www.uscourts.gov/bkforms, the official website for the United States Bankruptcy Courts. A customized Proof of Claim Form can also be obtained on the website established in the Chapter 11 Cases: www.kccllc.net/LightSquared.

claimant must file a separate Proof of Claim against each applicable LightSquared debtor;

- (g) a Proof of Claim shall be deemed timely filed only if it is **actually received** by LightSquared's Court-approved claims and noticing agent, Kurtzman Carson Consultants LLC ("**KCC**" or "**Claims and Noticing Agent**") on or before the applicable Bar Date as follows:

By hand delivery, overnight courier, or first-class mail to:

LightSquared Claims Processing Center
c/o Kurtzman Carson Consultants LLC
2335 Alaska Avenue
El Segundo, CA 90254

- (h) Proofs of Claim sent by facsimile, telecopy, or electronic transmission **will not** be accepted;
- (i) any person or entity (including, without limitation, individuals, partnerships, corporations, joint ventures, trusts, and Governmental Units) that asserts a Claim arising from the rejection of an executory contract or unexpired lease must file a Proof of Claim based on such rejection by the later of (i) the applicable Bar Date and (ii) the date that is thirty (30) days following entry of the order by the Court approving such rejection, or be forever barred from doing so;
- (j) notwithstanding the foregoing, a party to an executory contract or unexpired lease that asserts a Claim on account of unpaid amounts accrued and outstanding as of the Petition Date pursuant to such executory contract or unexpired lease (other than a rejection damages claim) must file a Proof of Claim for such amounts on or before the applicable Bar Date unless an exception identified in paragraph 3 below applies;
- (k) in the event that LightSquared amends or supplements its schedules of assets and liabilities and/or schedules of executory contracts and unexpired leases (collectively, the "**Schedules**")⁴ subsequent to entry of the Order, LightSquared shall give notice of any amendment or supplement to the holders of Claims affected thereby, and such holders (i) shall have until the later of (A) the applicable Bar Date and (B) thirty (30) days from the date of such notice to file a Proof of Claim or forever be barred from doing so and (ii) shall be given notice of such deadline; and

⁴ LightSquared filed its Schedules on June 27, 2012 (see Docket Nos. 154-173).

- (l) any person or entity that relies on the Schedules has the responsibility to determine that the Claim is accurately listed in the Schedules.

3. The following persons or entities **need not** file a Proof of Claim on or before the applicable Bar Dates, solely with respect to the Claims described below:

- (a) any person or entity whose Claim is listed in the Schedules; **provided that** (i) the claim **is not** listed in the Schedules as “disputed,” “contingent,” or “unliquidated,” (ii) the person or entity **does not** dispute the amount, nature, and priority of the Claim as set forth in the Schedules, and (iii) the person or entity **does not** dispute that the Claim is an obligation of the specific LightSquared debtor against which the Claim is listed in the Schedules;
- (b) any person or entity whose Claim has been paid in full;
- (c) any person or entity that holds an equity security interest in any of the LightSquared debtors, which interest is based exclusively upon the ownership of common or preferred stock, membership interests, partnership interests, or warrants, options, or rights to purchase, sell, or subscribe to such a security or interest, need not file a proof of interest with respect to the ownership of such equity interests; **provided, however,** that if any such holder asserts a Claim (as opposed to an ownership interest) against any of the LightSquared debtors (including a Claim relating to an equity interest or the purchase or sale of such equity interest), a Proof of Claim must be filed before the applicable Bar Date pursuant to the Procedures;
- (d) any holder of a Claim allowable under sections 503(b) and 507(a)(2) of the Bankruptcy Code as an administrative expense (other than holders of 503(b)(9) Claims who, as set forth above, must file Proofs of Claim on account of such 503(b)(9) Claims);
- (e) any person or entity that holds a Claim that has been previously allowed by order of this Court entered on or before the applicable Bar Date;
- (f) any holder of a Claim for which a separate deadline has been fixed by this Court;

- (g) any LightSquared debtor having a Claim against another LightSquared debtor in the Chapter 11 Cases;
- (h) any entity that, as of the applicable Bar Date, is a subsidiary of any LightSquared debtor;
- (i) any person or entity who has already filed a Proof of Claim with the Clerk of the Court or KCC against any of the LightSquared debtors, utilizing a claim form that substantially conforms to the Proof of Claim Form or Official Form 10; or
- (j) any person or entity whose claim is limited exclusively to the repayment of principal, interest and other fees and expenses on or under any credit agreement (a "Debt Claim") if the prepetition agent or similar fiduciary under the applicable credit agreement files a Master Proof of Claim (as defined below) against the applicable debtor, on or before the General Bar Date, on account of all Debt Claims against such debtor under the applicable credit agreement, provided, however, that any holder of a Debt Claim wishing to assert a claim arising out of or relating to a credit agreement, other than a Debt Claim, shall be required to file a Proof of Claim with respect to such claim on or before the General Bar Date, unless another exception identified herein applies.

4. The Prepetition Inc. Agent is authorized (but not required) to file a single master Proof of Claim (a "Master Proof of Claim") on behalf of itself and the Prepetition Inc. Lenders, on account of their Claims arising under the Prepetition Inc. Credit Agreement against LightSquared Inc. only.

5. Upon the filing of a Master Proof of Claim by the Prepetition Inc. Agent, the Prepetition Inc. Agent (and its successors and assigns) shall be deemed to have filed a Proof of Claim in the amount set forth opposite its name therein in respect of its Claims against each of the Inc. Obligors⁵ arising under the Prepetition Inc. Credit Agreement. The Claims of the Prepetition Inc. Agent and/or the Prepetition Inc. Lenders, as applicable, and each of their respective successors and assigns named in the Master Proof of Claim, shall be treated as if each

⁵ The Inc. Obligors include: LightSquared Inc.; One Dot Four Corp.; One Dot Six Corp; and One Dot Six TVCC Corp.

such entity had filed a separate Proof of Claim in each of the Chapter 11 Cases of the Inc. Obligors in the amount set forth in the Master Proof of Claim. The Prepetition Inc. Agent may, but shall not be required to, amend the Master Proof of Claim from time to time to, among other things, reflect a change in the holders of the Claims set forth therein or a reallocation among such holders of the Claims asserted therein resulting from any transfer of such Claims.

6. The Prepetition LP Agent is authorized (but not required) to file a Master Proof of Claim on behalf of itself and the Prepetition LP Lenders, on account of their Claims arising under the Prepetition LP Credit Agreement against LightSquared LP only.

7. Upon the filing of a Master Proof of Claim by the Prepetition LP Agent, the Prepetition LP Agent (and its successors and assigns) shall be deemed to have filed a Proof of Claim in the amount set forth opposite its name therein in respect of its Claims against each of the LP Obligors⁶ arising under the Prepetition LP Credit Agreement. The Claims of the Prepetition LP Agent and/or the Prepetition LP Lenders, as applicable, and each of their respective successors and assigns named in the Master Proof of Claim, shall be treated as if each such entity had filed a separate Proof of Claim in each of the Chapter 11 Cases of the LP Obligors in the amount set forth in the Master Proof of Claim. The Prepetition LP Agent may, but shall not be required to, amend the Master Proof of Claim from time to time to, among other things, reflect a change in the holders of the Claims set forth therein or a reallocation among such holders of the Claims asserted therein resulting from any transfer of such Claims.

8. Neither the provisions of paragraphs 4, 5, 6, and 7 of this Order nor the Master Proof of Claim shall affect the substantive rights of LightSquared, any statutory

⁶ The LP Obligors include: LightSquared Inc.; LightSquared LP; LightSquared Investors Holdings Inc.; LightSquared GP Inc.; TMI Communications Delaware, Limited Partnership; ATC Technologies, LLC; LightSquared Corp.; LightSquared Inc. of Virginia; LightSquared Subsidiary LLC; SkyTerra Holdings (Canada) Inc.; and SkyTerra (Canada) Inc.

committee appointed in the Chapter 11 Cases, the Prepetition Agents, the other Prepetition Secured Parties, or any other party in interest or their respective successors in interest, including, without limitation, the right of each Prepetition Secured Party (or its successor in interest) to vote separately on any plan of reorganization proposed in the Chapter 11 Cases.

9. Pursuant to Bankruptcy Rule 3003(c)(2), any holder of a Claim that fails to comply with this Order by timely filing a Proof of Claim in the appropriate form shall not be treated as a creditor with respect to such Claim for the purposes of voting and distribution with respect to any chapter 11 plan or plans of reorganization that may be filed in these Chapter 11 Cases. In addition, any holder of a Claim that fails to timely file a Proof of Claim shall be forever barred, estopped, and enjoined from asserting any such Claim against LightSquared, LightSquared's estates, a reorganized LightSquared, or any of LightSquared's successors or assigns, and such entities shall be deemed forever discharged from any and all indebtedness or liability with respect to such Claim.

10. The Bar Date Notice, substantially in the form attached hereto as Schedule 1, the Publication Notice, substantially in the form attached hereto as Schedule 2, and the Proof of Claim Form, substantially in the form attached hereto as Schedule 3, are hereby approved.

11. The following Bar Date Notice procedures are hereby approved:

- (a) Within five (5) business days of entry of an order granting the relief requested herein, and at least thirty-five (35) days prior to the Bar Dates, LightSquared shall cause to be mailed (i) a Proof of Claim Form and (ii) a Bar Date Notice to the following parties:
 - (i) the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee");
 - (ii) counsel to any statutory committee appointed in the Chapter 11 Cases;

- (iii) counsel to the Prepetition Inc. Agent, U.S. Bank National Association as successor administrative agent to UBS AG, Stamford Branch;
- (iv) counsel to the Prepetition LP Agent, UBS AG, Stamford Branch and Wilmington Trust FSB;⁷
- (v) all known holders of Claims listed in the Schedules at the addresses stated therein or as updated pursuant to a request by the creditor or by returned mail from the post office with a forwarding address;
- (vi) all parties actually known to LightSquared as having potential Claims against any of the LightSquared debtors, excluding any person or entity that only holds an equity security interest in one or more of the LightSquared debtors, which interest is based exclusively upon the ownership of common or preferred stock, membership interests, partnership interests, or warrants, options, or rights to purchase, sell, or subscribe to such a security or interest;
- (vii) all counterparties to LightSquared's executory contracts and unexpired leases listed in the Schedules at the addresses provided therein or as updated pursuant to a request by the counterparty or by returned mail from the post office with a forwarding address;
- (viii) the attorneys of record to all parties to pending litigation against any of the LightSquared debtors (as of the date of the entry of the Order);
- (ix) the Internal Revenue Service, the Securities and Exchange Commission, the United States Attorney's Office for the Southern District of New York, the Federal Communications Commission, Industry Canada, Canada Revenue Agency, the Ministry of Finance (Ontario), and Saskatchewan Finance;

⁷ Wilmington Trust FSB serves as collateral trustee pursuant to that certain Collateral Trust Agreement, dated as of October 1, 2010 between LightSquared LP, UBS AG, Stamford Branch and Wilmington Trust FSB.

- (x) all persons or entities that have filed Claims (as of the date of the entry of the Order);
 - (xi) all parties who have requested notice pursuant to Bankruptcy Rule 2002 (as of the date of the entry of the Order); and
 - (xii) such additional persons and entities as deemed appropriate by LightSquared.
- (b) LightSquared shall post the Proof of Claim Form and the Bar Date Notice on the website established by KCC for LightSquared's Chapter 11 Cases: www.kccllc.net/LightSquared. The Bar Date Notice will provide that LightSquared's Schedules may be accessed through the same website or by contacting KCC at (877) 499-4509 (toll free), (424) 236-7239 (international toll free), or by email at lightsquaredinfo@kccllc.com.

12. LightSquared shall publish the Publication Notice, substantially in the form attached hereto as Schedule 2, once, in *The Wall Street Journal* (National Edition), *The Washington Post*, and *The Globe and Mail* (National Edition), subject to applicable publication deadlines, at least twenty-eight (28) days prior to the General Bar Date, which publication is approved and shall be deemed good, adequate, and sufficient publication notice of the Bar Dates and the Procedures for filing Proofs of Claim in the Chapter 11 Cases.

13. With regard to those holders of Claims listed in the Schedules, LightSquared shall mail one or more Proof of Claim Forms (as appropriate), substantially similar to the Proof of Claim Form attached hereto as Schedule 3, indicating, to the extent possible, how LightSquared has scheduled such creditor's Claim in the Schedules (including the identity of the LightSquared debtor, the amount of the Claim and whether the Claim has been scheduled as contingent, unliquidated, or disputed).

14. Nothing in this Order shall prejudice the right of LightSquared or any other party in interest to dispute or assert offsets or defenses to any Claim reflected in the Schedules or in any submitted Proof of Claim.

15. LightSquared and KCC are authorized and empowered to take all actions necessary to implement or effectuate the terms of this Order.

16. Notification of the relief granted by this Order as provided herein is fair and reasonable, and will provide good, sufficient, and proper notice to all creditors of their rights and obligations in connection with Claims they may have against LightSquared in the Chapter 11 Cases.

17. Nothing in this Order shall prejudice LightSquared's (a) rights and defenses with respect to any Proof of Claim, including, among other things, the right to object to any Proof of Claim on any grounds, or (b) rights and defenses to any Claim listed in the Schedules, including, among other things, the right to dispute any such Claim listed in the Schedules and/or assert any offsets or defenses thereto.

18. To the extent that LightSquared disputes any Claim listed in the Schedules and such Claim is not already listed as disputed, contingent, or unliquidated, LightSquared shall have the right to amend its Schedules as appropriate.

19. Entry of this Order is without prejudice to LightSquared's right to seek a further order of this Court fixing a date by which holders of claims or interests not subject to the Bar Dates established herein must file such Proofs of Claim or interest or be forever barred from doing so.

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

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

Dated: August 14, 2012
New York, New York

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

Schedule 1

Bar Date Notice

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

In re:

LIGHTSQUARED INC., *et al.*,

Debtors.¹

)
) Chapter 11
)
) Case No. 12-12080 (SCC)
)
) Jointly Administered
)

NOTICE OF DEADLINES FOR FILING PROOFS OF CLAIM

TO ALL PERSONS AND ENTITIES WITH CLAIMS AGAINST ANY OF THE DEBTOR
ENTITIES LISTED ON PAGE 2 OF THIS NOTICE IN THE ABOVE-CAPTIONED
CHAPTER 11 CASES:

The United States Bankruptcy Court for the Southern District of New York (the “Court”) has entered an order (the “Bar Date Order”) establishing (a) **September 25, 2012 at 5:00 p.m. (prevailing Eastern time)** (the “General Bar Date”) as the last date and time for each person or entity (including, without limitation, individuals, partnerships, corporations, joint ventures, and trusts, but not including governmental units (as defined in section 101(27) of the Bankruptcy Code, “Governmental Units”)) to file a proof of claim (“Proof of Claim”) with respect to prepetition claims against any of the LightSquared debtors listed below and (b) **November 12, 2012 at 5:00 p.m. (prevailing Eastern time)** (the “Governmental Bar Date”) and, together with the General Bar Date, the “Bar Dates”) as the last date and time for each Governmental Unit to file a Proof of Claim with respect to prepetition claims against LightSquared debtors listed below that arose prior to the Petition Date.

The Bar Date Order, the Bar Dates, and the procedures set forth below for filing Proofs of Claim apply to all claims that arose prior to May 14, 2012 (the “Petition Date”), the date on which LightSquared Inc. and its affiliated debtors and debtors in possession (collectively, “LightSquared”) commenced cases under chapter 11 of the United States Bankruptcy Code, including claims pursuant to section 503(b)(9) of the Bankruptcy Code (each, a “503(b)(9) Claim”) and claims held by Governmental Units, except for those holders of claims listed in Section 2 below that are specifically excluded from the Bar Date filing requirements.

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor’s federal or foreign tax or registration identification number, are: LightSquared Inc. (8845), LightSquared Investors Holdings Inc. (0984), One Dot Four Corp. (8806), One Dot Six Corp. (8763), SkyTerra Rollup LLC (N/A), SkyTerra Rollup Sub LLC (N/A), SkyTerra Investors LLC (N/A), TMI Communications Delaware, Limited Partnership (4456), LightSquared GP Inc. (6190), LightSquared LP (3801), ATC Technologies, LLC (3432), LightSquared Corp. (1361), LightSquared Finance Co. (6962), LightSquared Network LLC (1750), LightSquared Inc. of Virginia (9725), LightSquared Subsidiary LLC (9821), Lightsquared Bermuda Ltd. (7247), SkyTerra Holdings (Canada) Inc. (0631), SkyTerra (Canada) Inc. (0629), and One Dot Six TVCC Corp. (0040). The location of the debtors’ corporate headquarters is 450 Park Avenue, Suite 2201, New York, NY 10022.

If you have any questions relating to this Bar Date Notice, please feel free to contact Kurtzman Carson Consultants LLC at (877) 499-4509 (toll free) or (424) 236-7239 (international toll free), or by email at lightsquaredinfo@kccllc.com.

Debtors in These Chapter 11 Cases

Name of Debtor	Case Number	Tax Identification Number	Other Names Used by Debtor in the Past 8 Years
LightSquared Inc.	12-12080	23-2368845	SkyTerra Communications, Inc.
LightSquared LP	12-12081	54-1993801	SkyTerra LP; Mobile Satellite Ventures LP
LightSquared Corp.	12-12082	3051361 (Registry No.)	SkyTerra Corp.; Mobile Satellite Ventures Corp.; 3051361 Nova Scotia ULC
LightSquared Network LLC	12-12083	27-3361750	N/A
One Dot Six Corp.	12-12084	27-0818763	N/A
TMI Communications Delaware, Limited Partnership	12-12085	26-0014456	N/A
ATC Technologies, LLC	12-12086	20-2813432	N/A
Lightsquared Bermuda Ltd.	12-12088	37247 (Registration No.)	Skyterra Bermuda Ltd; Mobile Satellite Ventures Bermuda Ltd.
LightSquared Finance Co.	12-12089	20-4536962	SkyTerra Finance Co.; Mobile Satellite Ventures Finance Co.
LightSquared GP Inc.	12-12091	54-2056190	SkyTerra GP Inc.; Mobile Satellite Ventures GP Inc.
LightSquared Inc. of Virginia	12-12092	54-1939725	SkyTerra Inc. of Virginia; Mobile Satellite Ventures Inc. of Virginia; Motient Services Inc. of Virginia
LightSquared Investors Holdings Inc.	12-12093	13-4200984	SkyTerra Investors Holdings Inc.; MSV Investors Holdings, Inc.
LightSquared Subsidiary LLC	12-12094	54-2059821	SkyTerra Subsidiary LLC; Mobile Satellite Ventures Subsidiary LLC
One Dot Four Corp.	12-12095	27-0818806	N/A
One Dot Six TVCC Corp.	12-12096	27-5270040	N/A
SkyTerra (Canada) Inc.	12-12097	002000629 (Ontario Corporation No.)	Mobile Satellite Ventures (Canada) Inc.
SkyTerra Holdings (Canada) Inc.	12-12098	002000631 (Ontario Corporation No.)	Mobile Satellite Ventures Holdings (Canada) Inc.
SkyTerra Investors LLC	12-12099	N/A	MSV Investors, LLC
SkyTerra Rollup LLC	12-12101	N/A	MSV Rollup LLC
SkyTerra Rollup Sub LLC	12-12102	N/A	MSV Rollup Sub, LLC

1. WHO MUST FILE A PROOF OF CLAIM

You **MUST** file a Proof of Claim to vote on a chapter 11 plan or plans filed in these chapter 11 cases or to share in any distributions from LightSquared's estates if you have a claim that arose prior to **May 14, 2012**, and it is not one of the types of claims described in Section 2 below. Claims based on acts or omissions of LightSquared that occurred before **May**

14, 2012 must be filed on or prior to the applicable Bar Date, even if such claims are not now fixed, liquidated, or certain or did not mature or become fixed, liquidated, or certain before **May 14, 2012**.

Pursuant to section 101(5) of the Bankruptcy Code and as used in this Notice, the word "claim" means: (a) a right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or (b) a right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured. For the avoidance of doubt, claims include unsecured claims, secured claims, and priority claims.

2. WHO NEED NOT FILE A PROOF OF CLAIM

You need not file a Proof of Claim if:

- (a) Your claim is listed on LightSquared's schedules of assets and liabilities and/or schedules of executory contracts and unexpired leases (collectively, the "Schedules")² and (i) is **not** listed in the Schedules as "disputed," "contingent," or "unliquidated," (ii) you **do not** dispute the amount, nature, or priority of the claim as set forth in the Schedules, and (iii) you **do not** dispute that the claim is an obligation of the specific LightSquared debtor against which the claim is listed in the Schedules;
- (b) Your claim has been paid in full by LightSquared;
- (c) You only hold an equity security interest in one or more of the LightSquared debtors, which interest is based exclusively upon the ownership of common or preferred stock, membership interests, partnership interests, or warrants, options, or rights to purchase, sell, or subscribe to such a security or interest; provided, however, that if you assert a claim (as opposed to ownership interests) against any of the LightSquared debtors (including a claim relating to an equity interest or the purchase or sale of such equity interest), a Proof of Claim must be filed on or before the applicable Bar Date as set forth in this Notice;
- (d) You hold a claim allowable under sections 503(b) and 507(a)(2) of the Bankruptcy Code as an expense of administration of LightSquared's estates (other than a 503(b)(9) Claim, for which, as set forth above, you must file a Proof of Claim);
- (e) You hold a claim that has been previously allowed by order of this Court entered on or before the applicable Bar Date;

² LightSquared filed its Schedules on June 27, 2012 (see Docket Nos. 154-173).

- (f) You hold a claim against any of the LightSquared debtors for which a separate deadline has been fixed by the Court (whereupon you will be required to file a Proof of Claim by that separate deadline);
- (g) You are a LightSquared debtor and you have a claim against another LightSquared debtor in these chapter 11 cases;
- (h) You are a subsidiary of any LightSquared debtor as of the applicable Bar Date;
- (i) You have already filed a Proof of Claim against LightSquared with the Clerk of the Bankruptcy Court for the Southern District of New York in a form substantially similar to the form provided with this Bar Date Notice (the "Proof of Claim Form") or Official Bankruptcy Form No. 10 ("Official Form 10")³; or
- (j) Your claim is limited exclusively to the repayment of principal, interest and other fees and expenses on or under any credit agreement (a "Debt Claim") and the prepetition agent or similar fiduciary under the applicable credit agreement files a master Proof of Claim against the applicable debtor, on or before the General Bar Date, on account of all Debt Claims against such debtor under the applicable credit agreement, provided, however, that if you hold a Debt Claim and you wish to assert a claim arising out of or relating to a credit agreement, other than a Debt Claim, you are required to file a Proof of Claim with respect to such claim on or before the General Bar Date, unless another exception identified herein applies.

This Bar Date Notice is being sent to many persons and entities that have had some relationship with or have done business with LightSquared but may not have an unpaid claim against any of the LightSquared debtors. The fact that you have received this Bar Date Notice does not mean that you have a claim or that LightSquared or the Court believes that you have a claim.

You should not file a Proof of Claim if you do not have a claim against a LightSquared debtor.

3. EXECUTORY CONTRACTS AND UNEXPIRED LEASES

If you hold a claim arising from the rejection of an executory contract or unexpired lease as to which the order authorizing such rejection is dated on or before the applicable Bar Date, you must file a Proof of Claim based on such rejection by the later of (a) the applicable Bar Date, and (b) the date which is thirty (30) days following the entry of the order

³ Official Form 10 can be found at www.uscourts.gov/bkforms, the Official Website for the United States Bankruptcy Courts. A customized Proof of Claim Form can also be obtained on the website established in these chapter 11 cases: www.kccllc.net/LightSquared.

approving such rejection, or you will be forever barred from doing so. Notwithstanding the foregoing, if you are a party to an executory contract or unexpired lease and you wish to assert a claim with respect to unpaid amounts accrued and outstanding as of May 14, 2012, pursuant to that executory contract or unexpired lease (other than a rejection damages claim), you must file a Proof of Claim for such amounts on or before the applicable Bar Date unless an exception identified above applies.

4. WHEN AND WHERE TO FILE

Except as provided herein, to be deemed timely, a Proof of Claim must be filed so as to be **actually received** on or before the applicable Bar Date at the following address (by hand delivery, overnight courier, or first-class mail):

<p>LightSquared Claims Processing Center c/o Kurtzman Carson Consultants LLC 2335 Alaska Avenue El Segundo, CA 90254</p>

Proofs of Claim may not be delivered by facsimile, telecopy, or electronic mail transmission.

5. WHAT TO FILE

LightSquared is enclosing the Proof of Claim Form for use in these cases; if your claim is scheduled by LightSquared, the Proof of Claim Form sets forth, to the extent possible, the amount of your claim as scheduled by LightSquared, the specific LightSquared debtor against which the claim is scheduled, and whether the claim is scheduled as disputed, contingent, or unliquidated. You will receive a different Proof of Claim Form for each claim scheduled in your name by LightSquared. You may utilize the Proof of Claim Form(s) provided by LightSquared to file your claim.

Additional Proof of Claim Forms may be obtained by contacting LightSquared's claims and noticing agent, Kurtzman Carson Consultants LLC (the "Claims and Noticing Agent"), by calling (877) 499-4509 (toll free) or (424) 236-7239 (international toll free), emailing lightsquaredinfo@kccllc.com, or visiting LightSquared's restructuring website at: <http://www.kccllc.net/LightSquared>.

The following procedures for the submission of Proofs of Claim asserting claims against any of the LightSquared in these chapter 11 cases shall apply:

- (a) Each Proof of Claim must: (i) be written in the English language; (ii) be denominated in lawful currency of the United States as of the Petition Date (using the exchange rate, if applicable, as of the Petition Date); (iii) conform substantially to the Proof of Claim Form or Official Form 10; (iv) specify the name and case number of the particular LightSquared debtor against which the Proof of Claim is filed; (v) set forth with

specificity the legal and factual basis for the alleged claim; (vi) include supporting documentation for the claim or an explanation as to why such documentation is not available; and (vii) **be signed** by the claimant or, if the claimant is not an individual, by an authorized agent of the claimant.

- (b) All holders of claims against a LightSquared debtor must check the appropriate box on the Proof of Claim Form identifying the specific LightSquared debtor and case number against which the Claim is filed.
- (c) Any Proof of Claim asserting a 503(b)(9) Claim must also: (i) include the value of the goods delivered to and received by LightSquared in the twenty (20) days prior to the Petition Date, (ii) attach any documentation identifying the particular invoices for which the 503(b)(9) claim is being asserted, and (iii) attach documentation of any reclamation demand made to any LightSquared debtor under section 546(c) of the Bankruptcy Code (if applicable).
- (d) Any holder of a claim against more than one LightSquared debtor **must file a separate Proof of Claim with respect to each such LightSquared debtor**. A list of the names of the LightSquared debtors and their case numbers is set forth above.
- (e) Parties who wish to receive proof of receipt of their Proofs of Claim from the Claims and Noticing Agent must also include with their Proof of Claim Form a copy of their Proof of Claim and a self-addressed, stamped envelope.

You should attach to your completed Proof of Claim Form copies of any writings upon which your claim is based. If these documents are voluminous, you should attach a summary.

6. CONSEQUENCES OF FAILURE TO FILE A PROOF OF CLAIM BY THE APPLICABLE BAR DATE

ANY HOLDER OF A CLAIM THAT IS NOT EXCEPTED FROM THE REQUIREMENTS OF THE BAR DATE ORDER, AS SET FORTH IN SECTION 2 ABOVE, AND THAT FAILS TO TIMELY FILE A PROOF OF CLAIM IN THE APPROPRIATE FORM, WILL BE FOREVER BARRED, ESTOPPED, AND ENJOINED FROM ASSERTING SUCH CLAIM AGAINST LIGHTSQUARED AND ITS CHAPTER 11 ESTATES (OR FILING A PROOF OF CLAIM WITH RESPECT THERETO), LIGHTSQUARED AND ITS PROPERTY SHALL BE FOREVER DISCHARGED FROM ANY AND ALL INDEBTEDNESS OR LIABILITY WITH RESPECT TO SUCH CLAIM, AND SUCH HOLDER SHALL NOT BE PERMITTED TO VOTE TO ACCEPT OR REJECT ANY PLAN OF REORGANIZATION FILED IN THESE CHAPTER 11 CASES OR PARTICIPATE IN ANY DISTRIBUTION IN LIGHTSQUARED'S CHAPTER 11 CASES ON ACCOUNT OF SUCH CLAIM.

7. DEBTORS' SCHEDULES, ACCESS THERETO, AND CONSEQUENCES OF AMENDMENT THEREOF

You may be listed as the holder of a claim against one or more of the LightSquared debtors on the LightSquared's Schedules. To determine if and how you are listed in the Schedules, please refer to the descriptions set forth on the enclosed Proof of Claim Form regarding the nature, amount, and status of your claim(s). If you received postpetition payments from LightSquared (as authorized by the Court) on account of your claim, the enclosed Proof of Claim Form will reflect the net amount of your claims. If LightSquared believes that you hold claims against more than one LightSquared debtor, you will receive multiple Proof of Claim Forms, each of which will reflect the nature and amount of your claim against each LightSquared debtor, as listed in the Schedules.

If you rely on LightSquared's Schedules, it is your responsibility to determine that the claim is accurately listed in the Schedules. In addition, you may rely on the enclosed Proof of Claim Form, which lists, to the extent possible, your claim as scheduled, identifies the LightSquared debtor against which it is scheduled, and specifies whether the claim is disputed, contingent, or unliquidated; however, it is your responsibility to determine that the foregoing information with respect to the claim is accurate.

As set forth above, if you agree with the nature, amount, and status of your claim as listed in LightSquared's Schedules, you do not dispute that your claim is only against the specified LightSquared debtor, and your claim is not listed in the Schedules as "disputed," "contingent," or "unliquidated," you need not file a Proof of Claim. Otherwise, or if you decide to file a Proof of Claim, you must do so before the Bar Date in accordance with the procedures set forth in this Bar Date Notice.

Copies of LightSquared's Schedules are available for inspection on the Court's electronic docket for the LightSquared's chapter 11 cases, which is posted on (a) the website established by KCC for LightSquared's cases at www.kccllc.net/LightSquared and (b) the Court's website at www.nysb.uscourts.gov (a login and password to the Court's Public Access to Electronic Court Records ("PACER") are required to access the information on the Court's website and can be obtained through the PACER Service Center at www.pacer.psc.uscourts.gov). Copies of the Schedules may also be examined between the hours of 9:00 a.m. and 4:30 p.m. (prevailing Eastern time) Monday through Friday at the Office of the Clerk of the Bankruptcy Court, United States Bankruptcy Court for the Southern District of New York, One Bowling Green, Room 511, New York, New York 10004-1408. Copies of LightSquared's Schedules may also be obtained by written request to LightSquared's Claims and Noticing Agent at the address and telephone number set forth below:

LightSquared Inc., et al.
c/o Kurtzman Carson Consultants LLC
2335 Alaska Avenue
El Segundo, CA 90254
Toll Free: (877) 499-4509
International Toll Free: (424) 236-7239
Email: lightsquaredinfo@kccllc.com

In the event that LightSquared amends or supplements its Schedules subsequent to August 14, 2012, LightSquared shall give notice of any amendment or supplement to the holders of claims affected by such amendment or supplement, and such holders shall have until the later of (a) the applicable Bar Date and (b) thirty (30) days from the date of such notice to file a Proof of Claim or be barred from doing so.

If you are a holder of a possible claim against any of the LightSquared debtors, you should consult an attorney regarding any matters not covered by this Bar Date Notice, such as whether you should file a Proof of Claim.

Dated: New York, New York
_____, 2012

BY ORDER OF THE COURT

MILBANK, TWEED, HADLEY & McCLOY LLP
One Chase Manhattan Plaza
New York, NY 10005-1413
(212) 530-5000
COUNSEL TO DEBTORS AND
DEBTORS IN POSSESSION

Schedule 2

Publication Notice

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

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

NOTICE OF DEADLINES FOR FILING PROOFS OF CLAIM

TO ALL PERSONS AND ENTITIES WITH CLAIMS AGAINST LIGHTSQUARED INC.
AND ITS AFFILIATED DEBTORS ("LIGHTSQUARED") PLEASE TAKE NOTICE OF THE
FOLLOWING:

On May 14, 2012, each of the LightSquared debtors filed a voluntary petition for relief under title 11 of the United States Code, §§ 101-1532 (the "Bankruptcy Code").

The United States Bankruptcy Court for the Southern District of New York has entered an order (the "Bar Date Order") establishing (a) **September 25, 2012 at 5:00 p.m. (prevailing Eastern time)** (the "General Bar Date") as the last date and time for each person or entity (including, without limitation, individuals, partnerships, corporations, joint ventures, and trusts, but not including governmental units (as defined in section 101(27) of the Bankruptcy Code, "Governmental Units")) to file a proof of claim ("Proof of Claim") with respect to any claim against any of the LightSquared debtors that arose prior to the Petition Date and (b) **November 12, 2012 at 5:00 p.m. (prevailing Eastern time)** (the "Governmental Bar Date") and, together with the General Bar Date, the "Bar Dates") as the last date and time for each Governmental Unit to file a Proof of Claim with respect to any claim against any of the LightSquared debtors that arose prior to the Petition Date.

If you are a holder of a possible claim against any of the LightSquared debtors, you should consult an attorney regarding all matters contained in, or not covered by, this Publication Notice, such as whether you should file a Proof of Claim.

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal or foreign tax or registration identification number, are: LightSquared Inc. (8845), LightSquared Investors Holdings Inc. (0984), One Dot Four Corp. (8806), One Dot Six Corp. (8763), SkyTerra Rollup LLC (N/A), SkyTerra Rollup Sub LLC (N/A), SkyTerra Investors LLC (N/A), TMI Communications Delaware, Limited Partnership (4456), LightSquared GP Inc. (6190), LightSquared LP (3801), ATC Technologies, LLC (3432), LightSquared Corp. (1361), LightSquared Finance Co. (6962), LightSquared Network LLC (1750), LightSquared Inc. of Virginia (9725), LightSquared Subsidiary LLC (9821), Lightsquared Bermuda Ltd. (7247), SkyTerra Holdings (Canada) Inc. (0631), SkyTerra (Canada) Inc. (0629), and One Dot Six TVCC Corp. (0040). The location of the debtors' corporate headquarters is 450 Park Avenue, Suite 2201, New York, NY 10022.

You may need to file a Proof of Claim to vote on a chapter 11 plan or plans filed in these chapter 11 cases or to share in any distributions from LightSquared's estates if you have a claim that arose prior to May 14, 2012. Claims based on acts or omissions of LightSquared that occurred before May 14, 2012 must be filed on or prior to the applicable Bar Date, even if such claims are not now fixed, liquidated, or certain or did not mature or become fixed, liquidated, or certain before May 14, 2012.

For further information about the Bar Dates, whether you need to file a Proof of Claim, how and where to file a Proof of Claim, and other related information, you may access LightSquared's chapter 11 website at www.kccllc.net/LightSquared, or contact LightSquared's claims and noticing agent, Kurtzman Carson Consultants LLC, at (877) 499-4509 (toll free) or (424) 236-7239 (international toll free), or by email at lightsquaredinfo@kccllc.com. The website also includes a list of all of the names under which the LightSquared debtors have operated in the past eight years and copies of the Bar Date Order, form Proofs of Claim, and other related materials.

You should not file a Proof of Claim if you do not have a claim against a LightSquared debtor.

ANY CREDITOR WHO IS REQUIRED, BUT FAILS, TO TIMELY FILE A PROOF OF CLAIM IN THE APPROPRIATE FORM WILL BE FOREVER BARRED, ESTOPPED, AND ENJOINED FROM ASSERTING SUCH CLAIM AGAINST LIGHTSQUARED AND ITS CHAPTER 11 ESTATES (OR FILING A PROOF OF CLAIM WITH RESPECT THERETO), LIGHTSQUARED AND ITS PROPERTY SHALL BE FOREVER DISCHARGED FROM ANY AND ALL INDEBTEDNESS OR LIABILITY WITH RESPECT TO SUCH CLAIM, AND SUCH HOLDER SHALL NOT BE PERMITTED TO VOTE TO ACCEPT OR REJECT ANY PLAN OF REORGANIZATION FILED IN THESE CHAPTER 11 CASES OR PARTICIPATE IN ANY DISTRIBUTION IN LIGHTSQUARED'S CHAPTER 11 CASES ON ACCOUNT OF SUCH CLAIM.

Dated: New York, New York
_____, 2012

BY ORDER OF THE COURT

MILBANK, TWEED, HADLEY & McCLOY LLP
One Chase Manhattan Plaza
New York, NY 10005-1413
(212) 530-5000
COUNSEL TO DEBTORS AND
DEBTORS IN POSSESSION

Schedule 3

Proof of Claim Form

UNITED STATES BANKRUPTCY COURT, SOUTHERN DISTRICT OF NEW YORK		PROOF OF CLAIM
Indicate Debtor against which you assert a claim by checking the appropriate box below. (Check only one Debtor per claim form.)		
<input type="checkbox"/> LightSquared Inc (Case No. 12-12080)	<input type="checkbox"/> ATC Technologies, LLC (Case No. 12-12086)	<input type="checkbox"/> One Dot Four Corp. (Case No. 12-12095)
<input type="checkbox"/> LightSquared LP (Case No. 12-12081)	<input type="checkbox"/> Lightsquared Bermuda Ltd. (Case No. 12-12088)	<input type="checkbox"/> One Dot Six TVCC Corp. (Case No. 12-12096)
<input type="checkbox"/> LightSquared Corp. (Case No. 12-12082)	<input type="checkbox"/> LightSquared Finance Co (Case No. 12-12089)	<input type="checkbox"/> SkyTerra (Canada) Inc. (Case No. 12-12097)
<input type="checkbox"/> LightSquared Network LLC (Case No. 12-12083)	<input type="checkbox"/> LightSquared GP Inc. (Case No. 12-12091)	<input type="checkbox"/> SkyTerra Holdings (Canada) Inc. (Case No. 12-12098)
<input type="checkbox"/> One Dot Six Corp. (Case No. 12-12084)	<input type="checkbox"/> LightSquared Inc. of Virginia (Case No. 12-12092)	<input type="checkbox"/> SkyTerra Investors LLC (Case No. 12-12099)
<input type="checkbox"/> TMI Communications Delaware Limited Partnership (Case No. 12-12085)	<input type="checkbox"/> LightSquared Investors Holdings Inc (Case No. 12-12093)	<input type="checkbox"/> SkyTerra Rollup LLP (Case No. 12-12101)
	<input type="checkbox"/> LightSquared Subsidiary LLC (Case No. 12-12094)	<input type="checkbox"/> SkyTerra Rollup Sub LLC (Case No. 12-12102)
NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property):		<input type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____
Name and address where notices should be sent:		
Telephone number: _____ email: _____		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars. 5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507(a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount. <input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries, or commissions (up to \$11,725*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier – 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. § 507(a)(5). <input type="checkbox"/> Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. § 507(a)(). Amount entitled to priority: \$ _____ * Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with
Name and address where payment should be sent (if different from above):		
Telephone number: _____ email: _____		
1. Amount of Claim as of Date Case Filed: \$ _____ If all or part of the claim is secured, complete item 4. If all or part of the claim is entitled to priority, complete item 5. If all or part of the claim qualifies as an Administrative Expense under 11 U.S.C. § 503(b)(9), complete item 6. <input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.		
2. Basis for Claim: _____ (See instruction #2)		
3. Last four digits of any number by which creditor identifies debtor: _____	3a. Debtor may have scheduled account as: _____ (See instruction #3a)	3b. Uniform Claim Identifier (optional): _____ (See instruction #3b)
4. Secured Claim (See instruction #4) Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: Value of Property: \$ _____ Annual Interest Rate: _____ % <input type="checkbox"/> Fixed <input type="checkbox"/> Variable (when case was filed) Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: \$ _____ Basis for perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____		
6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. § 503(b)(9): \$ _____ (See instruction #6)		
7. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #7)		
8. Documents: Attached are redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. If the claim is secured, box 4 has been completed, and redacted copies of documents providing evidence of perfection of a security interest are attached. (See instruction #8, and the definition of "redacted".) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain:		

<p>9. Signature: (See instruction #9) Check the appropriate box.</p> <p><input type="checkbox"/> I am the creditor. <input type="checkbox"/> I am the creditor's authorized agent. <input type="checkbox"/> I am the trustee, or the debtor, or their authorized agent. <input type="checkbox"/> I am a guarantor, surety, indorser, or other codebtor. (Attach copy of power of attorney, if any.) (See Bankruptcy Rule 3004.) (See Bankruptcy Rule 3005.)</p> <p>I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.</p> <p>Print Name: _____</p> <p>Title: _____</p> <p>Company: _____ (Signature) _____ (Date)</p> <p>Address and telephone number (if different from notice address above): _____</p> <p>Telephone number: _____ Email: _____</p>	<p><i>respect to cases commenced on or after the date of adjustment.</i></p> <p>COURT USE ONLY</p>
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------

B 10 Modified (Official Form 10) (12/11)

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

B 10 Modified (Official Form 10) (12/11) cont.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, exceptions to these general rules may apply.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:

Fill in the federal judicial district in which the bankruptcy case was filed (for example, Southern District of New York), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is at the top of the notice.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

3b. Uniform Claim Identifier:

If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

4. Secured Claim:

Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507(a).

If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Amount of Claim that qualifies as an Administrative Expense under 11 U.S.C. § 503(b)(9):

State the value of any goods received by the debtor within 20 days before the date of commencement in which the goods have been sold to the debtor in the ordinary course of the debtor's business.

7. Credits:

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

8. Documents:

Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

9. Date and Signature:

The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, attach a complete copy of any power of attorney, and provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

Debtor

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. § 101(10).

Claim

A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. § 101(5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. § 506(a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. § 507(a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may view a list of filed claims in this case by visiting the Claims and Noticing Agent's website at <http://www.kccllc.net/LightSquared>.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. §§ 101-1532), and any applicable orders of the bankruptcy court.

PLEASE SEND COMPLETED PROOF(S) OF CLAIM TO:

LightSquared Claims Processing Center
c/o Kurtzman Carson Consultants LLC
2335 Alaska Avenue
El Segundo, CA 90245

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
(AUGUST 21, 2012)

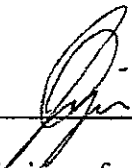
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Lawyers for the Chapter 11 Debtors.

TAB B

Exhibit "B" to the Affidavit of Elizabeth Creary,
sworn before me this 1st day of March, 2013.



Commissioner for Taking Affidavits, etc.

Jawaid Panjwani, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law,
Expires April 6, 2014

Hearing Date: January 31, 2013 at 10:00 a.m. (prevailing Eastern time)
Objection Deadline: January 24, 2013 at 4:00 p.m. (prevailing Eastern time)

Matthew S. Barr
Alan J. Stone
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. ¹)	
	)	Jointly Administered

**NOTICE OF HEARING ON MOTION FOR ENTRY OF 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**

PLEASE TAKE NOTICE that LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, "LightSquared") in the above-captioned chapter 11 cases, submit the motion (the "Motion") for entry of an order further extending LightSquared's exclusive periods to file a plan of reorganization and solicit acceptances thereof.

PLEASE TAKE FURTHER NOTICE that a hearing (the "Hearing") on the Motion will be held before the Honorable Shelley C. Chapman, Judge of the United States

¹ 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.



121208013011700000000001

Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), on **January 31, 2013 at 10:00 a.m. (prevailing Eastern time).**

PLEASE TAKE FURTHER NOTICE that responses or objections, if any, to the Motion and the relief requested therein 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), 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) LightSquared Inc., 10802 Parkridge Boulevard, Reston, VA 20191, Attn: Marc R. Montagner and Curtis Lu, Esq., (ii) 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., (iii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, NY 10004, Attn: Susan D. Golden, Esq., (iv) counsel to U.S. Bank National Association, as administrative agent under the Prepetition Inc. Credit Agreement and the DIP Agreement, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, NY 10036, Attn: Philip C. Dublin, Esq. and Kenneth A. Davis, Esq., (v) counsel to UBS AG, Stamford Branch, as administrative agent under the Prepetition LP Credit Agreement, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: Mark A. Broude, Esq., (vi) counsel to the ad hoc secured group of Prepetition LP Lenders, White & Case LLP, 1155

Avenue of the Americas, New York, NY 10036, Attn: Thomas E Lauria, Esq., and (vii) counsel to Harbinger Capital Partners LLC, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153, Attn: Debra A. Dandeneau, Esq. and Ronit J. Berkovich, Esq., so as to be actually received **no later than January 24, 2013 at 4:00 p.m. (prevailing Eastern time)**. Only those responses or objections that are timely filed, served, and received will be considered at the Hearing.

PLEASE TAKE FURTHER NOTICE that if you do not timely file and serve a written objection to the relief requested in the Motion, the Bankruptcy Court may deem any opposition waived, treat the Motion as conceded, and enter an order granting the relief requested in the Motion without further notice or hearing.

PLEASE TAKE FURTHER NOTICE that a copy of the Motion 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: January 17, 2013

Respectfully submitted,

/s/ Matthew S. Barr
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Counsel to Debtors and Debtors in Possession

Hearing Date: January 31, 2013 at 10:00 a.m. (prevailing Eastern time)
Objection Deadline: January 24, 2013 at 4:00 p.m. (prevailing Eastern time)

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Counsel to Debtors and Debtors in Possession

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

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

**MOTION FOR ENTRY OF 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**

¹ 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 ("TMI") (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.

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LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, "LightSquared") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), file this motion (the "Motion") for entry of an order (the "Order"), pursuant to section 1121(d) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code"), further extending by one hundred and twenty (120) days the exclusive periods during which only LightSquared may file a chapter 11 plan of reorganization and solicit acceptances thereof.

Specifically, LightSquared seeks to further extend (a) the exclusive period to file a chapter 11 plan (the "Exclusive Filing Period") for each of the above-captioned LightSquared debtors through and including Friday, May 31, 2013, and (b) the exclusive period to solicit acceptances of a chapter 11 plan for each of the LightSquared debtors (the "Exclusive Solicitation Period") and, together with the Exclusive Filing Period, the "Exclusive Periods") through and including Wednesday, July 30, 2013. In support of this Motion, LightSquared respectfully states as follows:

Preliminary Statement

1. The overarching purpose of chapter 11 is to afford debtors breathing room as they attempt to restructure their businesses in a value-maximizing manner for the benefit of all of their stakeholders. The issuance by the Federal Communications Commission (the "FCC") of the public notice on February 15, 2012 (i.e., prepetition) that proposed, among other things, to modify LightSquared's satellite licenses to suspend indefinitely LightSquared's authority to conduct ancillary terrestrial component ("ATC") operations, first granted in 2004 (the "2012 Public Notice"), potentially jeopardized the use of LightSquared's spectrum for terrestrial purposes and called into question LightSquared's ability to execute its business plan and deploy a viable 4G LTE wireless network. Against this regulatory backdrop, LightSquared commenced these Chapter 11 Cases on May 14, 2012 (the "Petition Date") to take advantage of

the very breathing room the Bankruptcy Code affords a debtor in possession. To enable LightSquared to take actions consistent with this purpose, the Court (a) granted, at the beginning of these Chapter 11 Cases, LightSquared the use of the Prepetition LP Lenders'¹ cash collateral for one year (until June 13, 2013) to allow it time to continue its discussions with the FCC and other government agencies and (b) entered, on October 1, 2012, an agreed order, pursuant to 11 U.S.C. § 1121(d), extending LightSquared's Exclusive Periods to file a plan of reorganization and solicit acceptances through and including January 31, 2013 and April 1, 2013, respectively [Docket No. 343] (the "First Exclusivity Extension Order").

2. It is uncontestable that continuing discussions with the FCC and other government agencies regarding the deployment of its 4G LTE terrestrial wireless network represent the path most likely to lead towards a value-maximizing reorganization. In pursuit of this objective, LightSquared embarked on a two-prong path. First, LightSquared has worked diligently with the FCC and numerous other government agencies to formulate and implement a constructive solution that would allow LightSquared to implement its 4G LTE terrestrial wireless network and address, or obviate the need to address, all of the issues that the 2012 Public Notice raised that may preclude the deployment of that network.² Second, LightSquared undertook

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them 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 [Docket No. 136] (the "Cash Collateral Order") or the Final Order, Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, and 507, (A) Authorizing Inc. Obligors To Obtain Postpetition Financing, (B) Granting Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay [Docket No. 224] (the "DIP Order"), as applicable.

² Indeed, since the issuance of the 2012 Public Notice, LightSquared regularly has met with, among others, both FCC staff and Commissioners in an effort to address all outstanding regulatory issues, as reflected by the following Notices of *Ex Parte* Presentations, which are attached to the Smith Declaration (as defined below) as Exhibit A-1 through Exhibit A-18, respectively:

(a) Letter from John P. Janka, dated as of March 16, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to FCC staff on March 14, 2012;

painful, but necessary cost-cutting initiatives to ensure sufficient runway to implement its

-
- (b) Letter from John P. Janka, dated as of April 19, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to staff of the International Bureau at the FCC on April 17, 2012;
 - (c) Letter from John P. Janka, dated as of April 19, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to staff of FCC Commissioner Mignon Clyburn's office on April 17, 2012;
 - (d) Letter from John P. Janka, dated as of April 19, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to staff of the Office of Engineering and Technology and the International Bureau on April 17, 2012;
 - (e) Letter from John P. Janka, dated as of May 8, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to staff of Chairman Julius Genachowski's office on May 3, 2012;
 - (f) Letter from John P. Janka, dated as of May 14, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to the Office of General Counsel of the FCC, and staff of the FCC's International Bureau on May 10, 2012;
 - (g) Letter from John P. Janka, dated as of May 17, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to staff of the Office of Engineering and Technology and the Office of Strategic Planning & Policy Analysis on May 15, 2012;
 - (h) Letter from John P. Janka, dated as of June 1, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to staff of Commissioner Robert McDowell on May 31, 2012;
 - (i) Letter from John P. Janka, dated as of July 20, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to staff of Commissioner Ajit Pai on July 19, 2012;
 - (j) Letter from John P. Janka, dated as of July 20, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to staff of Commissioner Jessica Rosenworcel on July 19, 2012;
 - (k) Letter from John P. Janka, dated as of July 20, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to staff of Commissioner Mignon Clyburn on July 19, 2012;
 - (l) Letter from James H. Barker, dated as of July 24, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to the Office of General Counsel of the FCC on July 20, 2012;
 - (m) Letter from Jeffrey Carlisle, dated as August 30, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to Commissioner Ajit Pai and staff on August 28, 2012;
 - (n) Letter from John P. Janka, dated as of August 31, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to FCC staff on August 29, 2012;
 - (o) Letter from John P. Janka, dated as of September 6, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to staff of Commissioner Jessica Rosenworcel on September 4, 2012;
 - (p) Letter from James H. Barker, dated as of September 14, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to staff of Commissioner Mignon Clyburn on September 12, 2012;
 - (q) Letter from John P. Janka, dated as of September 26, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to FCC staff on September 24, 2012; and
 - (r) Letter from Jeffrey Carlisle, dated as October 31, 2012, to Secretary, FCC re: Notice of *Ex Parte* Presentation to Commissioner Robert M. McDowell and staff on October 25, 2012.

regulatory resolution. As evidenced below, in the eight months that have elapsed since the commencement of the Chapter 11 Cases, LightSquared has made significant progress on both of these fronts.

3. An additional extension of the Exclusive Periods is therefore warranted to allow LightSquared to continue to implement its regulatory solution for the benefit of all of the estates' stakeholders. More importantly, however, as described more fully below, terminating the Exclusive Periods at this juncture is fraught with risk because it could result in a material loss of value for all stakeholders by jeopardizing LightSquared's substantial progress on the regulatory front to date. It would likewise be premature because the most opportune time to consider a plan of reorganization (whether or not it contemplates a potential sale) would be following the conclusion of the regulatory process that LightSquared is in the midst of with the FCC and other government agencies. Lastly, terminating the Exclusive Periods at this time is simply unnecessary. Wireless spectrum is not a "melting ice cube" asset; its value only accretes over time as available spectrum becomes increasingly scarce. Moreover, in light of LightSquared's success at cutting costs and extending its financial runway, the Court would have ample opportunity to cause LightSquared to initiate a sale or other process following the conclusion of the requested Exclusive Period extension if it deems appropriate. In short, terminating the Exclusive Periods at this juncture would undermine the central premise of chapter 11 – maximizing the value of a debtor's estate for the benefit of all of its stakeholders.

Background to Motion³

4. Regulatory Progress. At the time the Chapter 11 Cases were commenced, LightSquared was subject to three distinct, but interrelated, regulatory challenges:

- (a) As part of the FCC's order approving Harbinger's acquisition of LightSquared (the "2010 FCC Change of Control Order"), LightSquared was required to meet stringent build-out and coverage milestones, requiring, among other things, the construction of a network that could provide "commercially viable mobile broadband service" to at least 100 million Americans by December 31, 2012. As a consequence of the concerns raised by the GPS industry, as of the Petition Date, it was clear that this milestone would not be met.
- (b) On February 15, 2012, the FCC, among other things, proposed to suspend indefinitely the authorizations on which LightSquared's terrestrial broadband network was premised. As of the Petition Date, the FCC had not indicated that it was considering any other approach regarding the GPS industry concerns.
- (c) LightSquared had not yet publicly articulated a comprehensive regulatory proposal that would permit LightSquared to deploy a terrestrial wireless network, while addressing the concerns raised by the GPS industry.

Today, eight months into the Chapter 11 Cases, LightSquared has completely eliminated the first challenge, effectively mooted the second, and made substantial and tangible progress implementing a solution to the third, all of which has had the effect of further securing the value of the estates for all stakeholders.

³ The facts and circumstances supporting this Motion (a) are set forth in the (i) Declaration of Douglas Smith in Support of LightSquared's Motion for Entry of 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 (the "Smith Declaration"), (ii) Declaration of Marc R. Montagner in Support of LightSquared's Motion for Entry of 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 (the "Montagner Declaration"), and (iii) Declaration of Mark S. Hootnick in Support of LightSquared's Motion for Entry of 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 (the "Hootnick Declaration" and, collectively with the Smith Declaration and the Montagner Declaration, the "Declarations"), and (b) will be proffered, to the extent necessary, through testimony at the hearing on the Motion. Each of the Declarations are being filed contemporaneously with this Motion.

5. First, as noted above, pursuant to the 2010 FCC Change of Control Order, LightSquared was subject to certain network build-out and coverage milestones requiring, among other things, that LightSquared construct a terrestrial broadband network capable of providing coverage to at least 100 million Americans by December 31, 2012. By the Petition Date, however, it had become clear that this milestone would not be met given the issuance of the 2012 Public Notice and LightSquared's inability to deploy a terrestrial network on the terms mandated by the FCC. Accordingly, by letter dated September 24, 2012 to the FCC (the "Build-Out Deferral Request"), a copy of which is attached to the Smith Declaration as Exhibit B-1, LightSquared sought to confirm that the application of the terrestrial build-out conditions previously imposed by the FCC would not apply until such time as the issues surrounding the terrestrial use of its spectrum were clarified. The FCC sought comment on October 10, 2012 with respect to such request (the "Build-Out Deferral Notice for Comment"), a copy of which is attached to the Smith Declaration as Exhibit C-1, and on November 28, 2012, the comment period closed. By order dated December 20, 2012 (the "Build-Out Deferral Order"), a copy of which is attached to the Smith Declaration as Exhibit D, the FCC granted LightSquared's request and found that it served the public interest to toll the build-out requirements previously imposed. This result is particularly notable because the FCC could have easily allowed the milestone to pass and then cite LightSquared's inability to meet it as the reason to terminate LightSquared's FCC authorizations and avoid the need to address the constructive solutions that LightSquared has proposed to the FCC.⁴

⁴ In addition to the Build-Out Deferral Request, additional filings were made with the FCC to address certain other issues that arose as a result of the issuance of the 2012 Public Notice. Specifically, to preserve LightSquared's access to its leased downlink spectrum at 1670 – 1675 MHz (otherwise known as the One Dot Six spectrum), Crown Castle (in consultation with LightSquared) made an October 9, 2012 filing with the FCC (the "Crown Castle Extension Request"), a copy of the narrative to which is attached to the Smith Declaration as Exhibit B-2, in which it sought a three-year extension of the October 2013 build-out requirement deadline that applies to that spectrum. On November 5, 2012, the FCC issued a public notice

6. Second, as also noted above, at the time the Chapter 11 Cases were initiated, the only “solution” to the GPS concerns that formally had been proposed was to indefinitely suspend the FCC authorizations on which LightSquared’s terrestrial broadband network is premised. Today, the FCC is actively considering the solutions that LightSquared has proposed. See Build-Out Deferral Order at 5 (“[W]e find that it is in the public interest to provide for an orderly deliberative process in which LightSquared will have the opportunity to explore solutions to GPS interference concerns.”); id. at 6 (“[W]e conclude that the public interest in this case is better served by maintaining the *status quo* by tolling the build-out requirements than by acting first on the *February 2012 Public Notice*, as proposed by commenters, without considering the proposals in LightSquared’s *ATC Modification Application* and petitions for rulemaking.”); id. (“We believe that it is in the public interest to maintain the *status quo* while the Commission considers LightSquared’s most recent proposal before rendering a decision about whether LightSquared is able to provide service without causing harmful interference to the GPS industry.”). In other words, the FCC now has concluded that the public interest is better served by its consideration of the specific spectrum solution proposed by LightSquared, rather than the indefinite suspension of LightSquared’s licenses, as proposed in the 2012 Public Notice.

7. Finally, LightSquared has made substantial and tangible progress on a regulatory resolution that will permit it to deploy a 4G terrestrial wireless network. On September 28, 2012, LightSquared filed with the FCC – and the FCC expressed to Congress a

(the “Crown Castle Extension Public Notice”), a copy of which is attached to the Smith Declaration as Exhibit C-2, soliciting comments on the requested extension. The comment and reply period with respect to the Crown Castle Extension Public Notice has elapsed and no party has expressed any opposition to the proposed extension on the record. LightSquared anticipates that the FCC will rule on the underlying request in the near term.

willingness to consider⁵ – a series of applications seeking to modify various of its licenses (collectively, the “License Modification Application”), the narrative to which is attached to the Smith Declaration as Exhibit B-3, to

- (a) authorize LightSquared to use the 1675 – 1680 MHz spectrum band on a shared basis with certain government users, including the National Oceanic and Atmospheric Administration (“NOAA”),
- (b) permit LightSquared to “pair” terrestrial use of 1670 – 1680 MHz of downlink spectrum with its two (2) currently authorized 10 MHz of L-band uplink channels, and
- (c) permanently relinquish its right to use the upper 10 MHz of L-band downlink spectrum for terrestrial purposes (that portion of the spectrum closest to the band designated for GPS devices).

8. In conjunction with submitting the License Modification Application, LightSquared also asked that the FCC open a proceeding via a petition for rulemaking, filed on November 2, 2012, and attached to the Smith Declaration as Exhibit B-4, to make an administrative change amending the U.S. Table of Frequency Allocations to add a primary allocation permitting non-federal terrestrial mobile use of the 1675-1680 MHz band (the “Spectrum Allocation Petition for Rulemaking”).

9. At the same time, LightSquared requested that the FCC open an additional proceeding via a petition for rulemaking, filed on September 28, 2012, and attached to the Smith Declaration as Exhibit B-5, to examine conditions under which its additional 10 MHz (1526 – 1536 MHz) of licensed L-band downlink spectrum (near the upper 10 MHz) could be used sometime in the future for terrestrial service (the “Downlink Spectrum Petition for

⁵ In a letter to Congressman James P. Moran, dated as of August 13, 2012 (the “Moran Letter”), a copy of which is attached to the Smith Declaration as Exhibit E, FCC Chairman Julius Genachowski noted that “Commission staff has continued to meet with representatives of LightSquared, and is working with them through the complex issues of this proceeding.” Chairman Genachowski then indicated that if the FCC had a petition before it regarding alternative spectrum for LightSquared, it “will coordinate with NTIA as necessary, and consider any proposals carefully.”

Rulemaking” and, together with Spectrum Allocation Petition for Rulemaking, the “Petitions for Rulemaking” and, collectively with the License Modification Application, the Build-Out Deferral Request, and the Crown Castle Extension Request, the “FCC Applications”).

10. This nuanced, phased, regulatory approach is not a “grand slam,” all-or-nothing regulatory solution. In fact, LightSquared’s regulatory strategy with the FCC Applications is exactly the opposite. LightSquared’s regulatory strategy is to pursue incremental, value-producing results through these multiple FCC Applications, rather than “putting all its eggs in one basket.”

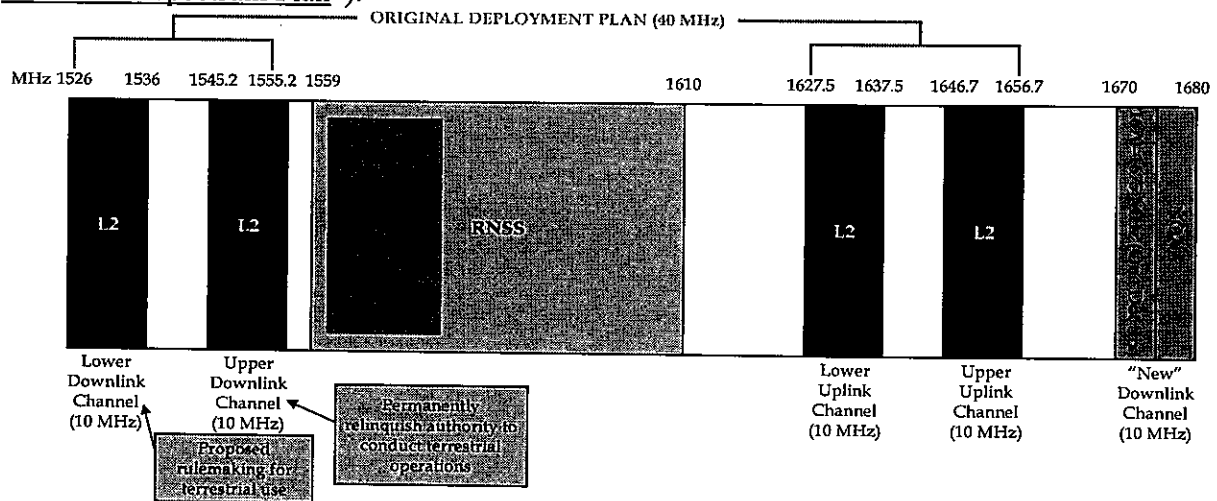
11. First, through the License Modification Application and Spectrum Allocation Petition for Rulemaking, LightSquared specifically seeks access to spectrum that is far away from the band used by GPS users, and therefore less susceptible to the issues that have been raised by those users. In fact, LightSquared proposed to permanently forego terrestrial use of the upper 10 MHz of L-band downlink spectrum, which is close to the band used by GPS users. Grant of the License Modification Application would clear the way for LightSquared to use 30 MHz of spectrum for terrestrial use (of which it already has access to 25 MHz and the remaining 5 MHz would be shared with NOAA). Initially, LightSquared would provide service using one 10 MHz x 10 MHz block – a 1670-1680 MHz downlink channel and a 10 MHz uplink channel located between 1627.5 and 1656.7.⁶ LightSquared would also immediately have an additional 10 MHz channel available for uplink operations.

12. Second, through the Downlink Spectrum Petition for Rulemaking proceeding, LightSquared has asked the FCC to initiate a proceeding to address LightSquared’s potential eventual terrestrial use of a second 10 MHz block of downlink spectrum in the lower 10

⁶ By comparison, 10 MHz x 10 MHz is generally what Verizon and AT&T currently use in deploying their 4G LTE networks.

MHz (1526 – 1536 MHz) of the L-band. This proceeding would provide LightSquared and other interested spectrum users the opportunity to determine collaboratively whether and, if so, under what conditions, the lower 10 MHz of L-band spectrum could be used for terrestrial purposes. Thus, LightSquared is pursuing a solution through the License Modification Application that would provide it with sufficient spectrum to get its business up and running, and, inviting the FCC, through the Downlink Spectrum Petition for Rulemaking, to develop terms under which spectrum closer to GPS could be used for terrestrial service over the longer term.

13. The chart below demonstrates LightSquared's proposed new wireless deployment plan as compared against its original wireless network deployment plan (the "Alternative Spectrum Plan").



Note: Chart excludes 6 MHz of LightSquared's spectrum dedicated to satellite services.

14. Following the filing of the License Modification Application and the Petitions for Rulemaking, the FCC issued public notices of the filings, which established pleading cycles for the submission of comments from interested parties and the public. On November 9, 2012 and November 16, 2012, the FCC issued public notices seeking comment on, respectively, the Spectrum Allocation Petition for Rulemaking (the "Spectrum Allocation Public Notice"), a copy of which is attached to the Smith Declaration as Exhibit C-3, and the Downlink

Spectrum Petition for Rulemaking (the “Downlink Spectrum Public Notice”), a copy of which is attached to the Smith Declaration as Exhibit C-4. More importantly, on November 16, 2012, the FCC issued a public notice seeking comment on LightSquared’s License Modification Application (the “License Modification Public Notice” and, collectively with the Build-Out Deferral Notice for Comment, the Crown Castle Extension Public Notice, the Spectrum Allocation Public Notice, and the Downlink Spectrum Public Notice, the “Public Notices”), a copy of which is attached to the Smith Declaration as Exhibit C-5. As of the date hereof, the formal pleading cycle for each of the Spectrum Allocation Public Notice, the Downlink Spectrum Public Notice, and the License Modification Public Notice has closed.

15. The vast majority of submissions filed in response to the License Modification Application – the primary vehicle on which the deployment of LightSquared’s 4G LTE wireless network depends – have been supportive and reflect widespread recognition of the public interest benefits that would flow from facilitating the implementation of LightSquared’s 4G LTE terrestrial wireless network by granting the License Modification Application.⁷

16. With the formal pleading cycle complete, further action on the License Modification Application is now in the hands of the FCC. Although the timetable for a decision by the FCC is difficult to predict, LightSquared strongly believes that the focus of the government agencies has shifted from indefinitely suspending LightSquared’s terrestrial authority, as originally proposed in the 2012 Public Notice, to considering the types of constructive solutions that LightSquared has proposed. Indeed, the FCC and other government

⁷ Moreover, the discrete concerns raised by a handful of parties consist of (a) unsubstantiated claims that LightSquared’s modified operations *could* result in interference to other spectrum users, (b) mischaracterizations of the FCC’s broad statutory authority to grant license modification applications, and (c) suggestions that the FCC could now take the punitive actions proposed in the 2012 Public Notice instead of considering the comprehensive solution of which the License Modification Application is a part (a course of action that the FCC has already rejected, as discussed above).

agencies have provided indications that they are, and continue to be, receptive to finding solutions that will provide LightSquared the necessary regulatory approvals to build its terrestrial broadband network. For example, at a House Energy and Commerce Committee hearing on September 21, 2012 (the “FCC Hearing”), the chief of the FCC’s Office of Engineering Technology acknowledged that the FCC is willing to consider alternative solutions with respect to LightSquared and stated in connection therewith that “LightSquared has put some new ideas on the table and we think everything is worth considering at this point.”⁸ Chief of the International Bureau at the FCC agreed “absolutely” with Representative DeGette that the “review process is still open because [the FCC is] still trying to find a solution” and that “LightSquared has come forward with [proposals] to use different parts of the spectrum.”⁹

17. Such indications have further been reflected in FCC correspondence with members of Congress during the public notice and comment process, including:

- (a) “Commission staff has continued to meet with representatives of LightSquared and is working through the complex issues of this proceeding. LightSquared recently filed a series of license modification requests and a related petition for rulemaking that seeks access to spectrum that is currently shared with the Federal Government. The Commission is in the process of coordinating this request with our counterparts at NTIA as necessary. Please be assured that the Commission will consider this matter carefully.” See Letter to Senator Kent Conrad, dated as of November 27, 2012, from Chief of the International Bureau at the FCC (the “Conrad Letter”), attached to the Smith Declaration as Exhibit F-2; and
- (b) “LightSquared recently submitted various filings proposing alternatives to its existing authorizations in the L-band. Commission staff is reviewing these filings and the complex technical issues associated with LightSquared’s proposals.” See Letter to Senator Mark Begich, dated as of December 3, 2012,

⁸ Unofficial Video Recording of FCC Hearing at <http://www.youtube.com/watch?v=n8F5NVzc0T0>.

⁹ Id. The full transcript of the FCC Hearing is attached to the Smith Declaration as Exhibit F-1.

from FCC Chairman Julius Genachowski (the "Begich Letter"), attached to the Smith Declaration as Exhibit F-3.

18. Moreover, in the recently issued Build-Out Deferral Order, the FCC International Bureau expressly declined to act first on the 2012 Public Notice because it stated that it was in the public interest for the FCC to consider LightSquared's proposals for an alternative spectrum plan. It noted:

We find that addressing the build-out requirements will maintain the *status quo* while the Commission considers the *February 2012 Public Notice* issues in light of LightSquared's *ATC Modification Application*. In this case, we find that it would further the public interest to maintain the *status quo* while considering the proposals in the record developed pursuant to the *February 2012 Public Notice*, as well as the *ATC Modification Application*. In addition, we conclude that the public interest in this case is better served by maintaining the *status quo* by tolling the build-out requirements than by acting first on the *February 2012 Public Notice*, as proposed by commenters, without considering the proposals in LightSquared's *ATC Modification Application* and petitions for rulemaking. . . . We believe that it is in the public interest to maintain the *status quo* while the Commission considers LightSquared's most recent proposal before rendering a decision about whether LightSquared is able to provide service without causing harmful interference to the GPS industry.

See Build-Out Deferral Order at 6. It further noted that "we find that it is in the public interest to provide for an orderly deliberative process in which LightSquared will have the opportunity to explore solutions to GPS interference concerns." Id. at 5. Finally, a spokesperson for the National Telecommunications & Information Administration (the "NTIA"),¹⁰ in responding to a request for comment on the License Modification Application, stated that the NTIA is

aware of LightSquared's interest in sharing the 1675-1680 MHz band with federal users. . . . The primary federal agency using this spectrum is [National Oceanic and Atmospheric Administration], which operates satellites and radiosondes in this band. If requested by the FCC, NTIA will work with NOAA to evaluate LightSquared's request as it affects federal government spectrum users.

¹⁰ The NTIA manages the federal government's use of spectrum, ensuring that United States' domestic and international spectrum needs are met while making efficient use of this limited resource. In determining whether to grant the FCC Applications, the FCC will consult with the NTIA in certain cases.

(See Paul Barbagallo, *Latest LightSquared Plan Hinges on Sharing Spectrum with Federal Government Agencies*, Telecommunications MonitorTM (Oct. 2, 2012), a copy of which is attached to the Smith Declaration as Exhibit G.)

19. It is thus eminently clear that LightSquared has made substantial and tangible regulatory progress since the issuance of the 2012 Public Notice and commencement of the Chapter 11 Cases. Today, the FCC and other federal agencies are on record stating their desire to consider LightSquared's proposed solutions. They are actively doing so, instead of pursuing the proposal in the 2012 Public Notice to suspend indefinitely LightSquared's authorizations to build a terrestrial wireless network.

20. Operational and Case Administration Matters. In addition to the significant progress LightSquared has made on the regulatory front, considerable progress has also been made on the operational front. Indeed, as mentioned in connection with LightSquared's initial request to extend exclusivity, LightSquared undertook, among other things, the following necessary actions to administer the Chapter 11 Cases in an efficient and orderly manner:

- (a) obtaining interim (where appropriate) and final Court approval of the relief requested in the first-day and second-day motions to allow LightSquared to seamlessly continue its operations during these Chapter 11 Cases;
- (b) securing, for One Dot Six Corp., LightSquared Inc., One Dot Four Corp., and One Dot Six TVCC Corp. (collectively, the "Inc. Obligors"), final approval of a debtor in possession financing facility in the amount up to \$51.4 million (the "DIP Facility"), which DIP Facility will enable the Inc. Obligors to finance their build-out, make necessary lease payments, and administer their Chapter 11 Cases;
- (c) resolving – both in court and through out-of-court negotiations – various disputes with the Prepetition Secured Parties (as defined below) regarding the (i) consensual use of over \$190 million of

Cash Collateral and the granting of adequate protection and
(ii) terms of the DIP Facility;

- (d) retaining numerous professionals, including Moelis & Company (“Moelis”), to assist in drafting, reviewing, and updating a comprehensive budget, and developing and implementing a successful reorganization strategy;
- (e) completing and operating under budgets that have been vetted and approved by the Prepetition Secured Parties and the DIP Agent and the DIP Lenders, as appropriate;
- (f) implementing initiatives to preserve value and streamline costs during the Chapter 11 Cases, including reducing its workforce postpetition by approximately 22%, as well as other operating expenses;
- (g) preparing and filing schedules of assets and liabilities (“Schedules”) and statements of financial affairs (“SOFAs”) for all twenty (20) LightSquared debtors;
- (h) establishing claims bar dates by Court order (the “Bar Date Order”);
- (i) obtaining authorization to reject the employment agreement between LightSquared and its former CEO and Chairman of the Board and approving a settlement under Rule 9019 of the Federal Rules of Bankruptcy Procedure of potential claims and interests;
- (j) appointing Douglas Smith as LightSquared’s Interim Chief Executive Officer, President, and Chairman of the Board;
- (k) obtaining authorization to reject the lease on LightSquared’s headquarters in New York City and eliminating expenses associated with this facility;
- (l) establishing procedures to sell or abandon its assets of *de minimis* value; and
- (m) collaborating with the Prepetition Agents and the Prepetition Lenders (collectively, the “Prepetition Secured Parties”), holders of over \$2 billion of LightSquared’s prepetition debt obligations, the DIP Agent and the DIP Lenders, and each of their retained professionals, by (i) consulting with, and incorporating comments of, the Prepetition Secured Parties, the DIP Agent, the DIP Lenders, and the U.S. Trustee with respect to key motions filed

with the Court, and (ii) providing periodic updates regarding relevant issues.

21. Since then, LightSquared has continued to take a number of critical steps to successfully reorganize and to support the regulatory resolution discussed above with respect to deployment of its 4G LTE terrestrial wireless network, including, among other things:

- (a) consensually resolving with the U.S. Trustee and the ad hoc secured group of Prepetition LP Lenders (the “Ad Hoc Secured Group”) a key employee incentive program for LightSquared’s management;
- (b) negotiating extensions of time to assume or reject unexpired leases of nonresidential real property;
- (c) assuming an agreement, as amended, between LightSquared LP and BandRich Inc. with respect to wireless communications devices, thereby ensuring continued development and manufacture of the very products that will be key to LightSquared’s business plan upon successful implementation of its 4G LTE wireless network and significantly reducing LightSquared’s exposure thereunder;
- (d) amending the DIP Agreement to, among other things, exclude certain professional restructuring fees from budget compliance testing;
- (e) reviewing and reconciling claims filed against LightSquared pursuant to the Bar Date Order;
- (f) responding to discovery requests propounded, and pleadings filed, by the Ad Hoc Secured Group in connection with the Prepetition Inc. Obligations; and
- (g) continuing to (i) consult with, and incorporate comments of, the Prepetition Secured Parties, the DIP Agent, the DIP Lenders, and the U.S. Trustee with respect to key motions filed with the Court, and (ii) provide detailed updates regarding relevant issues, including key regulatory developments, to both the Prepetition Secured Parties and the DIP Lenders.

Most importantly, however, despite certain litigious aspects of these Chapter 11 Cases, LightSquared has consistently remained under budget when compared to those budgets attached

to the Cash Collateral Order and the DIP Order, as applicable, and has also continued to implement a variety of cost-cutting measures, all with the goal of enhancing liquidity available to LightSquared to effectively reorganize over an appropriate period of time. Specifically, LightSquared has, among other things:

- (a) reduced headcount by approximately 23.6% since the Petition Date;
- (b) tightly managed costs and expenses (i.e., marketing, IT, travel, professional fees, and consultants) based on the current state of the business;
- (c) significantly reduced facilities/telecom costs, primarily through the termination of the lease on the LightSquared's headquarters at 450 Park Avenue in New York City;
- (d) reduced the in-orbit insurance rate negotiated relative to the budgeted amount; and
- (e) focused on core capital expenditure programs and postponed non-core capital expenditure programs to conserve cash, with ongoing vendor negotiations that could yield some long-term savings.

22. Through these actions, each of which has been detailed in the monthly cash flow updates to the Prepetition Secured Parties, the DIP Agent, and the DIP Lenders,¹¹ LightSquared has, from June 1, 2012 through December 31, 2012, spent \$19.6 million less on an operating basis and \$13.1 million less in capital expenditures when compared to the forecasts attached to the Cash Collateral Order and the DIP Order, and enhanced its cash position by approximately \$40.9 million as of December 31, 2012, all as demonstrated in the chart below. As a result, in part, LightSquared projects having cash of approximately \$61.7 million at the LP

¹¹ The latest monthly cash flow update, dated as of January 10, 2013, is attached to the Montagner Declaration as Exhibit A.

Group¹² and \$17.9 million at the Inc. Group¹³ (excluding TMI), totaling, with \$11.4 million at TMI, \$91 million on June 30, 2013 (instead of approximately \$46 million as initially budgeted at the outset of these Chapter 11 Cases).

\$58.2 million	\$39.6 million	\$18.6 million
\$13.4 million	\$0.5 million	\$12.9 million
\$97.2 million	\$137.6 million	\$40.4 million
\$5.8 million	\$4.8 million	\$1.0 million
\$0.2 million	\$0.0 million	\$0.2 million
\$22.5 million	\$23.0 million	\$0.5 million
\$64.0 million	\$44.4 million	\$19.6 million
\$13.6 million	\$0.5 million	\$13.1 million
\$119.6 million	\$160.6 million	\$40.9 million

Moreover, LightSquared remains on target to maintain much of this liquidity enhancement as of June 30, 2013, including the fact that it has made and will continue to make monthly adequate protection payments of \$6.25 million to the Prepetition LP Lenders.¹⁴

¹² The "LP Group" consists of the following Debtor entities: 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., and Lightsquared Bermuda Ltd.

¹³ The "Inc. Group" consists of the following Debtor entities: LightSquared Inc., LightSquared Investors Holdings Inc., One Dot Six Corp., One Dot Four Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, SkyTerra Investors LLC, TMI Communications Delaware, Limited Partnership, LightSquared GP Inc., and One Dot Six TVCC Corp.

¹⁴ Given LightSquared's enhanced cash position, it is worth noting again that press reports mischaracterizing the losses set forth in LightSquared's monthly operating reports as evidence that LightSquared is bleeding cash are wholly inaccurate. Such accounting losses reflect PIK accrual of interest and other non-cash items and are thus more properly considered balance sheet items as opposed to cash disbursements (which totals

	\$17.7 million	\$61.7 million
	\$16.9 million	\$17.9 million
	\$11.4 million	\$11.4 million
	\$46 million	\$91 million

As a result of the foregoing, LightSquared believes it has extended its cash runway that is projected to fund the LightSquared estates into fourth quarter 2013 (without the use of the unencumbered cash at TMI).

23. Viewing the regulatory and operational actions taken by LightSquared thus far, and the results achieved in a much quicker timeframe than anyone anticipated, it is clear that significant progress has been made on the very issues that will inform and frame LightSquared's plan of reorganization and exit strategy. Indeed, even the markets have recognized the significant progress LightSquared has achieved thus far, as evidenced by the increase in debt claim prices of the Prepetition LP Obligations from \$0.38, after the issuance of the 2012 Public Notice, to \$0.90, as of the date hereof. Such increase in debt claim prices only serves to highlight the optimism with which the market views the value of LightSquared's assets specifically, as well as the spectrum market more broadly.

approximately \$13 million per month). Moreover, such reports ignore that \$6.25 million of the approximately \$13 million being spent per month constitutes payment to the Prepetition LP Lenders for (a) their advisors' fees (approximately \$5.6 million in total through January 2, 2013, which does not include certain invoices for November and December 2012), (b) approximately \$180,000 in agency fees through January 2, 2013, and (c) interest payments (approximately \$38 million in total through January 2, 2013). In other words, approximately 48% of all cash expended on a monthly basis by LightSquared is paid directly to, or for the benefit of, the Prepetition LP Lenders.

24. Path Forward and Out of Bankruptcy. Although LightSquared is seeking an additional extension of the Exclusive Periods by one hundred and twenty (120) days, it is not doing so in a vacuum. This additional extension request is necessary to allow LightSquared to continue to further secure the value of its estates for all stakeholders. It is also a key step in realizing a path forward out of bankruptcy in a manner that is as expeditious and efficient as possible. By seeking a one hundred and twenty (120) day extension of the Exclusive Periods, LightSquared is not questioning that it must adopt a plan of reorganization that either contemplates the repayment or satisfaction of prepetition creditors or a sale process. Rather, the key question for the Court in considering whether to extend the Exclusive Periods is one of timing – when is the optimal time to commence the process by which a debtor will exit bankruptcy. One set of stakeholders, the Ad Hoc Secured Group, has suggested that the right time to require LightSquared to initiate a sale process is now, or at the very latest, early spring of this year. LightSquared, in the interest of all stakeholders, disagrees for at least three reasons:

- (a) The termination of the Exclusive Periods and commencement of a sale process at this time potentially would be value-destructive, as it could significantly undermine, if not completely halt, the progress LightSquared has made to date with relevant government agencies, which has been substantial. As described in more detail above, since the Petition Date, build-out requirements that LightSquared could not satisfy have been eliminated; the proposal to indefinitely suspend the FCC authorizations on which LightSquared's terrestrial broadband network is premised has been superseded by LightSquared's proposals to resolve all technical issues; and a comprehensive regulatory solution has been proposed and is under consideration by the FCC and other relevant government agencies.
- (b) The best way to maximize value for the LightSquared estates is after the regulatory process regarding the License Modification Application is complete.
- (c) The termination of the Exclusive Periods and commencement of a sale process is not necessary at this time because the substantial

cash preservation efforts of LightSquared have resulted in an extended cash runway into the fourth quarter of 2013, providing ample time to commence and complete a resolution of the Chapter 11 Cases after the currently requested extensions.

25. First, the termination of the Exclusive Periods and commencement of a sale process at this time could have an adverse impact on LightSquared's continued progress at the FCC, which creates an unnecessary risk of destroying value. Under the Communications Act of 1934, as amended, any "transfer of control" of LightSquared would require prior FCC approval in yet another FCC proceeding (with an attendant pleading and comment cycle). In addition, the FCC Applications currently pending involve discrete – if complex – engineering and technical issues. If there was a change of control, the FCC would be obligated to consider various other factors, including character and license qualification issues with respect to any new owners; compliance with foreign ownership requirements of the Communications Act and other federal national security requirements; competition-related concerns; spectrum concentration/consolidation issues; and whether the proposed transaction would yield affirmative public interest benefits that offset any potential public interest harms. Moreover, the FCC and other government agencies might delay making a decision on the License Modification Application until it becomes clear with which new controlling entities they are dealing.

26. Second, the optimal time to maximize value for the estates is after the License Modification Application process is complete. No one can seriously dispute that reaching a conclusion to this process is the best way to attract serious, long-term strategic and financial investors or to obtain the greatest value for the assets. In the absence of a credible concern – and LightSquared is not aware of any – that the value of LightSquared's spectrum is declining, no reason exists to artificially and prematurely depress the value of LightSquared's spectrum assets. In fact, as previously noted, LightSquared believes that the significant value of

its assets has become more clear as the FCC proceedings continue and its assets are far from “melting ice cubes.”

27. Finally – and particularly in light of the risks described above – there is simply no need to commence a sale process at this point. As described in further detail above, since the Petition Date, LightSquared has efficiently managed its businesses and undertaken significant cost-saving measures, which has resulted in a cash runway that not only is significantly longer than that projected by LightSquared at the outset of these Chapter 11 Cases, but is also projected to fund the LightSquared estates into fourth quarter 2013.¹⁵ Specifically, LightSquared at this time projects that, as of June 30, 2013, the LP Group will have \$61.7 million cash on hand (in contrast to the previously projected \$17.7 million) and the Inc. Group (excluding TMI) will have \$17.9 million cash on hand (in contrast to the previously projected \$16.9 million). With the additional usage of the approximately \$11.4 million of unencumbered cash at TMI, which LightSquared would use to fund expenses of the LP Group estates, LightSquared will have more than sufficient funds to commence a resolution of the Chapter 11 Cases after the currently requested exclusivity extensions.

28. LightSquared respectfully submits that an extension of the Exclusive Periods by one hundred and twenty (120) days strikes an appropriate balance among those interests of all stakeholders in these Chapter 11 Cases. The benefits of this timetable are at least fourfold. First, LightSquared will have the benefit of additional time to allow the regulatory process to progress forward. Second, more certainty about the outcome of these discussions will significantly enhance LightSquared’s ability to formulate a confirmable plan of reorganization.

¹⁵ Current cash on hand is projected to fund the estates comprising the Inc. Group until maturity of the DIP Facility (i.e., November 15, 2013) and the estates comprising the LP Group through the end of November 2013. Usage of the unencumbered cash at TMI is expected to further extend the runway into January 2014 for the estates comprising the LP Group.

Third, by providing a “stop, look, and listen” hearing on exclusivity in one hundred and twenty (120) days, all stakeholders in these Chapter 11 Cases will have another opportunity to assess LightSquared’s progress on these regulatory discussions and to ensure that LightSquared is on track with its reorganization efforts. LightSquared anticipates this review would include, among other things, a review of LightSquared’s cash position, LightSquared’s efforts to negotiate a consensual resolution with its constituencies, and, of course, LightSquared’s progress on its regulatory discussions. Finally, at the conclusion of this one hundred and twenty (120)-day period, LightSquared anticipates that it will have liquidity into the fourth quarter of 2013, absent further financing (and using the TMI unencumbered cash). This cushion of additional liquidity should, in turn, provide LightSquared with more than ample opportunity to conduct a sale process (estimated to last no more than four (4) months) and/or craft an alternative resolution of the Chapter 11 Cases, if LightSquared and/or the Court deems it appropriate at such time.

29. Moreover, such a timetable will not prejudice any of LightSquared’s stakeholders. First, as described above, the value of LightSquared’s core asset – wireless spectrum – is not declining. Second, the extension of the cash runway into at least the fourth quarter of 2013 has reduced, if not eliminated, the risk that LightSquared will deplete funds before it can implement a restructuring. Third, as will be discussed in further detail below, all of LightSquared’s stakeholders have been kept fully informed of all progress, both regulatory and operational, on a regular basis, and such progress only inures to the benefit of all of these stakeholders.

30. Thus, balancing the negligible (if any) harm of waiting an additional few months to exit bankruptcy against (a) LightSquared’s achievements to date in a complex restructuring, (b) LightSquared’s business judgment that additional time is needed to implement

a successful restructuring, (c) the eminent reasonableness of LightSquared's strategy for enhancing value for all stakeholders, and (d) the very real threat that premature termination of the Exclusive Periods could endanger the regulatory process underway, it becomes clear that an extension of the Exclusive Periods is necessary to maximize the value of the estates. In addition, at the end of this one hundred and twenty (120)-day period, all stakeholders will have ample time to evaluate – and resources to implement – the appropriate path to conclude these Chapter 11 Cases.

Jurisdiction

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

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

33. The statutory basis for the relief requested herein is section 1121(d) of the Bankruptcy Code.

Case Background

34. On the Petition Date, LightSquared filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

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

36. Currently, LightSquared's Exclusive Periods to file a chapter 11 plan and solicit acceptances thereof expire on January 31, 2013 and April 1, 2013, respectively.

Relief Requested

37. By this Motion, LightSquared respectfully requests entry of the Order, pursuant to section 1121(d) of the Bankruptcy Code, further extending the Exclusive Filing Period through and including May 31, 2013 (i.e., for one hundred and twenty (120) days) and the Exclusive Solicitation Period through and including July 30, 2013 (i.e., for one hundred and twenty (120) days) for cause, without prejudice to LightSquared's right to seek further extensions of the Exclusive Periods.

Basis for Relief

A. Legal Standard for Extending Exclusive Periods

38. Sections 1121(b) and (c) of the Bankruptcy Code provide, respectively, that a debtor has the exclusive right to propose a chapter 11 plan for the first one hundred and twenty (120) days of a chapter 11 case and the exclusive right to solicit votes for its plan for an additional sixty (60) days thereafter. As mentioned above, the Court entered the First Exclusivity Extension Order, which provides that LightSquared's Exclusive Filing Period will expire on January 31, 2013, and the Exclusive Solicitation Period will expire on April 1, 2013.

39. Section 1121(d) of the Bankruptcy Code authorizes a bankruptcy court to extend a debtor's exclusive period for filing a chapter 11 plan and to solicit votes thereon, for cause, to as much as eighteen (18) months (to file a plan) and twenty (20) months (to solicit votes thereon) from the petition date. 11 U.S.C. § 1121(d). Specifically, section 1121(d)(1) of the Bankruptcy Code states that:

[O]n request of a party in interest made within the respective periods specified in subsections (b) and (c) of this section and after notice and a hearing, the court may *for cause* reduce or increase the 120-day period or the 180-day period referred to in this section.

11 U.S.C. § 1121(d)(1) (emphasis added).

40. Although the Bankruptcy Code does not define “cause,” the legislative history indicates that “cause” is intended to be a flexible standard that balances the competing interests of a debtor and its creditors. See H.R. Rep. No. 95-595 at 231, 232 (1978), reprinted in 1978 U.S.C.C.A.N. 5963, 6191. This flexibility is intended to give a debtor an adequate opportunity to stabilize its business operations at the outset of the case and then to negotiate a plan with its creditors.

41. The mere complexity and size of a chapter 11 case may warrant extension of the exclusive periods in order to permit a debtor meaningful opportunity to formulate a chapter 11 plan. See, e.g., In re Texaco Inc., 76 B.R. 322, 325-276 (Bankr. S.D.N.Y. 1987) (holding that “cause” existed to grant debtor’s request to extend exclusivity based on size and complexity of case alone); In re Manville Forest Prods. Corp., 31 B.R. 991, 995 (S.D.N.Y. 1983).

42. In addition to considering the complexity and size of a chapter 11 case, courts consider the following factors in deciding whether “cause” exists to extend a debtor’s exclusive period:

- (a) the necessity for sufficient time to permit the debtor to negotiate a chapter 11 plan and prepare adequate information;
- (b) the existence of good faith progress toward reorganization;
- (c) the fact that the debtor is paying its bills as they come due;
- (d) whether the debtor has demonstrated reasonable prospects for filing a viable plan;
- (e) whether the debtor has made progress in its negotiations with creditors;
- (f) the amount of time that has elapsed in the case;

- (g) whether the debtor is seeking to extend exclusivity to pressure creditors to accede to the debtor's reorganization demands; and
- (h) the existence of an unresolved contingency.

See In re Adelphia Commc'ns Corp., 352 B.R. 578, 587 (Bankr. S.D.N.Y. 2006) (listing factors); In re Lionel L.L.C., No. 04-17324, 2007 WL 2261539, at *6 (Bankr. S.D.N.Y. Aug. 3, 2007) (same).

43. Not all of these factors are relevant in every case, and a finding that any one of these factors exists may justify extending a debtor's exclusive periods. See In re Express One Int'l, 194 B.R. 98, 100 (Bankr. E.D. Tex. 1996) (relying on four of Adelphia factors to determine whether cause exists to extend exclusivity); In re Interco, Inc., 137 B.R. 999, 1001 (Bankr. E.D. Mo. 1992) (finding that four factors showed that bondholders' committee failed to show cause to terminate debtors' exclusivity).

44. As discussed in this Motion, the facts and circumstances of these Chapter 11 Cases satisfy the foregoing factors and demonstrate that more than sufficient cause exists to grant LightSquared's requested additional extension of the Exclusive Periods.

B. Cause Exists To Extend Exclusive Periods

(i) These Chapter 11 Cases Are Large and Complex

45. The legislative history of section 1121(d) of the Bankruptcy Code provides that "if an unusually large company were to seek reorganization under chapter 11, the court would probably need to extend the time in order to allow the debtor to reach an agreement." H.R. Rep. No. 95-595, at 232 (1978), reprinted in 1978 U.S.C.C.A.N. 5787, 6191, 6362; see also In re Texaco, Inc., 76 B.R. at 326 ("The large size of a debtor and the consequent difficulty in formulating a plan of reorganization for a huge debtor with a complex financial structure are important factors which generally constitute cause for extending the exclusivity

periods.”). There is no question that the size and complexity of these Chapter 11 Cases alone warrant granting LightSquared’s request for an additional extension of the Exclusive Periods. There is similarly no doubt that, as in other large and complex reorganization cases, LightSquared’s Exclusive Periods do not provide remotely sufficient time to pursue the objectives of a chapter 11 reorganization.

46. As this Court is aware, these Chapter 11 Cases involve twenty (20) debtors, with assets and operations located in five states and one territory in the United States and four provinces in Canada. LightSquared had approximately \$4.48 billion in total assets (book value) and \$2.29 billion in total liabilities as of the Petition Date. In addition, LightSquared is still subject to proceedings before government agencies, regarding LightSquared’s spectrum licenses and LightSquared’s authority to deploy a 4G LTE terrestrial broadband network. As LightSquared has maintained since the commencement of these Chapter 11 Cases, resolutions (or lack thereof) of these issues will likely ultimately form the cornerstone of any chapter 11 plan and necessarily dictate recoveries to LightSquared’s stakeholders. As discussed above, while substantial progress has been made to resolve these complex regulatory, technical, and contractual issues through submission of the Alternative Spectrum Plan, LightSquared needs more time to permit the regulatory process to run its course and allow the FCC to rule on the Alternative Spectrum Plan. Distraction by competing plans or having to seek additional, frequent extensions of the Exclusive Periods will – in LightSquared’s view – not only needlessly waste estate resources, but also could significantly undermine, if not completely halt, the ongoing regulatory process and, thus, substantially hinder LightSquared’s ability to maximize the value of these estates. See In re Express One Int’l, Inc., 194 B.R. at 100 (in granting third exclusivity extension, court noted that reorganization of debtor airline was

especially complex because of “additional considerations of the involvement of governmental regulatory agencies such as the FAA, licensing requirements and standards for the transport of cargo and passengers, and the incidental impact on international and interstate commerce”).

47. Moreover, on September 25, 2012 and November 12, 2012, the deadlines to file prepetition claims for non-governmental units (the “General Bar Date”) and governmental units (the “Governmental Unit Bar Date” and, together with the General Bar Date, the “Bar Dates”), respectively, lapsed, and claims were filed against the LightSquared estates. Given that LightSquared’s management, employees, and advisors have, understandably, predominantly focused on the regulatory process, cost-cutting initiatives, and financing arrangements throughout these Chapter 11 Cases, LightSquared needs additional time both to evaluate the universe and value amount of claims asserted against LightSquared and to subsequently formulate a chapter 11 plan and prepare a disclosure statement containing adequate information for solicitation purposes. *See, e.g., In re Borders Group, Inc.*, 460 B.R. 818, 826 (Bankr. S.D.N.Y. 2011) (“The . . . bar date is important so that the Debtors can understand the number, nature and amount of valid claims against the estate. The Debtors need a reasonable amount of time to review and evaluate these claims. Without this information, it is difficult for the Debtors to prepare adequate information.”).

(ii) *Significant Unresolved Contingencies Must Be Addressed*

48. While the complexity and size of the Chapter 11 Cases alone merit the extension of the Exclusive Periods, courts also have recognized the need to resolve important contingencies as justification therefor. *See, e.g., In re Borders Group, Inc.*, 460 B.R. at 826; *Adelphia Commc’ns*, 352 B.R. at 587. Generally, “the type of unresolved contingency which would be relevant to a motion to extend or to terminate exclusivity is one which is external to the case itself.” *In re Dow Corning Corp.*, 208 B.R. 661, 666 (Bankr. E.D. Mich. 1997).

49. This factor is particularly relevant to this request for an extension of the Exclusive Periods. As consistently recognized by all parties in interest in these Chapter 11 Cases, the success of LightSquared's operational restructuring continues to be dependent on a critical, external contingency – reaching a resolution with respect to the status of LightSquared's regulatory authority to deploy its 4G LTE wireless broadband network.¹⁶ As discussed above, since entry of the First Exclusivity Extension Order, LightSquared has laid the foundations for a successful restructuring through its various FCC Applications and, as more relevant here, its Alternative Spectrum Plan. While such FCC Applications have been subjected to public notice and comment periods which have, at this time, concluded, the FCC must take the final step and rule on the License Modification Application. Absent such a ruling and a resolution of this critical contingency thereby (or significant clarity of these issues), LightSquared and its stakeholders should not be forced to negotiate and propose a confirmable plan of reorganization, or implement a sale, as LightSquared believes that it will significantly undervalue LightSquared's business and assets. See In re Swatara Coal Co., 49 B.R. 898, 899-900 (Bankr. E.D. Pa. 1985) (extending exclusivity and stating in support thereof, “[w]e also agree that the subject matter of these negotiations is central to the operation of the debtor’s business and that, if successful, the negotiations would likely enable the debtor to file a viable reorganization plan and to rehabilitate itself as an ongoing business concern, thereby also benefitting the debtor’s creditors”).¹⁷

¹⁶ See Transcript of May 29, 2012 Hr’g at 188:1-4 (Mr. Lauria: “It’s hard to know right now what a single or a double is, okay? If the fork in the road is FCC accommodation in some fashion or no FCC accommodation – the toggle is kind of billions or, as a practical matter, zero.”); id. at 196:15-17 (Mr. Lauria: “[T]hey’re not facing all the contingencies that we are down at LP. They aren’t dependant (sic) on an outcome at the FCC.”).

¹⁷ Because LightSquared is attempting to obtain regulatory approval to deploy its 4G LTE wireless network, which, once obtained, will likely form the cornerstone of a chapter 11 plan and necessarily dictate recoveries to LightSquared’s stakeholders, its situation is diametrically opposite to those cases where courts have held

50. As accepted by all stakeholders from the outset, this restructuring “will take an extended period of time.” See The Ad Hoc Secured Group of LightSquared LP Lenders’ Supplemental Objection to the Debtors’ Motion for Authorization To Use Cash Collateral [Docket No. 90], at 3; see also Transcript of May 29, 2012 Hr’g at 63:4-6 (“Mr. Kurtz: By the way, it could also take years for the FCC to issue a license, if they ever agree to do so, correct? Mr. Montagner: It may take a long time, correct.”). LightSquared, however, through its diligent and good-faith efforts, has moved forward that process as rapidly as possible by filing the FCC Applications, including the License Modification Application, and the public notice and comment period has now been concluded. LightSquared is now merely seeking additional time to allow the FCC to issue a ruling with respect to its Alternative Spectrum Plan and thereby permit it to file a meaningful plan of reorganization that maximizes value for all stakeholders.

(iii) *LightSquared Has Made Good-Faith Progress Toward Reorganization and Has Demonstrated Reasonable Prospects for Filing Viable Plan*

51. The “purpose of [c]hapter 11 reorganization is to assist financially distressed business enterprises by providing them with breathing space in which to return to a viable state.” C-TC 9th Ave. P’ship v. Norton Co. (In re C-TC 9th Ave. P’ship), 113 F.3d 1304, 1310 (2d Cir. 1997); see also In re FPSDA I, LLC, 450 B.R. 392, 400 (Bankr. E.D.N.Y. 2011) (“The purpose of chapter 11 is to allow the debtor an opportunity to effectuate a reorganization and to obtain some recovery for the benefit of all of the debtors’ creditors.”). It is therefore not surprising that exclusivity is intended to provide a chapter 11 debtor with full and fair opportunity to rehabilitate its business and negotiate, develop, propose, and ultimately confirm

that ongoing litigation is not an external, unresolved contingency that bars the formulation of a chapter 11 plan. See, e.g., In re AFTRA, 30 B.R. 772, 774 (Bankr. S.D.N.Y. 1983) (purported unresolved contingency dealt with pendency of appeal from an adverse judgment); In re R.G. Pharmacy, Inc., 374 B.R. 484, 488 (Bankr. D. Conn. 2007) (purported unresolved contingency involved pending government investigation into debtor’s Medicaid practices); In re Tripodi, No. 04-30793, 2005 WL 2589185, at *2 (Bankr. D. Conn. Feb. 18, 2005) (purported unresolved contingency dealt with pendency of an appeal).

and consummate a chapter 11 plan. See In re Ames Dep't Stores Inc., No. 90-B-11233, 1991 WL 259036, at *3 (S.D.N.Y. Nov. 25, 1990) ("The purpose of the Bankruptcy Code's exclusivity period is to allow the debtor flexibility to negotiate with its creditors.").

52. LightSquared has been working actively and in good faith during the pendency of these Chapter 11 Cases to execute a highly complex and technical restructuring. Indeed, LightSquared has made significant progress on all fronts of these Chapter 11 Cases in a remarkably short period of time. First and most importantly, LightSquared has proposed to the FCC and other government agencies a comprehensive approach that establishes a clear path forward for LightSquared to deploy its 4G LTE wireless network. As discussed above, the regulatory process governing this proposal has progressed more rapidly than was initially anticipated at the beginning of these Chapter 11 Cases. This regulatory process will form the basis of any chapter 11 plan, whether a reorganization or a sale.

53. Second, as also noted above, since the inception of these Chapter 11 Cases, LightSquared has taken, and continues to take, a number of critical steps to support its regulatory resolution with respect to deployment of its 4G LTE wireless network and successfully reorganize. Key among them is the implementation of the cost-cutting initiatives described above that has resulted in the expansion of LightSquared's cash runway by approximately \$45 million – an expansion that will allow additional time for the regulatory process to play out. Moreover, LightSquared amended and assumed a critical agreement with BandRich Inc. regarding the development and manufacture of 3.5/4G LTE WiFi routers and 3.5/4G LTE USB modems – the very devices that will enable LightSquared's customers to connect to its satellite and terrestrial networks upon successful implementation of LightSquared's 4G LTE wireless network. Finally, LightSquared continues to analyze its

contracts and to satisfy the numerous information requests of the Prepetition Secured Parties, the DIP Agent, the DIP Lenders, and their respective advisors.

54. Given the (a) significant progress made by LightSquared in the first eight months of its Chapter 11 Cases toward a successful restructuring and (b) fact that every one of the aforementioned tasks was and remains absolutely essential to LightSquared's reorganization, it would be highly inequitable to terminate prematurely the Exclusive Periods and not to permit LightSquared to see this process through to a plan of reorganization that maximizes value for all of its constituents. See In re McLean Indus., Inc., 87 B.R. 830, 835 (Bankr. S.D.N.Y. 1987) (recognizing that second extension of debtor's exclusive periods was justified by debtor's progress in resolving issues facing its estate and creditors). A further extension of LightSquared's Exclusive Periods by one hundred and twenty (120) days, to allow the regulatory process with respect to the License Modification Application to continue further, is therefore warranted.

(iv) *LightSquared Is Paying Its Bills as They Become Due*

55. In the ordinary course of its businesses, LightSquared has been paying (and intends to continue to pay) its undisputed postpetition bills as they become due. Moreover, the improved liquidity generated by LightSquared's access to the DIP Facility, ability to use the Cash Collateral, and cost-cutting initiatives has provided, and continues to provide, assurance that LightSquared will continue to meet its obligations as they become due (including the \$6.25 million per month to the Prepetition LP Lenders as adequate protection). Thus, the requested additional extension of the Exclusive Periods will not jeopardize the rights of creditors and other parties who do business with LightSquared during these Chapter 11 Cases.

- (v) *LightSquared Is Not Seeking To Use Exclusivity To Pressure Creditors To Submit to LightSquared's Demands and Has Made Progress in Its Negotiations with Creditors*

56. LightSquared sought its initial exclusivity extension request to allow it to (a) continue discussions with the FCC and other government agencies regarding the deployment of its 4G LTE wireless network and (b) develop and build consensus among its creditor constituencies and other interested parties at every step of the reorganization process. Since entry of the First Exclusivity Extension Order, LightSquared has made productive and efficient use of that time as noted in this Motion towards maximizing the value of its assets. LightSquared believes, in its business judgment, discussions with the FCC and other government agencies regarding the deployment of its 4G LTE wireless network represents the path most likely to maximize value and lead to a successful reorganization.

57. It is thus self-evident that LightSquared is not seeking these extensions to pressure its creditors or to artificially delay the conclusion of these Chapter 11 Cases, but rather, to give the FCC and other government agencies sufficient time to rule on the Alternative Spectrum Plan. Such ruling, in turn, will enable LightSquared to develop a confirmable plan of reorganization, or commence a sale process, that maximizes the value of the estates, and to build consensus among its creditor constituencies and other interested parties in connection therewith.

58. LightSquared believes there is no meaningful difference between the path that it has pursued to date to maximize value and what any other stakeholder would do, even if a plan or sale process were implemented now. The reason for this is quite simple. Were a different set of stakeholders to obtain control of LightSquared's assets, those stakeholders would still have to undertake the very same types of actions with the FCC and other government agencies that LightSquared is currently pursuing to maximize the value of its assets. The true point of contention appears to be the Ad Hoc Secured Group's desire to accelerate the timetable

proposed by LightSquared that might benefit only one group of stakeholders, but would be to the detriment of LightSquared's other stakeholders. It is axiomatic, however, that, as debtor in possession, LightSquared, and not its creditors, has the right to make decisions pertaining to its businesses, assets, and the direction of its Chapter 11 Cases under the supervision of the Bankruptcy Court. See In re Longfellow Industries, Inc., 76 B.R. 338, 340 (Bankr. S.D.N.Y. 1987) (debtor has "statutory right" to make decisions, which "is unequivocally reposed in the debtor in possession pursuant to [section 1107 of the Bankruptcy Code]"); Comm. of Asbestos-Related Litigants v. Johns-Manville Corp. (In re Johns-Manville Corp.), 60 B.R. 612, 615-16 (Bankr. S.D.N.Y. 1986) ("A debtor-in-possession . . . in the absence of a Chapter 11 trustee, has the rights and powers of a trustee and is empowered by the Code to continue operating its business and managing the property of its estate. . . . Indeed, the Code favors the continued operation of a business by a debtor and a presumption of reasonableness attaches to a debtor's management decisions.") (citing H.R. Rep. No. 595, 95th Cong., 1st Sess. 404 (1977); S. Rep. No. 989, 95th Cong., 2d Sess. 116 (1978)) (additional citations omitted). But not only is it axiomatic that the Bankruptcy Code favors the continued operation of a business by the debtor in possession, here there is a very real – and undeniable – risk that shifting control now could result in the loss of value for all stakeholders if the current path at the FCC were to be altered or otherwise thrown into uncertainty.

59. LightSquared's duties in these Chapter 11 Cases are to maximize the value of its estates for the benefit of *all* of its stakeholders. See In re Smart World Techs., LLC, 423 F.3d 166, 175 (2d Cir. 2005) (debtors in possession have fiduciary duty to maximize value of estate); LaSalle Nat'l Bank v. Pereleman, 82 F. Supp.2d 279, 292 (D. Del. 2000) ("The debtor in a Chapter 11 bankruptcy has a fiduciary duty to act in the best interest of the estate as a whole,

including its creditors, equity interest holders and other parties in interest.”). Based on its current view, LightSquared believes, in its business judgment, that continuing discussions with the FCC and other government agencies and allowing the FCC to issue a ruling with respect to the Alternative Spectrum Plan is the path most likely to lead to a successful reorganization. It has similarly determined, in its business judgment, that premature termination of the Exclusive Periods before a decision has been reached with respect to the Alternative Spectrum Plan and the simultaneous pursuit of a plan or sale process at the FCC could significantly delay, and in some cases even undermine, LightSquared’s ongoing discussions with government agencies and, thereby, its ability to maximize asset value.

60. The business judgment rule “*requires* that [such a] decision be accepted by courts unless it is shown that the . . . decision was one taken in bad faith or in gross abuse of . . . discretion.” In re G Survivor Corp., 171 B.R. 755, 757–58 (Bankr. S.D.N.Y. 1994) (emphasis added). Since no such showing has been made here, LightSquared is entitled to the protection of the business judgment rule in its decision to continue to pursue a regulatory solution before submitting a plan of reorganization and not pursue a premature plan process or sale of its assets now. In re JFD Enters., Inc., 2000 WL 560189, at *5 (1st Cir. May 1, 2000) (“It is not [the court’s] role to second-guess a debtor’s determination not to sell an estate’s assets at a given point in time so long as that determination effects the [debtors’] business judgment.”); In re Highway Equip. Co., Inc., 61 B.R. 58, 60 (Bankr. S.D. Ohio 1986) (“[T]he bankruptcy judge may sustain a debtor in its refusal to sell property despite the insistence of an important creditor to the contrary, where the debtor shows a valid business justification for its course of conduct.”). The continued progress of LightSquared’s reorganization strategy is more than sufficient

justification to bring LightSquared's determination not to pursue a plan or sale process at this time within the ambit and protection of the business judgment rule.

61. Moreover, this is LightSquared's *second* request for an extension of the Exclusive Periods. Affording LightSquared a meaningful opportunity to conclude the regulatory process surrounding its deployment of a 4G LTE wireless network and to formulate a plan through an extension of the Exclusive Periods will thus not harm or prejudice LightSquared's creditors or other parties in interest, particularly as LightSquared has taken, and will continue to take, all necessary steps to ensure that the rights and interests of the DIP Agent, the DIP Lenders, and the Prepetition Secured Parties are properly protected. First, recognizing that it would need an extended cash runway to successfully restructure, LightSquared undertook several cost-cutting initiatives, resulting in the (a) LP Group having an approximately \$40.4 million cash advantage as of December 31, 2012, with a resulting cash balance of \$137.6 million, and a forecasted \$44 million cash advantage as of June 30, 2013, with a resulting cash balance of \$61.7 million, and (b) Inc. Group (excluding TMI) having an approximately \$0.5 million cash advantage as of December 31, 2012, with a resulting cash balance of \$23 million, and a forecasted \$1 million cash advantage as of June 30, 2013, with a resulting cash balance of \$17.9 million, each as compared to the budgets attached to the Cash Collateral Order and the DIP Order, as applicable. These amounts, together with the approximately \$11.4 million at TMI, are more than sufficient to sustain a plan or sale process implemented in the third quarter of 2013 and concluded in the fourth quarter of 2013. In any event, by providing a "look, stop, and listen" hearing on exclusivity in one hundred and twenty (120) days, the rights of all stakeholders are preserved and not prejudiced in any manner by the extension requested should facts on the ground change in the intervening time.

62. Second, as LightSquared firmly believes and has previously maintained, extension of the Exclusive Periods will only increase the likelihood of a greater distribution to LightSquared's stakeholders by allowing the regulatory process on the License Modification Application to continue and by facilitating an orderly, efficient, and cost-effective plan process for the benefit of all creditors. Termination of the Exclusive Periods before a ruling on the Alternative Spectrum Plan could give rise to the threat of multiple plans – each of which, as previously mentioned, also would be dependent on the ongoing discussions with government agencies. These competing plans not only would disrupt LightSquared's prospects for a positive outcome, but would lead to a confusing and contentious chapter 11 plan confirmation process resulting in increased administrative expenses and diminished returns to LightSquared's stakeholders. See In re United Press Int'l, Inc., 60 B.R. 265, 271 n.12 (Bankr. D. Col. 1986) (“[o]pening the floodgates to allow each and every one of [the debtor's creditors] to file a plan, no matter how poorly conceived or supported, would not serve to secure the expeditious and economical administration of this case nor to carry out the provisions of the Bankruptcy Code”) (internal citations and quotations omitted). Indeed, in light of the intense scrutiny to which these Chapter 11 Cases have been subjected and continue to be subject, it is LightSquared's sound belief – which have borne out to date – that premature termination of the Exclusive Periods could significantly delay the regulatory process surrounding LightSquared's License Modification Application and, thereby, its ability to confirm any plan in these Chapter 11 Cases.

63. Finally, LightSquared has continued to be very forthcoming with all of its stakeholders, has maintained consistent and regular communications with its key creditor constituencies and other stakeholders during the pendency of these Chapter 11 Cases, and has also seen a generally constructive relationship with its prepetition creditors emerge. As before,

LightSquared continues to operate under the constraints of strict budgets approved by its Prepetition Secured Parties and DIP Agent. Moreover, it continues to provide (a) through telephonic and in-person meetings, frequent and substantial reporting not only on cash and assets but also regarding spectrum-related issues on a confidential basis in accordance with orders of this Court; (b) (i) a comprehensive budget through June 2013, updated regularly, (ii) monthly cash flow reporting, and (iii) weekly cash balance reports to the Prepetition Secured Parties, the DIP Agent, the DIP Lenders, and their respective professionals; (c) an accounting of LightSquared's intercompany transactions to counsel to the Prepetition LP Agent and the Prepetition Inc. Agent; and (d) copies of almost all substantive motions to be filed to counsel to the Prepetition LP Agent, the Prepetition Inc. Agent, the Ad Hoc Secured Group, the DIP Agent, and LightSquared's majority shareholder. It is thus clear that LightSquared has kept, and continues to keep, its lenders completely in the loop, and that LightSquared has made significant headway with its creditors concerning the progress and development of these Chapter 11 Cases and is not seeking this extension to pressure them.

(vi) *Requested Extensions Are Consistent with Extensions Granted in Other Large Reorganization Cases*

64. Courts in this District have routinely granted second requests by debtors in other large chapter 11 cases to extend their exclusive periods to file a chapter 11 plan and solicit acceptances thereof similar to the relief requested herein. See, e.g., In re Eastman Kodak Co., Case No. 12-10202 (ALG) (Bankr. S.D.N.Y. Nov. 14, 2012) [Docket No. 2376] (second extension for 136 days); In re Inner City Media Corp., Case No. 11-13967 (SCC) (Bankr. S.D.N.Y. March 23, 2012) [Docket No. 397] (second extension of 121 days); In re The Great Atlantic & Pac. Tea Co., Inc., Case No. 10-24549 (RDD) (Bankr. S.D.N.Y. Aug. 18, 2011) [Docket No. 2370] (second extension of 139 days); In re Blockbuster Inc., Case No. 10-14997

(BRL) (Bankr. S.D.N.Y. Apr. 21, 2011) [Docket No. 1686] (second extension of 151 days); In re Innkeepers USA Trust, Case No. 10-13800 (SCC) (Bankr. S.D.N.Y. Mar. 29, 2011) [Docket No. 1065] (second extension of 150 days); In re St. Vincents Catholic Med. Ctrs. of New York, Case No. 10-11963 (CGM) (Bankr. S.D.N.Y. Jan. 25, 2011) (second extension of 120 days); In re Finlay Enters., Inc., Case No. 09-14873 (JMP) (Bankr. S.D.N.Y. Apr. 27, 2010) [Docket No. 623] (second extension of 183 days); In re General Growth Props., Case No. 09-11977 (ALG) (Bankr. S.D.N.Y. Mar. 8, 2010) [Docket No. 4592] (second extension of 139 days); In re Charter Commc'ns, Inc., Case No. 09-11435 (JMP) (Bankr. S.D.N.Y. Nov. 19, 2009) [Docket No. 926] (second extension of 120 days); In re Dana Corp., Case No. 06-10354 (BRL) (Bankr. S.D.N.Y. Dec. 19, 2006) [Docket No. 4398] (second extension of 243 days); In re Calpine Corp., Case No. 05-60200 (BRL) (Bankr. S.D.N.Y. Dec. 6, 2006) [Docket No. 3223] (second extension of 171 days); In re Delphi Corp., Case No. 05-44481 (RDD) [Docket No. 4266] (Bankr. S.D.N.Y. Jun. 19, 2006) (second extension of 180 days); In re Delta Air Lines, Inc., Case No. 05-17923 (CGM) (Bankr. S.D.N.Y. Jun. 30, 2006) [Docket No. 2786] (second extension of 120 days).

65. LightSquared respectfully submits that a second extension of the Exclusive Filing Period by one hundred and twenty (120) days is warranted here. As discussed above, the requested extension will not prejudice any party in interest, given (a) LightSquared's ability to fund the Chapter 11 Cases into the fourth quarter of 2013 and (b) the many mechanisms specifically put in place in these Chapter 11 Cases to protect all parties in interest – such as LightSquared's agreement to (i) operate under approved budgets, (ii) make substantial adequate protection payments to the Prepetition LP Lenders, and (iii) provide the DIP Agent, the DIP Lenders, the Prepetition Secured Parties, and their respective professionals, regular status updates. Rather, the requested extension will permit the regulatory process surrounding the

License Modification Application to run its course, thereby affording LightSquared a more realistic opportunity to put itself in a position to propose a (hopefully consensual) plan that maximizes value of its assets. Failure to extend the Exclusive Periods as requested herein and at this critical juncture could undermine the substantial progress made with the FCC and other government agencies and would certainly inhibit LightSquared's ability to meaningfully negotiate with its economic stakeholders and propose a confirmable chapter 11 plan – the very purpose of section 1121 of the Bankruptcy Code. Finally, by providing for another checkpoint at the end of one hundred and twenty (120) days, the Court and all of LightSquared's stakeholders will have sufficient time to evaluate the appropriate path to conclude these Chapter 11 Cases and a sufficient cash runway to implement that path.

66. Accordingly, for the reasons set forth above, LightSquared respectfully submits that an additional extension of the Exclusive Periods by one hundred and twenty (120) days is entirely appropriate, in the best interests of its estates and stakeholders, and should be granted.

Motion Practice

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

Notice

68. LightSquared has caused notice of this Motion to be provided by electronic mail, facsimile, regular or overnight mail, and/or hand delivery to (a) the U.S. Trustee, (b) the entities listed on the Consolidated List of Creditors Holding the 20 Largest Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d), (c) counsel to the Prepetition Agents,

(d) counsel to the DIP Agent, (e) counsel to the Ad Hoc Secured Group, (f) counsel to Harbinger Capital Partners LLC, (g) the Internal Revenue Service, (h) the United States Attorney for the Southern District of New York, (i) the FCC, (j) Industry Canada, and (k) all parties who have filed a notice of appearance in the Chapter 11 Cases. LightSquared respectfully submits that no other or further notice is required or necessary.

No Previous Request

69. No prior motion for the relief requested herein has been made by LightSquared to this or any other court other than the prior request for extension of the Exclusive Periods that was granted on October 1, 2012.

WHEREFORE, for the reasons set forth above, LightSquared respectfully requests that the Court (a) enter the Order, substantially in the form attached hereto as Exhibit A, granting the relief requested herein, and (b) grant such other and further relief as the Court may deem just and proper.

New York, New York
Dated: January 17, 2013

/s/ Matthew S. Barr
Matthew S. Barr
Alan J. Stone
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

Exhibit A

Proposed Order

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

In re:

LIGHTSQUARED INC., *et al.*,

Debtors.¹

)
) Chapter 11

)
) Case No. 12-12080 (SCC)

)
) Jointly Administered
)

**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**

Upon the motion (the "Motion")² of LightSquared Inc. and certain of its affiliates as debtors and debtors in possession (collectively, "LightSquared") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), for entry of an order (the "Order"), pursuant to section 1121(d) of the Bankruptcy Code, further extending LightSquared's Exclusive Periods to file a plan of reorganization and solicit acceptances thereof, all as more fully described in the Motion; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is

¹ 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.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

needed or necessary; and the Court having reviewed the Motion and having heard statements in support of the Motion at a hearing held before the Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion is in the best interests of LightSquared, its estates, its creditors, its stakeholders, and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The Motion is granted to the extent set forth herein.
2. Pursuant to section 1121(d) of the Bankruptcy Code, LightSquared's Exclusive Filing Period in which to file a chapter 11 plan is further extended through and including May 31, 2013.
3. Pursuant to section 1121(d) of the Bankruptcy Code, LightSquared's Exclusive Solicitation Period in which it can solicit acceptances of a chapter 11 plan is further extended through and including July 30, 2013.
4. The extensions of the Exclusive Periods granted herein are without prejudice to such further requests that may be made pursuant to section 1121(d) of the Bankruptcy Code by LightSquared or any party in interest, for cause shown, upon notice and a hearing.
5. The requirements set forth in rule 9013-1(a) of the Local Bankruptcy Rules for the Southern District of New York are satisfied.

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

Dated: New York, New York
_____, 2013

HONORABLE SHELLEY C. CHAPMAN
UNITED STATES BANKRUPTCY JUDGE