

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

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

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

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

**MOTION RECORD
(Returnable June 25, 2015)**

June 19, 2015

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

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

**NOTICE OF MOTION
(Returnable June 25, 2015)**

LightSquared LP, on its own behalf and in its capacity as foreign representative of the Chapter 11 Debtors ("**LightSquared**" or the "**Foreign Representative**"), will make a motion to the Ontario Superior Court of Justice (Commercial List) (the "**Canadian Court**") on June 25, 2015 at 9:45 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 AN ORDER:

1. abridging the timing and validating the method of service of this Notice of Motion and Motion Record, such that this motion is properly returnable on June 25, 2015;
2. 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 order of the United States Bankruptcy Court for the Southern District of New York (the "**U.S. Bankruptcy Court**") entered in the cases commenced by the Chapter 11 Debtors in the U.S. Bankruptcy Court under Chapter 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "**Chapter 11 Cases**"):
 - (a) *Order Amending Order, Pursuant To 11 U.S.C. §§ 105(A) And 363, Authorizing LightSquared to (A) Enter Into And Perform Under Engagement Letter Related to Working Capital Facility, (B) Pay Fees And Expenses in Connection Therewith, And (C) Provide Related Indemnities* [U.S. Bankruptcy Court Docket No. 2368] (the "**Order Amending Exit Financing Order**");
3. approving the Supplemental Report to the Twenty-Fifth Report of Alvarez & Marsal Canada Inc., in its capacity as court-appointed information officer of the Chapter 11 Debtors (the "**Information Officer**"), to be filed (the "**Supplemental Twenty-Fifth Report**"), and the activities of the Information Officer described therein; and
4. granting such further and other relief as counsel may request and this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

1. Pursuant to the Initial Recognition Order, dated May 18, 2012 and the Supplemental Order, dated May 18, 2012, the Canadian Court: (a) recognized LightSquared as the Foreign Representative of the Chapter 11 Debtors; (b) declared the Chapter 11 Cases to be a "foreign main proceeding" pursuant to Part IV of the CCAA; and (c) stayed all

- proceedings against the Chapter 11 Debtors and their property until such date as the Canadian Court may order;
2. On June 2, 2015 the U.S. Bankruptcy Court entered the *Order, Pursuant To 11 U.S.C. §§ 105(A) And 363, Authorizing LightSquared to (A) Enter Into And Perform Under Engagement Letter Related to Working Capital Facility, (B) Pay Fees And Expenses in Connection Therewith, And (C) Provide Related Indemnities* [U.S. Bankruptcy Court Docket No. 2360] (the “**Exit Financing Order**”);
 3. Pursuant to the Order of the Honourable Regional Senior Justice Morawetz, dated June 11, 2015 (the “**Exit Financing Recognition Order**”), the Canadian Court recognized and gave full force and effect in Canada to the Exit Financing Order;
 4. Following the entry of the Exit Financing Order and the Exit Financing Recognition Order, the Chapter 11 Debtors, the New Investors¹, and the lead arrangers, continued marketing, and engaged in additional negotiations with prospective lenders to agree to final terms and documentation of the Working Capital Facility. Such negotiations resulted in demands by certain prospective lenders to include certain additional terms and protections in the Working Capital Facility Credit Agreement;
 5. The Additional Lender Protections modify the Right of First Refusal concept previously approved by the U.S. Bankruptcy Court, by setting forth LightSquared’s agreement;
 - (a) to use commercially reasonable efforts to close the Working Capital Facility within ten (10) business days following receipt of all regulatory approvals required for the Chapter 11 Debtors to emerge from chapter 11 pursuant to the Modified Second Amended Plan or otherwise trigger an event of default under the Working Capital Facility Credit Agreement;
 - (b) only to enter into first lien exit financing in connection with the Modified Second Amended Plan on terms (vis-à-vis the lenders) equal to, or more favourable than,

¹ All capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Supplemental Affidavit of Elizabeth Creary, sworn June 19, 2015.

those contemplated under the Working Capital Facility Credit Agreement until at least December 15, 2016; and

- (c) provide committing lenders with the opportunity to participate, up to the rateable share with such lenders' commitments, in any such permitted alternative first lien financing arrangement entered into prior to such date.
6. The Additional Lender Protections are reasonable because such protections are required by the lenders to protect their role in the Chapter 11 Debtors' exit financing and do not place any incremental liabilities on the Chapter 11 Debtors' estates;
7. Moreover, the continued marketing and additional negotiations culminated in the signing of the Working Capital Facility Credit Agreement, which memorializes binding commitments by the initial lenders in a total principal amount of \$1.5 billion;
8. No objections were filed in respect of the Notice of Presentment prior to the June 19, 2015, 12:00 p.m. objection deadline;
9. On June 19, 2015, the U.S. Bankruptcy Court entered the Order Amending Exit Financing Order, which, among other things, authorizes the Chapter 11 Debtors to enter into and be bound by the Additional Lender Protections as of the date of the Working Capital Facility Credit Agreement;
10. Securing the Working Capital Facility is critical to the Chapter 11 Debtors' emergence from the Chapter 11 Cases;
11. The recognition of the Order Amending Exit Financing Order by the Canadian Court is in the best interests of the Canadian estates of the Chapter 11 Debtors;
12. The provisions of the CCAA, particularly s. 49 and the other provisions of Part IV;
13. The *Rules of Civil Procedure*, including rules 2.03, 3.02 and 16; and
14. 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:

15. The Supplemental Affidavit of Elizabeth Creary, sworn June 19, 2015;
16. The Affidavit of Christopher Payne sworn June 19, 2015;
17. The Supplemental Twenty-Fifth Report; and
18. Such further and other material as counsel may advise and this Honourable Court may permit.

June 19, 2015

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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
(COMMERCIAL LIST)**

**NOTICE OF MOTION
(Returnable June 25, 2015)**

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**SUPPLEMENTAL AFFIDAVIT
OF ELIZABETH CREARY
(Sworn June 19, 2015)**

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

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

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

(a) *Order Amending Order, Pursuant To 11 U.S.C. §§ 105(A) And 363, Authorizing LightSquared To (A) Enter Into And Perform Under Engagement Letter Related to Working Capital Facility, (B) Pay Fees and Expenses in Connection Therewith, And (C) Provide Related Indemnities* (the "**Order Amending Exit Financing Order**").

3. A copy of the proposed Order Amending Exit Financing Order is attached to the *Notice of Presentment of Order, Pursuant To 11 U.S.C. §§ 105(A) And 363, Authorizing LightSquared To (A) Enter Into And Perform Under Engagement Letter Related to Working Capital Facility, (B) Pay Fees and Expenses in Connection Therewith, And (C) Provide Related Indemnities* (the "**Notice of Presentment**"), attached hereto as Exhibit "A".

4. A copy of the final Order Amending Exit Financing Order, entered by the U.S. Bankruptcy Court, will be filed with the Canadian Court prior to the motion return date.

5. This affidavit is supplemental to my affidavit sworn June 5, 2015 (the "**June 5, 2015 Affidavit**"), a copy of which is attached hereto as Exhibit "B".

6. Capitalized terms used herein but not otherwise defined have the meanings ascribed to them in the June 5, 2015 Affidavit.

ORDER AMENDING EXIT FINANCING ORDER

7. On June 2, 2015 the U.S. Bankruptcy Court entered the *Order, Pursuant To 11 U.S.C. §§ 105(A) And 363, Authorizing LightSquared to (A) Enter Into And Perform Under Engagement Letter Related to Working Capital Facility, (B) Pay Fees And Expenses in Connection*

Therewith, And (C) Provide Related Indemnities [U.S. Bankruptcy Court Docket No. 2360] (the “**Exit Financing Order**”).

8. The Exit Financing Order, among other things, authorized the Chapter 11 Debtors to enter and perform under an Engagement Letter related to the Working Capital Facility contemplated by the Modified Second Amended Plan.
9. Pursuant to the Order of the Honourable Regional Senior Justice Morawetz dated June 11, 2015, the Canadian Court recognized and gave full force and effect in all provinces and territories of Canada to the Exit Financing Order (the “**Exit Financing Recognition Order**”).
10. Following the entry of the Exit Financing Order and the Exit Financing Recognition Order, the Chapter 11 Debtors, the New Investors, and the lead arrangers, continued marketing, and engaged in additional negotiations with prospective lenders to agree to final terms and documentation of the Working Capital Facility. Such negotiations resulted in demands by certain prospective lenders to include certain additional terms in the Working Capital Facility Credit Agreement (as defined in the Notice of Presentment).
11. The critical additional terms of the Working Facility Credit Agreement are set out in full on page 3 of the Notice of Presentment (collectively, the “**Additional Lender Protections**”).
12. In substantive effect, the Additional Lender Protections modify the Right of First Refusal concept previously approved by the U.S. Bankruptcy Court, by setting forth LightSquared’s agreement to:
 - (a) use commercially reasonable efforts to close the Working Capital Facility within ten (10) business days following receipt of all regulatory approvals required for the Chapter 11 Debtors to emerge from chapter 11 pursuant to the Modified Second Amended Plan or otherwise trigger an event of default under the Working Capital Facility Credit Agreement;
 - (b) only enter into first lien exit financing in connection with the Modified Second Amended Plan on terms (vis-à-vis the lenders) equal to, or more favourable than,

those contemplated under the Working Capital Facility Credit Agreement until at least December 15, 2016; and

- (c) provide committing lenders with the opportunity to participate, up to the rateable share with such lenders' commitments, in any such permitted alternative first lien financing arrangement entered into prior to such date.

13. The Chapter 11 Debtors believe that their agreement to the Additional Lender Protections is reasonable because such protections are required by the lenders to protect their role in the Chapter 11 Debtors' exit financing and do not place any incremental liabilities on their estates.

14. Moreover, the continued marketing and additional negotiations entered into by the Chapter 11 Debtors with the lenders culminated in the signing of the Working Capital Facility Credit Agreement (subject to court approval of the Additional Lender Protections), which memorializes binding commitments by the initial lenders in a total principal amount of \$1.5 billion.

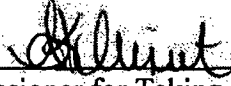
15. The proposed Order Amending Exit Financing Order, among other things, authorizes the Chapter 11 Debtors to enter into and be bound by the Additional Lender Protections.

16. Securing the Working Capital Facility Credit Agreement is critical to the Chapter 11 Debtors' emergence from the Chapter 11 Cases. As such, LightSquared believes that recognition of the Order Amending Exit Financing Order is in the best interest of LightSquared's estate and all of its stakeholders and the sound exercise of its business judgment.

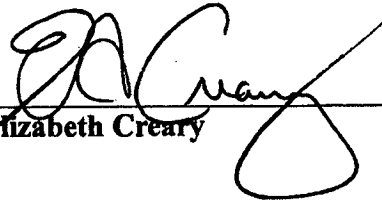
17. LightSquared respectfully submits that recognition of the Exit Financing Amending Order is necessary and appropriate and in the best interests of all stakeholders.

18. I make this affidavit in support of the motion of the Foreign Representative for recognition of the Order Amending Exit Financing Order and for no other or improper purpose.

SWORN before me in the City of Ottawa)
in the Province of Ontario the 19th day of)
June, 2015)
)
)
)
)



Commissioner for Taking Affidavits, etc.)
)



Elizabeth Creary)
)

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

Exhibit "A" to the Affidavit of Elizabeth Creary,
sworn before me this 19th day of June, 2015.



Commissioner for Taking Affidavits, etc.

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

Presentment Date and Time: June 19, 2015 at 1:00 p.m. (prevailing Eastern time)

Objection Deadline: June 19, 2015 at 12:00 p.m. (prevailing Eastern time)

Hearing Date (Only if Objection Filed): TBD

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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., <i>et al.</i> ,)	
	)	Case No. 12-12080 (SCC)
Debtors. ¹)	
	)	Jointly Administered

NOTICE OF PRESENTMENT OF ORDER AMENDING ORDER, PURSUANT TO 11 U.S.C. §§ 105(A) AND 363, AUTHORIZING LIGHTSQUARED TO (A) ENTER INTO AND PERFORM UNDER ENGAGEMENT LETTER RELATED TO WORKING CAPITAL FACILITY, (B) PAY FEES AND EXPENSES IN CONNECTION THEREWITH, AND (C) PROVIDE RELATED INDEMNITIES

PLEASE TAKE NOTICE that, on May 19, 2015, LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, "LightSquared") in the above-captioned chapter 11 cases, filed *LightSquared's Motion for Entry of Order, Pursuant to 11 U.S.C. §§ 105(a) and 363, Authorizing LightSquared To (A) Enter Into and Perform Under Engagement Letter Related to Working Capital Facility, (B) Pay Fees and Expenses in*

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.



Connection Therewith, and (C) Provide Related Indemnities [Docket No. 2349] (the “Exit Financing Motion”). The Exit Financing Motion attached, as an exhibit thereto, a Term Sheet outlining the basic terms on which the Working Capital Facility was then being marketed.²

PLEASE TAKE FURTHER NOTICE that, on May 29, 2015, LightSquared filed the *Notice Regarding Exit Financing Motion [Docket No. 2349]* [Docket No. 2356] (the “Update Notice”). Among other things, the Update Notice disclosed an additional term – the Right of First Refusal – which provided in substance that, should LightSquared receive regulatory approvals necessary for emergence by December 15, 2015, it would agree to offer committing lenders under the Working Capital Facility the opportunity to participate, up to the ratable share of such lenders’ commitments, in any alternative first lien financing arrangement entered into prior to June 15, 2016. In addition, the Update Notice attached a revised form of order approving the Exit Financing Motion. No party raised any objection to the Exit Financing Motion or Update Notice.

PLEASE TAKE FURTHER NOTICE that, on June 2, 2015, a hearing on the Exit Financing Motion was held before the Honorable Shelley C. Chapman, United States Bankruptcy Judge for the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) and, shortly thereafter, the Bankruptcy Court entered an order (the “Exit Financing Order”) approving the Exit Financing Motion and, among other things, authorizing LightSquared to enter into the Working Capital Facility, pay fees, expenses, and indemnities in connection therewith, and be bound by the Right of First Refusal.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Exit Financing Motion, the Update Notice (as defined herein), the *Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 2276-1] (the “Plan”), or the Working Capital Facility Credit Agreement (as defined in the Plan), as applicable.

PLEASE TAKE FURTHER NOTICE that, following the Bankruptcy Court's entry of the Exit Financing Order, LightSquared, the New Investors, and the Lead Arrangers continued marketing, and engaged in additional negotiations with prospective lenders to agree to final terms and documentation of, the Working Capital Facility. Resulting from such negotiations was a demand by certain prospective lenders to include certain additional terms in the Working Capital Facility Credit Agreement, including, critically, the following:

- Section 5.16. Exit Approvals. The Loan Parties shall use their respective commercially reasonable efforts to cause, in connection with the consummation, and subject to the terms and provisions, of the Plan of Reorganization, the Closing Date to occur no later than ten Business Days after having received any necessary consents and approvals by the FCC and any other Governmental Authority required for the Debtors to emerge from chapter 11 pursuant to the Plan of Reorganization (including, without limitation and to the extent applicable, consents to the assignments of the Debtors' licenses and/or the transfer of control of the Debtors, as well as customary approvals and authorizations related thereto) (collectively, the "Exit Approvals") by means of using commercially reasonable efforts (i) to satisfy the conditions set forth in Section 4.02³ in the nature of delivery of documentation by, or other conditions that are within the sole control of, the Loan Parties and (ii) otherwise, to cause the satisfaction of the conditions precedent set forth above that are either (A) subject to the satisfaction of any Person other than a Loan Party or (B) to be delivered or provided by any Person other than a Loan Party.
- Section 8.01(d). Events of Default. [D]efault shall be made in the due observance or performance by any Loan Party of any covenant, condition or agreement contained in Section . . . 5.16
- Section 10.19. Alternate Transaction. If (i) the Exit Approvals shall have been obtained and (ii) the Borrower and its Subsidiaries shall proceed to consummate the Plan of Reorganization, as amended, supplemented or otherwise modified, at any time prior to December 15, 2016, and, in connection therewith, shall obtain any debt financing secured by collateral in scope comparable to the Collateral hereunder with lien priority more senior than the Second Lien Facility (or any comparable replacement thereof) in lieu of the Loans, the Borrower and its Subsidiaries shall offer to each Approved Assignee the opportunity to participate, in an amount equal to at least its ratable share of the Commitments hereunder as in effect immediately prior to the termination thereof, in any such financing on economic terms (including tenor) that are as or more favorable to the Lenders,

³ [Conditions Precedent to the Closing Date.]

taken as whole, than the economic terms of the Loans (including tenor) hereunder, taken as a whole. The Loan Parties agree that irreparable damage would occur in the event that the provisions of this Section 10.19 were not performed in accordance with their specific terms or were otherwise breached and that any breach hereof would not be adequately compensated by monetary damages. The Loan Parties agree that the Approved Assignees shall be entitled to equitable relief, including an injunction or injunctions to prevent or restrain breaches or threatened breaches of the provisions of this Section 10.19 and to specifically enforce the provisions of this Section 10.19. Any Approved Assignee seeking an injunction or injunctions to prevent breaches of the provisions of this Section 10.19 shall not be required to provide any bond or other security in connection with such order or injunction. The Loan Parties further agree and acknowledge that by seeking the remedies provided for in this Section 10.19, the Approved Assignees shall not be deemed in any respect to have waived their right to seek any other form of relief that may be available to them under this Agreement or in the event that the remedies of specific performance provided for hereunder are not available or otherwise not granted. The Loan Parties understand that the Approved Assignees would not have provided their commitments without receiving the right granted hereunder. Notwithstanding anything set forth herein, each Approved Assignee shall be a third-party beneficiary of this Section 10.19.

In substantive effect, these new terms (collectively, the “Additional Lender Protections”) modify the Right of First Refusal concept previously approved by the Bankruptcy Court, by setting forth LightSquared’s agreement (a) to use commercially reasonable efforts to close the Working Capital Facility within ten (10) business days following receipt of all regulatory approvals required for LightSquared to emerge from chapter 11 pursuant to the Plan or otherwise trigger an event of default under the Working Capital Facility Credit Agreement, (b) only to enter into first lien exit financing in connection with the Plan on terms (vis-à-vis the lenders) equal to, or more favorable than, those contemplated under the Working Capital Facility Credit Agreement until at least December 15, 2016, and (c) to provide committing lenders with the opportunity to participate, up to the ratable share of such lenders’ commitments, in any such permitted alternative first lien financing arrangement entered into prior to such date.

PLEASE TAKE FURTHER NOTICE that LightSquared believes that its agreement to the Additional Lender Protections is reasonable because such protections have been

required by the lenders to protect their role in LightSquared's exit financing and do not place any incremental liabilities on LightSquared's estates. Moreover, the continued marketing and additional negotiations have culminated in the signing of the Working Capital Facility Credit Agreement, which memorializes binding commitments by the initial lenders in a total principal amount of \$1.5 billion. Such commitments, however, are subject to the Bankruptcy Court's approval of the Additional Lender Protections. Given that securing the Working Capital Facility is critical to LightSquared's emergence from chapter 11, LightSquared believes that approval of the Additional Lender Protections is in the best interests of LightSquared's estates and all of its stakeholders and a sound exercise of its business judgment.

PLEASE TAKE FURTHER NOTICE that a proposed order amending the Exit Financing Order to authorize the Additional Lender Protections (the "Amendment Order") is attached hereto as Exhibit A. LightSquared will present the Amendment Order to the Bankruptcy Court, for signature on **June 19, 2015 at 1:00 p.m. (prevailing Eastern time)**.

PLEASE TAKE FURTHER NOTICE that responses or objections, if any, to the Amendment Order must be made in writing, conform to the Federal Rules of Bankruptcy Procedure and the Local Rules for the Bankruptcy Court 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, 28 Liberty Street, New York, NY 10005, Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq., (iii) counsel to the Special Committee, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, NY 10021, Attn: James H.M. Sprayregen, Esq., Paul M. Basta, Esq., and Joshua A. Sussberg, Esq., (iv) the U.S. Trustee, U.S. Federal Building, 201 Varick Street, Suite 1006, New York, NY 10014, Attn: Susan D. Golden, Esq., (v) counsel to Fortress, Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, NY 10038, Attn: Kristopher M. Hansen, Esq., Frank A. Merola, Esq., and Jayme T. Goldstein, Esq., (vi) counsel to Harbinger, Kasowitz, Benson, Torres & Friedman LLP, 1633 Broadway, New York, NY 10019, Attn: David M. Friedman, Esq. and Adam L. Shiff, Esq., (vii) counsel to Centerbridge, Fried, Frank, Harris, Shriver & Jacobson LLP, One New York Plaza, New York, NY 10004, Attn: Brad Eric Scheler, Esq., Peter B. Siroka, Esq., and Aaron S. Rothman, Esq., (viii) counsel to the Prepetition Inc. Agent and DIP Inc. Agent, Akin Gump Strauss Hauer & Feld LLP, 1 Bryant Park, New York, NY 10036, Attn: Philip C. Dublin, Esq. and Kenneth A. Davis, Esq., (ix) counsel to the Prepetition LP Agent, McDermott Will & Emery LLP, 340 Madison Avenue, New York, NY 10036, Attn: Darren Azman, Esq., (x) counsel to the Lead Arrangers, Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, NY 10017, Attn: Timothy Graulich, Esq. and Eli Vonnegut, Esq., and (xi) each of the entities on the Master Service List (as defined in the Case Management Order and available on LightSquared's case website at <http://www.kccllc.net/LightSquared>), so as to be actually received **no later than June 19, 2015 at 12:00 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 a written objection to the Amendment Order is not received by the Objection Deadline, the Bankruptcy Court may deem any opposition waived and enter the Amendment Order without further notice or hearing.

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

PLEASE TAKE FURTHER NOTICE that copies of the Plan, Exit Financing Motion, Update Notice, and Exit Financing Order may be obtained at no charge at <http://www.kccllc.net/LightSquared> or for a fee on the Bankruptcy Court's website at www.nysb.uscourt.gov. To access documents on the Bankruptcy Court's website, you will need a PACER password and login, which can be obtained at <http://www.pacer/psc/uscourt.gov>.

New York, New York
Dated: June 16, 2015

Respectfully submitted,

/s/ Matthew S. Barr
Matthew S. Barr
Andrew M. Leblanc
Karen Gartenberg
David G.L. Schiff
MILBANK, TWEED, HADLEY & McCLOY LLP
28 Liberty Street
New York, NY 10005-1413
(212) 530-5000

Counsel to Debtors and Debtors in Possession

Exhibit A

Amendment Order

**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 AMENDING ORDER, PURSUANT TO 11 U.S.C. §§ 105(A) AND 363,
AUTHORIZING LIGHTSQUARED TO (A) ENTER INTO AND PERFORM UNDER
ENGAGEMENT LETTER RELATED TO WORKING CAPITAL FACILITY,
(B) PAY FEES AND EXPENSES IN CONNECTION THEREWITH, AND
(C) PROVIDE RELATED INDEMNITIES**

Upon the notice of presentment of LightSquared Inc. and its affiliated debtors and debtors in possession (collectively, “LightSquared” or the “Debtors”) [Docket No. ____] (the “Notice of Presentment”) of an order (this “Order”) amending the *Order, Pursuant to 11 U.S.C. §§ 105(a) and 363, Authorizing LightSquared To (A) Enter Into and Perform Under Engagement Letter Related to Working Capital Facility, (B) Pay Fees And Expenses in Connection Therewith, and (C) Provide Related Indemnities* [Docket No. 2360] (the “Exit Financing Order”) and authorizing the applicable Debtors to agree to, and be bound by, the Additional Lender Protections;² and the applicable Debtors’ entry into the Working Capital Facility and payment of related fees and expenses having been previously authorized by this Court pursuant to the Exit

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

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Notice of Presentment or Exit Financing Order, as applicable.

Financing Order and the *Order Confirming Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 2276] (the “Confirmation Order”); and the Working Capital Facility (including the Additional Lender Protections) having been negotiated in good faith and at arm’s length among LightSquared and the other parties thereto; and the relief set forth in this Order being in the best interests of LightSquared’s estates, their creditors, and other parties in interest; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this proceeding being a core proceeding pursuant to 28 U.S.C. § 157; and venue of this proceeding in this District being proper pursuant to 28 U.S.C. §§1408 and 1409; and the Notice of Presentment, and opportunity for a hearing, being appropriate under the particular circumstances and with no need to provide other or further notice; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The applicable Debtors are authorized to enter into and shall be bound by the Additional Lender Protections as of the date the Working Capital Facility Credit Agreement is entered into.
2. Any objections to the entry of this Order, to the extent not withdrawn or resolved, are hereby overruled.
3. This Order shall in no way limit the authorizations contained in the Exit Financing Order or the Confirmation Order, including, without limitation, any authorizations relating to the Working Capital Facility contained therein.
4. LightSquared is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

5. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

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

Dated: _____, 2015
New York, New York

HONORABLE SHELLEY C. CHAPMAN
UNITED STATES BANKRUPTCY JUDGE

Exhibit "B" to the Affidavit of Elizabeth Creary,
sworn before me this 19th day of June, 2015.



Commissioner for Taking Affidavits, etc.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

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

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

AFFIDAVIT OF ELIZABETH CREARY
(Sworn June 5, 2015)

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

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

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

(a) *Order, Pursuant To 11 U.S.C. §§ 105(A) And 363, Authorizing LightSquared To (A) Enter Into And Perform Under Engagement Letter Related to Working Capital Facility, (B) Pay Fees and Expenses in Connection Therewith, And (C) Provide Related Indemnities* [U.S. Bankruptcy Court Docket No. 2360] (the "Exit Financing Order");

3. A copy of the Exit Financing Order is attached hereto as Exhibit "A".

CORPORATE OVERVIEW

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

5. The Chapter 11 Debtors were in the process of building, what was at the time of filing, the only 4th Generation Long Term Evolution ("4G LTE") open wireless broadband network that incorporated nationwide satellite coverage throughout North America and offered users, wherever they may be located, the speed, value, and reliability of universal connectivity.

6. Through a unique wholesale business model, entities without their own wireless networks, or that have limited geographic coverage or spectrum, will be able to market and sell their own devices, applications, and services at a competitive price using the Chapter 11 Debtors' 4G LTE network.

BACKGROUND ON PROCEEDINGS

7. On May 14, 2012, the Chapter 11 Debtors commenced the Chapter 11 Cases by each filing a voluntary petition for relief under the U.S. Bankruptcy Code 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.

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 (as he then was) of the Ontario Superior Court of Justice (Commercial List) (the ‘**Canadian Court**’) granted an Initial Recognition Order in these proceedings, which among other things: (a) recognized LightSquared as the “foreign representative” of the Chapter 11 Debtors; (b) declared the Chapter 11 Cases to be a “foreign main proceeding” pursuant to Part IV of the CCAA; and (c) 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: (a) appointed Alvarez & Marsal Canada Inc. as Information Officer in these proceedings; and (b) 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.

11. Since the inception of the proceedings, the Canadian Court has recognized and enforced in Canada several other orders of the U.S. Bankruptcy Court made in the Chapter 11 Cases.

THE MODIFIED SECOND AMENDED PLAN

12. On December 18, 2014, the Chapter 11 Debtors, at the request and direction of the special committee of the boards of directors for LightSquared Inc. and LightSquared GP Inc. (the “**Special Committee**”), filed initial versions of, (i) the *Joint Plan Pursuant to Chapter 11 of*

Bankruptcy Code (the “**Joint Plan**”), and (ii) the *Specific Disclosure Statement for Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*.

13. On March 26, 2015, the Chapter 11 Debtors filed the final version of the Joint Plan [Docket No. 2265] (the “**Modified Second Amended Plan**”), which was confirmed by the U.S. Bankruptcy Court on March 27, 2015. A copy of the Order of the U.S. Bankruptcy Court confirming the Modified Second Amended Plan, dated March 27, 2015 [Docket No. 2276] (the “**Confirmation Order**”) is attached hereto as Exhibit “B”. A copy of the Modified Second Amended Plan is attached to the Confirmation Order.

14. By Order dated April 9, 2015 (the “**Confirmation Recognition Order**”), the Canadian Court recognized and gave full force and effect in Canada to, among other orders, the Confirmation Order.

15. Since the entry of the Confirmation Order and the Confirmation Recognition Order, the Chapter 11 Debtors have been working towards satisfying all conditions precedent to the Effective Date (as defined in the Modified Second Amended Plan). The Chapter 11 Debtors are targeting an Effective Date in the fourth quarter of 2015.

EXIT FINANCING ORDER

16. The Exit Financing Order authorizes LightSquared and certain of its affiliates to (a) enter into, effective as of May 13, 2015, and perform under an engagement letter dated May 13, 2015 (the “**Engagement Letter**”) with Credit Suisse Securities (USA) LLC, Jefferies Finance LLC, and Morgan Stanley Senior Funding, Inc. (collectively, the “**Lead Arrangers**”), (b) pay certain fees and expenses associated with the Engagement Letter and Working Capital Facility (as defined below), and (c) provide related indemnities. A copy of the redacted Engagement Letter is attached as Exhibit “A” to the Chapter 11 Debtors’ Motion for entry of the Exit Financing Order (the “**Exit Financing Motion**”), which is attached hereto as Exhibit “C”.

17. Pursuant to the Engagement Letter, the Lead Arrangers are arranging the first lien exit credit facility (the “**Working Capital Facility**”), which is a key component of the Modified Second Amended Plan.

18. The proceeds of the Working Capital Facility will be used to, among other things, repay obligations under the Chapter 11 Debtors' DIP facility,¹ pay certain administrative claims, make distributions under the Modified Second Amended Plan and fund the reorganized Chapter 11 Debtors' working capital needs post-emergence.

19. Following the entry of the Confirmation Order, the Chapter 11 Debtors, working with the New Investors (as defined in the Modified Second Amended Plan), began evaluating market conditions with respect to exit financing and, specifically, raising the Working Capital Facility. Potential lenders and arrangers expressed confidence that the market would provide financing in excess of \$1.25 billion in first-lien exit financing. In light of these current market conditions, the Chapter 11 Debtors concluded that it is in the best interests of their estates to proceed with raising the Working Capital Facility in an amount up to \$1.75 billion.²

20. After substantial, good faith, and arm's-length negotiations, LightSquared engaged the Lead Arrangers – three preeminent financial institutions and market leaders – to arrange the Working Capital Facility pursuant to the terms of the Engagement Letter.

21. The Engagement Letter is structured such that the amount of the Lead Arrangers' fees depends in part on the yield of the Working Capital Facility – the higher the cost of borrowing to LightSquared, the lower the fees paid to the Lead Arrangers.

22. In consideration of the time and resources that have been and will be expended by the Lead Arrangers in arranging, structuring, and syndicating the Working Capital Facility, the Engagement Letter provides for certain fees, expenses and indemnities. To the extent such fees,

¹ Certain lenders have indicated a willingness to convert on a dollar-for-dollar basis their obligations under the DIP facility to obligations under the Working Capital Facility.

² The form of Junior Loan Agreement, filed with the U.S. Bankruptcy Court and the Canadian Court as one of the Plan Supplement Documents contemplated a Working Capital Facility in the initial amount of \$1.25 billion with an accordion feature that would allow LightSquared to borrow up to an additional \$500 million over time. However, as set out in the Exit Financing Motion, Section 6.01(k) of the Junior Loan Agreement provides that if LightSquared chooses to raise the \$500 million under the Working Capital Facility it may do so at the time that the Working Capital Facility closes, thereby giving LightSquared access to the full \$1.75 billion at one time. See Junior Loan Agreement § 6.01(k) [Docket No. 2238] ("subject to the Intercreditor Agreement, Indebtedness arising under Senior Lien Loan Documents (including any incremental loans thereunder) and Permitted Refinancings thereof in an aggregate principal amount not to exceed (i) \$1,250,000,000, less any principal prepayments thereof, plus the amount of any accreted or capitalized paid-in-kind interest thereon, plus (ii) (A) \$500,000,000, plus the amount of any accreted or capitalized paid-in-kind interest thereon, less (B) any Indebtedness incurred pursuant to Section 6.01(f)(i).")

expenses, and indemnities are payable by the reorganized Chapter 11 Debtors upon or after the closing of the Working Capital Facility, their payment is authorized pursuant to the Confirmation Order. However, the Engagement Letter also contemplates certain fees, expenses and indemnities potentially earned prior to the Effective Date and payable as administrative expense claims. These latter fees, expenses and indemnities were the subject of the Exit Financing Motion and approved by the Exit Financing Order.

23. Attached to the Engagement Letter, as an exhibit thereto, is a redacted term sheet (the “**Term Sheet**”), outlining the basic terms on which the Working Capital Facility was being marketed and the fees associated therewith, as of the Exit Financing Motion was filed.

24. After the Exit Financing Motion was filed, certain economic terms of the Term Sheet were modified in response to market demands. On May 29, 2015, the Chapter 11 Debtors filed a Notice Regarding Exit Financing Motion (the “**Notice**”), which describes the changes to the Term Sheet. The changes outlined in the Notice include an increase in the interest rate, amendments to the call protections and an increase in the commitment fee. A copy of the Notice is attached hereto as Exhibit “D”.

25. The modified terms of the Working Capital Facility were communicated by the Chapter 11 Debtors to key stakeholders in advance of the May 26, 2015 objection deadline for the Exit Financing Motion. In addition, these modified terms were publicly reported by certain news services in the United States on May 22, 2015, as set forth in the Notice³.

26. In addition, as set forth in the Notice, the proposed Exit Financing Order was revised to approve the Chapter 11 Debtors’ agreement to a “Right of First Refusal” provision (as defined in the Notice) in favor of the committing lenders under the Working Capital Facility. The Right of First Refusal provides in substance that, as long as the FCC grants the Change of Control application (and other such license or application required for LightSquared’s emergence) by December 15, 2015, LightSquared will not incur first lien exit financing on terms better to the company and its subsidiaries until at least June 15, 2016, unless existing lenders are offered to

³ As a result of the news stories in the United States, the redacted terms of the Term Sheet became public in their modified form and were not redacted when subsequently disclosed in the Notice. Certain other information, which were redacted in the Engagement Letter, continues to be proprietary, sensitive, and confidential.

participate in an amount equal to at least their ratable share of the Commitments under this Working Capital Facility. The Right of First Refusal has been required by the lenders to protect their role in LightSquared's exit financing and does not place any incremental liabilities on the estates.

27. No objections to the Exit Financing Motion or Exit Financing Order were filed at any time or raised during a hearing on the Exit Financing Motion, held before the U.S. Bankruptcy Court on June 2, 2015. Shortly after the conclusion of such hearing, the U.S. Bankruptcy Court entered the Exit Financing Order.

28. At the hearing in respect of the Exit Financing Motion, counsel to the Chapter 11 Debtors read into evidence a proffer of Mark S. Hootnick, a managing director at Moelis & Company, the Chapter 11 Debtors' financial advisors. The proffer provided, among other things, that the fees, expenses, indemnities and Right of First Refusal contemplated by the Working Capital Facility are reasonable and appropriate in light of current market conditions, the services being provided by the lead arrangers under the Engagement Letter, and the benefits the Chapter 11 Debtors will receive when the Working Capital Facility is funded. A copy of the transcript from the June 2, 2015 hearing before the U.S. Bankruptcy Court in respect of the Exit Financing Motion, which includes Mr. Hootnick's proffer, is attached hereto as Exhibit "E".

29. Mr. Hootnick's proffer further provided that entry into and performance under the Engagement Letter, including the payment of fees, the reimbursement of expenses, and the provision of indemnities contemplated thereunder, are in the best interests of the Chapter 11 Debtors' estates and in the exercise of the Chapter 11 Debtors' sound business judgment.

30. Post-confirmation of the Modified Second Amended Plan, the Chapter 11 Debtors and the Special Committee have remained focused on the steps necessary to bring about the Effective Date and facilitate the Chapter 11 Debtors' emergence from the Chapter 11 Cases. The Chapter 11 Debtors have placed particular emphasis on securing exit financing that is on the best possible terms and maximizes value in light of current market conditions.

31. The Chapter 11 Debtors believe that engagement of the Lead Arrangers to arrange, structure, and syndicate the Working Capital Facility is consistent with, and supportive of, such

goals. Moreover, the Chapter 11 Debtors believe that the fees, expenses, indemnities, and other terms approved by the Exit Financing Order are appropriate in the circumstances and justified by the advantageous terms on which the Chapter 11 Debtors expect the Working Capital Facility to be funded.

32. The Exit Financing Order is central to the Chapter 11 Debtors' ability to effectuate the Modified Second Amended Plan in accordance with the Confirmation Order and emerge from the Chapter 11 Cases expeditiously. In addition, the Exit Financing Order provides that the relief sought by the Exit Financing Motion is in the best interests of the Chapter 11 Debtors, as well as their estates, creditors and other parties in interest.

33. The Chapter 11 Debtors respectfully submit that recognition of the Exit Financing Order is necessary and appropriate and in the best interests of all stakeholders.


SEALING OF ENGAGEMENT LETTER

34. As set out above, the unredacted Engagement Letter contains commercially sensitive terms that the Foreign Representative submits should be kept confidential and sealed pending further Order of this Honourable Court.

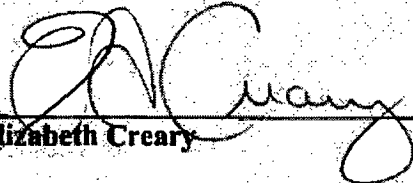
35. In conjunction with the Exit Financing Order, the U.S Bankruptcy Court granted a sealing order pursuant to which the Chapter 11 Debtors were authorized to file under seal portions of the unredacted Engagement Letter (the 'U.S. Sealing Order'). A copy of the U.S. Sealing Order is attached hereto as Exhibit "F".

36. I make this affidavit in support of the motion of the Foreign Representative returnable June 11, 2015 and for no other or improper purpose.

SWORN before me in the City of Ottawa)
in the Province of Ontario the 5th day of)
June, 2015)
)
)
)



Commissioner for Taking Affidavits, etc.)



Elizabeth Creary)

Exhibit "A" to the Affidavit of Elizabeth Creary,
sworn before me this 5th day of June, 2015.



Commissioner for Taking Affidavits, etc.

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

**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. §§ 105(A) AND 363, AUTHORIZING
LIGHTSQUARED TO (A) ENTER INTO AND PERFORM UNDER
ENGAGEMENT LETTER RELATED TO WORKING CAPITAL FACILITY,
(B) PAY FEES AND EXPENSES IN CONNECTION THEREWITH,
AND (C) PROVIDE RELATED INDEMNITIES**

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”), at the direction of the special committee for the boards of directors (the “Special Committee”) LightSquared Inc. and LightSquared GP Inc., and on behalf of the Plan Proponents, for entry of an order (the “Order”), pursuant to sections 105(a) and 363(b) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532, authorizing LightSquared to (a) enter into, effective as of May 13, 2015, and perform under the Engagement Letter with the Lead Arrangers, (b) pay certain fees and expenses associated with the Engagement Letter and Working Capital Facility and not already authorized pursuant to the

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

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion or the *Notice Regarding Exit Financing Motion [Docket No. 2349]* [Docket No. 2356].



Confirmation Order or any other order of this Court, and (c) provide related indemnities to the Lead Arrangers, all as more fully set forth 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 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. LightSquared's entry into and performance under the Engagement Letter is approved in all respects. LightSquared is authorized, but not directed, to enter into, effective as of May 13, 2015, and perform its obligations under the Engagement Letter, pursuant to sections 105(a) and 363 of the Bankruptcy Code, to pay fees and reimburse expenses in connection with the Engagement Letter, and to indemnify the Lead Arrangers in connection therewith.

3. LightSquared is authorized to pay in full all fees, indemnities, and expenses incurred in connection with the Working Capital Facility, including, without limitation, the fees, indemnities, and expenses set forth in the Engagement Letter and the Term Sheet.
4. LightSquared is authorized to enter into and shall be bound by the Right of First Refusal as of the date the Working Capital Facility Credit Agreement is entered into.
5. This Order shall in no way limit the authorizations contained in the *Order Confirming Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 2276], including, without limitation, any authorizations relating to the Working Capital Facility contained therein.
6. LightSquared is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.
7. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.
8. The requirements set forth in rule 9013-1(a) of the Local Bankruptcy Rules for the Southern District of New York are satisfied.
9. The Court retains jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order.

Dated: June 2, 2015
New York, New York

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

Exhibit "B" to the Affidavit of Elizabeth Creary,
sworn before me this 5th day of June, 2015.



Commissioner for Taking Affidavits, etc.

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

**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 CONFIRMING MODIFIED SECOND AMENDED JOINT PLAN
PURSUANT TO CHAPTER 11 OF BANKRUPTCY CODE**

The Plan Proponents² having proposed and filed:

- a. the *Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, dated March 26, 2015 [Docket No. 2265] (as amended, supplemented, or modified from time to time in accordance with the terms thereof, the "Plan"), attached hereto as Exhibit A;
- b. the *First Amended General Disclosure Statement*, dated October 7, 2013 [Docket No. 918] (as amended, supplemented, or modified from time to time, the "General Disclosure Statement"); and
- c. the *Second Amended Specific Disclosure Statement for Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, dated January 20, 2015 [Docket No. 2035] (as amended, supplemented, or modified from time to time, and including all exhibits and supplements thereto, the "Specific Disclosure Statement" and, together with the General Disclosure Statement, the "Disclosure Statement"); and

this Court having:

- d. entered the *Order (I) Approving Disclosure Statements, (II) Approving Solicitation and Notice Procedures with Respect to Confirmation of Competing Plans, (III) Approving*

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² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan or the Disclosure Statement Order (each, as defined below), as applicable.



Forms of Various Ballots and Notices in Connection Therewith, (IV) Approving Scheduling of Certain Dates in Connection with Confirmation of Competing Plans, and (V) Granting Related Relief, dated October 10, 2013 [Docket No. 936] (the “Original Disclosure Statement Order”);

- e. entered the *Order Approving (A) Second Amended Specific Disclosure Statement for Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code, and (B) Solicitation Procedures and Shortened Deadlines with Respect to Confirmation of Such Plan*, dated January 20, 2015 [Docket No. 2036] (the “Solicitation Order” and, together with the Original Disclosure Statement Order, the “Disclosure Statement Order”); and
- f. approved the Plan and Disclosure Statement for transmission to Holders of Claims against, or Equity Interests in, LightSquared’s Estates in compliance with title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”), the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the Local Rules for the Bankruptcy Court for the Southern District of New York (the “Local Rules”), and the Disclosure Statement Order; and

the Plan Proponents having:

- g. obtained recognition of the Original Disclosure Statement Order pursuant to the order of the Canadian Court, dated October 17, 2013, recognizing and giving full force and effect to the First Disclosure Statement Order in all provinces and territories of Canada;
- h. obtained recognition of the Solicitation Order pursuant to the order of the Canadian Court, dated February 2, 2015, recognizing and giving full force and effect to the Solicitation Order in all provinces and territories of Canada;
- i. timely and properly (i) solicited the Plan and Disclosure Statement and (ii) provided due notice of the hearing before the Court to consider the confirmation of the Plan (the “Confirmation Hearing”) to Holders of Claims against, or Equity Interests in, LightSquared and other parties in interest, all in compliance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Disclosure Statement Order, as established by the Affidavit of Service of Gil Hopenstand, an employee of the Court-approved notice, claims, solicitation, and balloting agent, Kurtzman Carson Consultants LLC (“KCC”), sworn to January 23, 2015 [Docket No. 2047] (the “Solicitation/Notice Affidavit”), describing the manner in which votes were solicited, and notice was provided, with respect to the Plan; and
- j. submitted the *Certification of Gil Hopenstand with Respect to Tabulation of Votes on Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, sworn to February 13, 2015 [Docket No. 2074] (the “Tabulation Affidavit”), describing the methodology used for the tabulation of votes and the results of voting with respect to the Plan; and

this Court having:

- k. found that the notice provided regarding the Confirmation Hearing and the opportunity for any party in interest to object to Confirmation have been adequate and appropriate under the circumstances and no further notice is required;
- l. been fully familiar with the Plan and other relevant factors affecting the Chapter 11 Cases;
- m. been fully familiar with, and having taken judicial notice of, the entire record of the Chapter 11 Cases;
- n. held the Confirmation Hearing, which hearing included further evidence regarding (i) *LightSquared's Motion for Order, Pursuant To 11 U.S.C. §§ 105, 361, 362, 363, 364, and 507, (A) Approving Postpetition Financing, (B) Authorizing Use of Cash Collateral, If Any, (C) Granting Liens and Providing Superpriority Administrative Expense Status, (D) Granting Adequate Protection, and (E) Modifying Automatic Stay* [Docket No. 2063] (the "New Inc. DIP Motion"), (ii) *LightSquared's Motion for Entry of Order Authorizing Payment of Alternative Transaction Fee in Connection with Proposed Plan of Reorganization* [Docket No. 2002] (the "Alternative Transaction Fee Motion"), (iii) *LightSquared's Motion for Entry of Order Authorizing LightSquared To Modify and Extend Existing Key Employee Incentive Plan* [Docket No. 2065] (the "KEIP Motion"), (iv) the *Supplement and Reply in Support of LightSquared's Motion for Entry of Order Authorizing LightSquared To Modify and Extend Existing Key Employee Incentive Plan* [Docket No. 2181] (the "KEIP Supplement" and, together with the KEIP Motion, the "Amended KEIP Motion"), and (v) *LightSquared's Motion for Entry of Order, Pursuant to 11 U.S.C. §§ 105(a) and 363, Authorizing LightSquared to (A) Enter Into and Perform Under Letters Related to \$1,515,000,000 Second Lien Exit Financing Arrangements, (B) Pay Fees and Expenses in Connection Therewith, and (C) Provide Related Indemnities* [Docket No. 2239] (the "Commitment Letters Motion");
- o. considered the entire record of the Confirmation Hearing, including, but not limited to,
 - i. the Plan (including, but not limited to, the Plan Supplement documents), the Disclosure Statement, and the Disclosure Statement Order,
 - ii. the Solicitation/Notice Affidavit and Tabulation Affidavit,
 - iii. the objections, reservation of rights, and other responses filed with respect to the Plan (collectively, the "Objections"), including the following:
 - (A) *Oracle's Reservation of Rights Regarding Debtors' Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code ("Reservation Rights")* [Docket No. 2110];
 - (B) *Objection of Centaurus Capital L.P., Keith Holst and Stephen Douglas to Confirmation of Debtors' Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 2112];
 - (C) *Reservation of Rights of Jacksonville Police and Fire Pension Fund with Respect to Confirmation of Second Amended Joint Plan Pursuant to Chapter*

11 of Bankruptcy Code [Docket No. 2113]; (D) *Boeing Satellite Systems, Inc.'s Supplemental Limited Objection and Reservation of Rights to the Debtors' Proposed Cure Obligation Associated with Boeing Contract* [Docket No. 2114]; (E) *Reservation of Rights of Jefferies LLC with Respect to Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 2117]; (F) *Joinder in Objection of Centaurus Capital L.P., Keith Holst and Stephen Douglas to Confirmation of Debtors' Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code and Objection of Sanjiv Ahuja to Confirmation of the Debtors' Second Amended Joint Plan of Reorganization* [Docket No. 2122] (the "Ahuja Objection"); (G) *Objection of Providence TMT Special Situations Fund LP and Providence TMT Debt Opportunity Fund II LP to (1) Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code and (2) Motion for Entry of Order Authorizing Payment of Alternative Transaction Fee in Connection with Proposed Plan of Reorganization* [Docket No. 2127]; (H) *Objection of SP Special Opportunities, LLC to Confirmation of Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 2130]; (I) *Objection of Solus Alternative Asset Management LP to the Debtors' Motion for Entry of Order Authorizing Payment of Alternative Transaction Fee in Connection with Proposed Plan of Reorganization* [Docket No. 2131]; and (J) *Objection of Solus Alternative Asset Management LP to Confirmation of the Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 2133],

- iv. *LightSquared's (I) Memorandum of Law in Support of Confirmation of Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code and (II) Omnibus Response to Objections to (A) Confirmation of Plan, (B) Alternative Transaction Fee Motion, and (C) Inc. DIP Motion* [Docket No. 2184],
- v. *the Declaration of Douglas Smith in Support of Confirmation of Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 2193] (the "Smith Declaration"),
- vi. *Statement of the Ad Hoc Secured Group of LightSquared LP Lenders in Support of the Debtors' Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 2187];
- vii. arguments of counsel and the evidence proffered, adduced, and/or presented at the Confirmation Hearing, including, but not limited to, as referenced in the Smith Declaration,
- viii. *the Mediator's Third Supplemental Memorandum Under ¶¶ 14 and 15 of Mediation Order, dated December 17, 2014* [Docket No. 1983] (the "Mediator's Report"),

- ix. the *Notice of Withdrawal of Objection of SP Special Opportunities, LLC to Confirmation of Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 2258],
 - x. the PSA Joinders (as defined below) [Docket No. 2268], and
 - xi. *Notice of Withdrawal of Objections of Solus Alternative Management LP* [Docket No. 2269];
- p. overruled any and all Objections to the Plan and to Confirmation not consensually resolved or withdrawn, including, but not limited to, the Ahuja Objection, unless otherwise indicated herein;
- q. found the legal and factual bases set forth in the documents filed in support of Confirmation and presented at the Confirmation Hearing establish just cause for the relief granted herein; and
- r. entered orders (collectively, the “Vote Changing Orders”) approving the relief requested in the (i) *Motion of Providence TMT Special Situations Fund LP and Providence TMT Debt Opportunity Fund II LP Pursuant to Bankruptcy Rule 3018(a) To Change Votes Relating to Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 2242] (the “Providence Motion”) and (ii) *Motion for Order Pursuant to Bankruptcy Rule 3018(a) Authorizing Centaurus Capital L.P. and Keith Holst To Change Votes Relating to Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 2244] (the “Centaurus Motion”); and

after due deliberation and good and sufficient cause appearing therefor, and based on the decision set forth on the record, it is hereby **FOUND, ORDERED, and ADJUDGED that:**

FINDINGS OF FACT AND CONCLUSIONS OF LAW

A. **Jurisdiction and Venue.** The Court has jurisdiction over the Chapter 11 Cases and confirmation of the Plan pursuant to 28 U.S.C. § 1334. Confirmation of the Plan is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (L), and (O), and the Court has jurisdiction to enter a Final Order with respect thereto. Each of the LightSquared entities is an eligible debtor under section 109 of the Bankruptcy Code. Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

B. **Commencement and Joint Administration of Chapter 11 Cases.** On May 14, 2012 (the “Petition Date”), LightSquared commenced the Chapter 11 Cases. By order of the Court

[Docket No. 33], the Chapter 11 Cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015. LightSquared has operated its businesses and managed its properties as debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases.

C. Judicial Notice. The Court takes judicial notice of the docket of the Chapter 11 Cases maintained by the Clerk of the Court, including, but not limited to, all pleadings and other documents filed, all orders entered, and all evidence and arguments made, proffered, adduced, and/or presented at the various hearings held before the Court during the pendency of the Chapter 11 Cases.

D. Disclosure Statement Orders, Solicitation, and Notice.

1. On October 10, 2013, the Court entered the Original Disclosure Statement Order, which, among other things, established solicitation, notice, balloting, and confirmation procedures for chapter 11 plans proposed in the Chapter 11 Cases and authorized KCC to, among other things, assist in (a) distributing the appropriate solicitation materials, (b) soliciting votes on chapter 11 plans proposed in the Chapter 11 Cases, (c) receiving, tabulating, and reporting on Ballots, and (d) responding to inquiries relating to the solicitation and voting process.

2. On January 20, 2015, the Court entered the Solicitation Order, which, among other things, (a) approved the Specific Disclosure Statement for purposes of solicitation, finding that it contained “adequate information” within the meaning of section 1125 of the Bankruptcy Code, (b) authorized LightSquared, through KCC, to solicit acceptances or rejections of the Plan in accordance with the approved solicitation procedures and shorted deadlines, and (c) incorporated by reference, to the extent not inconsistent with the Solicitation Order, the terms, provisions, and procedures of the Original Disclosure Statement Order.

3. Promptly following entry of the Solicitation Order, in compliance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Disclosure Statement Order, and as evidenced by the Solicitation/Notice Affidavit, KCC effectuated:

- (a) filing and service on all parties in interest of a notice concerning the Disclosure Statement, the Plan, and the Plan Documents, and deadlines and hearing dates with respect thereto, including, but not limited to, setting forth the proposed release, exculpation, and injunction provisions in the Plan, the dates applicable to, and procedures regarding, the solicitation of votes on the Plan, the date of the Confirmation Hearing, and the procedures for objecting to confirmation of the Plan; and
- (b) service of the appropriate solicitation materials on each Holder of Claims or Equity Interests entitled to vote under the Plan (i.e., Holders of Prepetition Inc. Facility Non-Subordinated Claims (Class 5), Prepetition Inc. Facility Subordinated Claims (Class 6), Prepetition LP Facility Non-SPSO Claims (Class 7A), Prepetition LP Facility SPSO Claims (Class 7B), Prepetition LP Facility Non-SPSO Guaranty Claims (Class 8A), Prepetition LP Facility SPSO Guaranty Claims (Class 8B), Existing LP Preferred Units (Class 11), and Existing Inc. Preferred Stock Equity Interests (Class 12)), including (i) the Disclosure Statement, (ii) the Solicitation Order, (iii) a notice regarding the Confirmation Hearing, and (iv) an appropriate number of Ballots (with voting instructions with respect thereto) (collectively, the "Solicitation Materials").

4. As described in the Solicitation Order and as evidenced by the Solicitation/Notice Affidavit, (a) service of the Solicitation Materials was adequate and sufficient under the circumstances of the Chapter 11 Cases and (b) adequate and sufficient notice of the Confirmation Hearing and other requirements, deadlines, hearings, and matters described in the Solicitation Order (i) was timely and properly provided in compliance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Disclosure Statement Order, and (ii) provided due process, and an opportunity to appear and to be heard, to all parties in interest. Because the foregoing transmittals, notices, and service were adequate and sufficient, no other or further notice is necessary or shall be required.

E. Voting. Votes on the Plan were solicited after disclosure of “adequate information” as defined in section 1125 of the Bankruptcy Code. As evidenced by the Solicitation/Notice Affidavit and Tabulation Affidavit, votes to accept the Plan have been solicited and tabulated fairly, in good faith, and in a manner consistent with the Disclosure Statement Order, the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules.

F. Plan Supplement. The filing and notice of the Plan Supplement as part of the Disclosure Statement, and as subsequently amended by filings with the Court, were proper and in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Disclosure Statement Order, and no other or further notice is or shall be required.

G. Plan Modifications. Any modifications to the Plan since the commencement of solicitation described or set forth herein constitute immaterial modifications and/or do not adversely affect or change the treatment of any Claims or Equity Interests. Pursuant to Bankruptcy Rule 3019, the foregoing modifications do not require additional disclosure under section 1125 of the Bankruptcy Code or the resolicitation of votes under section 1126 of the Bankruptcy Code, nor do they require that the Holders of Claims or Equity Interests be afforded an opportunity to change previously cast acceptances or rejections of the Plan.

H. Burden of Proof. The Plan Proponents have met their burden of proving the elements of section 1129 of the Bankruptcy Code by a preponderance of the evidence, which is the applicable standard. Further, each witness who testified on behalf of the Plan Proponents at or in connection with the Confirmation Hearing was credible, reliable, and qualified to testify as to the topics addressed in his or her testimony.

I. Bankruptcy Rule 3016. The Plan is dated and identifies the Debtors, Fortress, Centerbridge, and Harbinger as the specific Plan Proponents, thereby satisfying Bankruptcy Rule 3016(a). The filing of the Disclosure Statement satisfied Bankruptcy Rule 3016(b).

J. New DIP Facilities.

1. *Eighth Replacement DIP Facility*. On January 20, 2015, the Court entered the *Final Order (A) Authorizing DIP Obligors to Obtain Eighth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 2053] (as amended, supplemented, or modified from time to time, the "Eighth Replacement DIP Facility Order"). The Eighth Replacement DIP Facility Order approved a debtor-in-possession credit facility (the "Eighth Replacement DIP Facility") which, subject to the satisfaction of the Conditions to Combined Delayed Draw Funding (as defined in the Eighth Replacement DIP Facility Order), will, among other things, provide (a) funding to the Inc. Debtors to satisfy those Inc. DIP Claims that are not JPM Acquired DIP Inc. Claims and pay the Prepetition Inc. Fee Claims and DIP Inc. Fee Claims (including, if necessary, any estimates of such claims) and (b) other post-confirmation funding for the Inc. Debtors' estates.

2. *New Investor New Inc. DIP Facility*. On February 9, 2015 the Debtors filed the New Inc. DIP Motion, seeking approval of the New Investor New Inc. DIP Facility. In the event that the Conditions to Combined Delayed Draw Funding have not been or will not be satisfied, the Court has issued or entered, or shall issue or enter, findings, rulings, judgments, and/or orders regarding the New Inc. DIP Motion under the appropriate sections of the Bankruptcy Code and applicable law (collectively, the "New Inc. DIP Order"). This Order fully

incorporates by reference the New Inc. DIP Order (and all terms thereof) to the extent that the Court has entered such New Inc. DIP Order.

K. Alternative Transaction Fee. In connection with confirmation of the Plan, the Court has issued or entered, or shall issue or enter, findings, rulings, judgments, and/or orders regarding the Alternative Transaction Fee Motion under the appropriate sections of the Bankruptcy Code and applicable law (collectively, the "Alternative Transaction Fee Order"). This Order fully incorporates by reference the Alternative Transaction Fee Order (and all terms thereof).

L. Key Employee Incentive Plan. In connection with confirmation of the Plan, the Court has issued or entered, or shall issue or enter, findings, rulings, judgments, and/or orders regarding the Amended KEIP Motion under the appropriate sections of the Bankruptcy Code and applicable law (collectively, the "KEIP Order"). This Order fully incorporates by reference the KEIP Order (and all terms thereof).

M. Commitment Letters. In connection with confirmation of the Plan, the Court has issued or entered, or shall issue or enter, findings, rulings, judgments, and/or orders regarding the Commitment Letters Motion under the appropriate sections of the Bankruptcy Code and applicable law (collectively, the "Commitment Letters Order"). This Order fully incorporates by reference the Commitment Letters Order (and all terms thereof).

N. Standing Motion Stipulation. On January 30, 2015, the Court entered the Standing Motion Stipulation Order, which order is a Final Order. This Order fully incorporates by reference the Standing Motion Stipulation Order (and all of the terms thereof) to the extent not inconsistent herewith.

COMPLIANCE WITH SECTION 1129 OF BANKRUPTCY CODE

O. Plan Compliance with Bankruptcy Code (11 U.S.C. § 1129(a)(1)). As further detailed below, the Plan complies with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(1) of the Bankruptcy Code.

1. *Proper Classification (11 U.S.C. §§ 1122 and 1123(a)(1))*. Article III of the Plan designates twenty (20) Classes of Claims or Equity Interests. The Claims or Equity Interests in each Class are substantially similar to other Claims or Equity Interests in each such Class. Valid business, legal, and factual reasons exist for separately classifying the various Classes of Claims and Equity Interests under the Plan. The Plan, therefore, satisfies sections 1122 and 1123(a)(1) of the Bankruptcy Code.

2. *Specified Unimpaired Classes (11 U.S.C. § 1123(a)(2))*. The Plan specifies that Classes 1, 2, 3, 4, 7B, 8B, 9, 10, 15B, 16A, and 16B are unimpaired under the Plan, within the meaning of section 1124 of the Bankruptcy Code, thereby satisfying section 1123(a)(2) of the Bankruptcy Code.

3. *Specified Treatment of Impaired Classes (11 U.S.C. § 1123(a)(3))*. The Plan specifies that Classes 5, 6, 7A, 8A, 11, 12, 13, 14, and 15A are impaired under the Plan, within the meaning of section 1124 of the Bankruptcy Code, and specifies the treatment of such Classes, thereby satisfying section 1123(a)(3) of the Bankruptcy Code.

4. *No Discrimination (11 U.S.C. § 1123(a)(4))*. The Plan provides for the same treatment for each Claim or Equity Interest in each respective Class unless the Holder of a particular Claim or Equity Interest has agreed to less favorable treatment on account of such Claim or Equity Interest, thereby satisfying section 1123(a)(4) of the Bankruptcy Code.

5. *Implementation of Plan (11 U.S.C. § 1123(a)(5))*. Article IV and other provisions of the Plan, the various documents included in the Plan Supplement, and the terms of

this Order provide adequate and proper means for the implementation of the Plan, including, but not limited to, the following:

- (a) **Plan Consideration.**
 - (i) All consideration necessary to make Plan Distributions shall be obtained from Cash on hand and proceeds from the New DIP Facilities, the JPM Inc. Facilities Claims Purchase Agreement, the New Investor Commitment Documents (as applicable), the Working Capital Facility, the Second Lien Exit Facility, the Reorganized LightSquared Inc. Exit Facility, and the New LightSquared Entities Shares.
- (b) **Confirmation Date Plan Transactions.** The following Plan Transactions will occur on, or as soon as practicable, after the Confirmation Date:
 - (i) *Inc. Facilities Claims Purchase.*
 - A. *Prepetition Inc. Facility Non-Subordinated Claims.* Pursuant to, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement, SIG shall purchase from the Prepetition Inc. Facility Claim Sellers in Cash all right, title, and interest to the Acquired Inc. Facility Claims for the Acquired Inc. Facility Claims Purchase Price upon the Inc. Facilities Claims Purchase Closing Date.
 - B. *DIP Inc. Claims.* Pursuant to, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement, SIG shall purchase from the DIP Inc. Claims Sellers in Cash all right, title, and interest to the JPM Acquired DIP Inc. Claims upon the Inc. Facilities Claims Purchase Closing Date. To the extent applicable, pursuant to, and subject to the terms and conditions of, the New Investor Commitment Documents, Fortress and Centerbridge shall purchase from the DIP Inc. Claims Sellers in Cash all right, title, and interest to the Fortress/Centerbridge Acquired DIP Inc. Claims upon the Inc. Facilities Claims Purchase Closing Date.
 - (ii) *New DIP Facilities.*

A. *New Inc. DIP Facility.* On the Inc. Facilities Claims Purchase Closing Date, the New Inc. DIP Obligors, the New Inc. DIP Lenders, and other relevant Entities shall enter into the New Inc. DIP Credit Agreement and, subject to the terms of the New Inc. DIP Credit Agreement, the New Inc. DIP Lenders shall fund the New Inc. DIP Facility (including, but not limited to, by converting Acquired DIP Inc. Claims into New Inc. DIP Loans to the extent applicable), the proceeds of which shall be used (1) to indefeasibly repay the Allowed DIP Inc. Claims (other than the Acquired DIP Inc. Claims to the extent applicable) in full in Cash, (2) to indefeasibly repay in full, in Cash all DIP Inc. Fee Claims and Prepetition Inc. Fee Claims (including, if necessary, estimates of such DIP Inc. Fee Claims and Prepetition Inc. Fee Claims through and including the Inc. Facilities Claims Purchase Closing Date), (3) for general corporate purposes, and (4) to fund the working capital needs of the Inc. Debtors through the Effective Date.

1. *JPM Acquired DIP Inc. Claims.* On the New Inc. DIP Closing Date, the JPM Acquired DIP Inc. Claims purchased by SIG shall be converted into New Inc. DIP Loans on a dollar-for-dollar basis, of which on the Effective Date, \$41,000,000 shall be converted into the Reorganized LightSquared Inc. Exit Facility as set forth in Section IV.B.2(d)(i) of the Plan and the remainder of New Inc. DIP Claims held by SIG (including, but not limited to, any accrued and unpaid interest thereon) shall be paid in Cash.

2. *Fortress/Centerbridge Acquired DIP Inc. Claims.* To the extent applicable, on the New Inc. DIP Closing Date, the Fortress/Centerbridge Acquired DIP Inc. Claims purchased by Fortress and Centerbridge shall be converted into New Inc. DIP Loans on a dollar-for-dollar basis.

B. *New LP DIP Facility.* On the New LP DIP Closing Date, the New LP DIP Obligors, New LP DIP Lenders, and other relevant Entities shall enter into the New LP DIP Credit Agreement. On the New LP DIP Closing Date, subject to the terms of the New LP DIP Credit Agreement, the New LP DIP Lenders shall fund the

New LP DIP Facility, the proceeds of which shall be used for general corporate purposes and to fund the working capital needs of the LP Debtors through the Effective Date.

C. *Combined New DIP Facilities.* The New Inc. DIP Facility may be combined with the New LP DIP Facility, but only to the extent that the Inc. Facilities Claims Purchase Closing Date has occurred (or will occur concurrently therewith) and the Allowed DIP Inc. Claims that are not JPM Acquired DIP Inc. Claims have been indefeasibly paid in full in Cash either (1) from the proceeds of the Third Party New Inc. DIP Facility or (2) as contemplated by the New Investor Commitment Documents.

- (c) Effective Date Plan Transactions. On the Effective Date:
- (i) LightSquared LP shall be converted to a Delaware limited liability company pursuant to applicable law; and
 - (ii) Fortress and Centerbridge shall fund to New LightSquared their Effective Date Investments. As consideration for such Effective Date Investments, New LightSquared shall issue: (A) to Fortress, 26.20% of New LightSquared Common Interests and New LightSquared Series B Preferred Interests having an original liquidation preference of \$68,391,643.16; and (B) to Centerbridge, 8.10% of New LightSquared Common Interests and New LightSquared Series B Preferred Interests having an original liquidation preference of \$21,108,531.85.
- (d) Certain Transactions Between New LightSquared and Reorganized Inc. Entities. On the Effective Date:
- (i) Each Reorganized Inc. Entity shall assign, contribute, or otherwise transfer to New LightSquared substantially all of its assets, including, but not limited to, all legal, equitable, and beneficial right, title, and interest thereto and therein, including, but not limited to, all of its equity interests, if any, in any Reorganized Debtor (except as provided below), intellectual property, contractual rights, Retained Causes of Action, and the right to prosecute such Retained Causes of Action and receive the benefits therefrom; but excluding each Reorganized Inc. Entity's tax attributes and direct or indirect equity interests in One Dot Four Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, TMI

Communications Delaware, Limited Partnership,
LightSquared Investors Holdings Inc., and SkyTerra
Investors LLC; and

- (ii) As consideration for the Reorganized Inc. Entities assigning, contributing, or otherwise transferring their assets to New LightSquared as described in Section IV.B.2(c)(i) of the Plan, New LightSquared shall (A) issue to the Reorganized Inc. Entities (1) 21.25% of the New LightSquared Common Interests, (2) New LightSquared Series C Preferred Interests having an original liquidation preference equal to (y) the outstanding liquidation preference of the Existing Inc. Preferred Stock held by the Other Existing Inc. Preferred Equity Holders as of the Effective Date (excluding any prepayment or redemption premium) plus (z) \$73,000,000 (subject to the distribution obligations set forth in Section IV.B.2(d)(iii) of the Plan), (3) New LightSquared Series B Preferred Interests having an original liquidation preference of \$41,000,000, and (4) New LightSquared Series A-1 Preferred Interests having an original liquidation preference equal to the Allowed Prepetition Inc. Facility Non-Subordinated Claims held by SIG as of the Effective Date, and (B) assume all obligations, and make the Plan Distributions required to be made under the Plan, with respect to Allowed Inc. Other Priority Claims, Allowed Inc. Other Secured Claims, Allowed Prepetition Inc. Facility Subordinated Claims, and Allowed Inc. General Unsecured Claims.

- (e) Certain Transactions Regarding Claims Against and Equity Interests in the Inc. Debtors.
 - (i) The Acquired Inc. Facility Claims (including all Inc. Facility Postpetition Interest) and \$41,000,000 of the New Inc. DIP Loans held by SIG (as a result of the conversion of its JPM Acquired DIP Inc. Claims into such New Inc. DIP Loans in accordance with Section II.C. of the Plan), will be converted into the Reorganized LightSquared Inc. Exit Facility on a dollar-for-dollar basis (with the remainder of the New Inc. DIP Loans held by SIG to be repaid in full in Cash).

 - (ii) Reorganized LightSquared Inc. shall issue 100% of the Reorganized LightSquared Inc. Common Shares to SIG in satisfaction of its Existing Inc. Preferred Stock Equity Interests as set forth in Section III.B.14(b)(ii) of the Plan.

- (iii) The Reorganized Inc. Entities shall distribute to the Other Existing Inc. Preferred Equity Holders in satisfaction of their Existing Inc. Preferred Stock Equity Interests, as set forth in Section III.B.14(b)(i) of the Plan, New LightSquared Series C Preferred Interests having an original liquidation preference equal to the outstanding liquidation preference of the Existing Inc. Preferred Stock held by the Other Existing Inc. Preferred Equity Holders as of the Effective Date (excluding any prepayment or redemption premium).
 - (iv) After giving effect to the transfer of assets contemplated by Section IV.B.2(c) of the Plan, and to the distributions of New LightSquared Series C Preferred Interests contemplated by Section IV.B.2(d)(iii) of the Plan, (A) the Reorganized Inc. Entities will (1) collectively, hold 21.25% of New LightSquared Common Interests, New LightSquared Series C Preferred Interests having an original liquidation preference of \$73,000,000, New LightSquared Series B Preferred Interests having an original liquidation preference of \$41,000,000, and New LightSquared Series A-1 Preferred Interests having an original liquidation preference equal to the Prepetition Inc. Facility Non-Subordinated Claims held by SIG as of the Effective Date and (2) retain their tax attributes and (B) Reorganized LightSquared Inc. will retain 100% of the equity interests in One Dot Four Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, TMI Communications Delaware, Limited Partnership, LightSquared Investors Holdings Inc., and SkyTerra Investors LLC; provided that, on the Effective Date, the Reorganized Inc. Entities shall have the option to exchange on a dollar-for-dollar basis all or a portion of their New LightSquared Series A-1 Preferred Interests into New LightSquared Series A-2 Preferred Interests and/or additional New LightSquared Series C Preferred Interests.
- (f) New LightSquared Loan Facilities.
- (i) New LightSquared and the lenders party thereto and their respective agents shall enter into the Working Capital Facility and the Second Lien Exit Facility. Confirmation of the Plan shall constitute (A) approval of the Working Capital Facility, Second Lien Exit Facility, and all transactions contemplated thereby, including, but not limited to, any and all actions to be taken, undertakings to be made, and obligations to be incurred by the New

LightSquared Obligor in connection therewith, including, but not limited to, the payment of all fees, indemnities, and expenses provided for therein and (B) authorization for the New LightSquared Obligor to enter into and execute the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, and such other documents as may be required or appropriate.

On the Effective Date, the Working Capital Facility and the Second Lien Exit Facility, together with any new promissory notes evidencing the obligations of the New LightSquared Obligor, and all other documents, instruments, mortgages, and agreements to be entered into, delivered, or confirmed thereunder, shall become effective, valid, binding, and enforceable in accordance with their terms, and each party thereto shall be bound thereby. The obligations incurred by the New LightSquared Obligor pursuant to the Working Capital Facility, the Second Lien Exit Facility, and the related documents shall be secured, paid, or otherwise satisfied pursuant to, and as set forth in, the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, and the related documents.

A. *Working Capital Facility.* The New LightSquared Obligor, Working Capital Lenders, and their agents shall enter into the Working Capital Facility. The Working Capital Lenders shall fund the Working Capital Facility through the provision of new financing, in accordance with the Plan, this Order, and the Working Capital Facility Credit Agreement, and shall provide for loans in the original aggregate principal amount of up to \$1,250,000,000.

The Working Capital Facility Loans shall be secured by senior liens on all assets of the New LightSquared Obligor, and shall have market terms and conditions satisfactory to New LightSquared, each of the New Investors, and the Debtors.

New LightSquared shall use the proceeds from the Working Capital Facility for the purposes specified in the Plan, including, but not limited to, to satisfy Allowed Administrative Claims, to repay the New DIP Facilities (other than \$41,000,000 of the New Inc. DIP Loans held by SIG on account of the JPM Acquired

DIP Inc. Claims), for general corporate purposes and working capital needs, and to make Plan Distributions.

The Working Capital Facility Loans may not be made by or assigned or otherwise transferred (including, but not limited to, by participation) to any Prohibited Transferee, and any assignment or other transfer thereof (including, but not limited to, by participation) to a Prohibited Transferee shall be *void ab initio*.

- B. *Second Lien Exit Facility*. The New LightSquared Obligors and the other relevant Entities shall enter into the Second Lien Exit Facility. The Second Lien Exit Facility shall be funded through (1) the provision of new financing in Cash by certain of the Second Lien Exit Term Lenders in an amount equal to the Prepetition LP Facility SPSO Claims as of the Effective Date and (2) the conversion of the Prepetition LP Facility Non-SPSO Claims as of the Effective Date into loans under the Second Lien Exit Facility in accordance with the Plan, this Order, and the Second Lien Exit Credit Agreement. The Second Lien Exit Facility shall provide for loans in the aggregate principal amount of the Prepetition LP Facility Claims as of the Effective Date plus the amount of the commitment fee under the Second Lien Exit Facility Commitment Letter. Second Lien Exit Term Loans shall be secured by second liens on all assets of the New LightSquared Obligors, have a five (5) year term, bear interest at the rate of the higher of (1) 12% and (2) 300 basis points greater than the interest rate of the Working Capital Facility per annum, payable in kind, and not be callable for the first two (2) years after the Effective Date, subject in each case to the terms of the Second Lien Exit Facility Credit Agreement.

The Second Lien Exit Term Loans made pursuant to the Second Lien Exit Facility shall be made by the Holders of Prepetition LP Facility Non-SPSO Claims and certain third parties. In connection with the Second Lien Exit Facility, certain of the Second Lien Exit Term Lenders have entered into the Second Lien Exit Facility Commitment Letter, pursuant to which the Debtors have agreed to pay to the Second Lien Exit Term Lenders party thereto a commitment fee in an amount

of Second Lien Exit Term Loans in accordance with the terms of such commitment letter.

No Prohibited Transferee (including, but not limited to, the SPSO Parties) shall be permitted to hold (either by assignment, participation, or otherwise) any Second Lien Exit Term Loans and any assignment or other transfer thereof (including, but not limited to, by participation) to a Prohibited Transferee (including the SPSO Parties) shall be *void ab initio*.

The Second Lien Exit Credit Agreement shall also provide that, prior to a vote or other consent solicitation on any matter requiring a vote or consent by Second Lien Exit Term Lenders (or any portion thereof), the administrative agent under the Second Lien Exit Facility must receive prior to each such vote or consent solicitation a written certification from each Second Lien Exit Term Lender that no Prohibited Transferee has any direct or indirect interest (including, but not limited to, pursuant to any participation or voting agreement) in such Second Lien Exit Term Lender's Second Lien Exit Term Loans (and if no such certificate is delivered by a particular Second Lien Exit Term Lender, such Second Lien Exit Term Lender's Second Lien Exit Term Loans shall be excluded from such vote or consent solicitation).

- (g) Reorganized LightSquared Inc. Exit Facility.
- (i) Reorganized LightSquared Inc. and SIG shall enter into the Reorganized LightSquared Inc. Exit Facility, which shall (A) provide for loans in the original aggregate principal amount equal to \$41,000,000 of the New Inc. DIP Loans held by SIG on account of the JPM Acquired DIP Inc. Claims as of the Effective Date and the Acquired Inc. Facility Claims as of the Effective Date and (B) be secured by liens on all assets of Reorganized LightSquared Inc. The Reorganized LightSquared Inc. Exit Facility shall be funded through the conversion of the Acquired Inc. Facility Claims and \$41,000,000 of the New Inc. DIP Loans held by SIG into loans under the Reorganized LightSquared Inc. Exit Facility in accordance with the Plan.
- (ii) Entry of this Order shall constitute (A) approval of the Reorganized LightSquared Inc. Exit Facility and all transactions contemplated thereby, including, but not

limited to, any and all actions to be taken, undertakings to be made, and obligations to be incurred by Reorganized LightSquared Inc. in connection therewith and (B) authorization for Reorganized LightSquared Inc. to enter into, execute, and perform its obligations under, the Reorganized LightSquared Inc. Credit Agreement and such other documents as may be required or appropriate.

(iii) On the Effective Date, the Reorganized LightSquared Inc. Exit Facility, together with any new promissory notes evidencing the obligations of Reorganized LightSquared Inc. and all other documents, instruments, mortgages, and agreements to be entered into, delivered, or confirmed thereunder, shall become effective, valid, binding, and enforceable in accordance with their terms, and each party thereto shall be bound thereby. The obligations incurred by Reorganized LightSquared Inc. pursuant to the Reorganized LightSquared Inc. Exit Facility and related documents shall be secured, paid, or otherwise satisfied pursuant to, and as set forth in, the Reorganized LightSquared Inc. Credit Agreement and related documents. None of the Reorganized Inc. Entities shall be obligors under, or have any liability with respect to, the Working Capital Facility, the Second Lien Exit Facility, or any other obligations of the New LightSquared Obligor, and none of the New LightSquared Obligor shall be obligors under, or have any liability with respect to, the Reorganized LightSquared Inc. Exit Facility or any other obligations of the Reorganized Inc. Entities.

(h) Issuance of New LightSquared Entities Shares; Reinstatement of Reinstated Intercompany Interests.

(i) On the Effective Date, except as otherwise provided in the Plan or this Order, (A) New LightSquared or Reorganized LightSquared Inc., as applicable, shall issue the New LightSquared Entities Shares required to be issued in accordance with the Plan and all related instruments, certificates, and other documents required to be issued or distributed pursuant to the Plan and (B) all Intercompany Interests shall be Reinstated for the benefit of the Holders thereof and treated in accordance with the Plan, as applicable.

(ii) The issuance of the New LightSquared Entities Shares and the Reinstatement of the Reinstated Intercompany Interests are authorized without the need for any further corporate

action or without further notice to, or action, order, or approval of, this Court, the Canadian Court, or any other Entity.

- (iii) All of the New LightSquared Entities Shares issued (or Reinstated) pursuant to the Plan shall be duly authorized, validly issued, and, if applicable, fully paid and non-assessable.
- (iv) The applicable Reorganized Debtors Governance Documents shall contain provisions necessary to (A) except as consented to by the initial holder thereof, prohibit the issuance of nonvoting equity securities as required by section 1123(a)(6) of the Bankruptcy Code, subject to further amendment of the applicable Reorganized Debtors Governance Documents as permitted by applicable law and (B) effectuate the provisions of the Plan, in each case without any further action by the holders of New LightSquared Entities Shares or directors of the Debtors or the Reorganized Debtors.
- (v) On the Effective Date, New LightSquared shall issue the New LightSquared Series A Preferred Interests, the New LightSquared Series B Preferred Interests, the New LightSquared Series C Preferred Interests, and the New LightSquared Common Interests, the respective terms and rights of which shall be set forth in the New LightSquared Interest Holders Agreement.

The Plan, therefore, satisfies section 1123(a)(5) of the Bankruptcy Code.

6. *Charter Provisions (11 U.S.C. § 1123(a)(6)).* The applicable Reorganized Debtors Governance Documents shall contain provisions necessary to (a) except as consented to by the initial holder thereof, prohibit the issuance of nonvoting equity securities as required by section 1123(a)(6) of the Bankruptcy Code, subject to further amendment of the applicable Reorganized Debtors Governance Documents as permitted by applicable law, and (b) effectuate the provisions of the Plan, in each case without any further action by the holders of New LightSquared Entities Shares or directors of the Debtors or the Reorganized Debtors.

Accordingly, the Plan satisfies the requirements of section 1123(a)(6) of the Bankruptcy Code.

7. *Designation of Directors and Officers (11 U.S.C. § 1123(a)(7)).* The identities and affiliations of any and all persons proposed to serve as a director or officer of the Reorganized Debtors, to the extent known and determined, were disclosed at, or before, the Confirmation Hearing in compliance with applicable law. The foregoing is consistent with the interests of Holders of Claims and Holders of Equity Interests, and with public policy, thereby satisfying section 1123(a)(7) of the Bankruptcy Code.

8. *Additional Plan Provisions (11 U.S.C. § 1123(b)).* As set forth below, the discretionary provisions of the Plan comply with section 1123(b) of the Bankruptcy Code and are not inconsistent with the applicable provisions of the Bankruptcy Code. Thus, section 1123(b) of the Bankruptcy Code is satisfied.

- (a) *Impairment/Unimpairment of Classes (11 U.S.C. § 1123(b)(1)).* In accordance with section 1123(b)(1) of the Bankruptcy Code, Classes 1, 2, 3, 4, 7B, 8B, 9, 10, 15B, 16A, and 16B are Unimpaired, and Classes 5, 6, 7A, 8A, 11, 12, 13, 14, and 15A are Impaired, by the Plan.
- (b) *Assumption and Rejection of Executory Contracts and Unexpired Leases (11 U.S.C. § 1123(b)(2)).* In accordance with section 1123(b)(2) of the Bankruptcy Code, Article V of the Plan provides for the rejection of each Executory Contract and Unexpired Lease, unless any such Executory Contract or Unexpired Lease: (i) is listed on the Schedule of Assumed Agreements in the Plan Supplement; (ii) has been previously assumed, assumed and assigned, or rejected by the Debtors by Final Order of the Court or has been assumed, assumed and assigned, or rejected by the Debtors by order of the Court as of the Effective Date, which order becomes a Final Order after the Effective Date; (iii) is the subject of a motion to assume, assume and assign, or reject pending as of the Effective Date; (iv) is an Intercompany Contract; or (v) is otherwise assumed, or assumed and assigned, pursuant to the terms of the Plan.
- (c) *Retention of Claims (11 U.S.C. § 1123(b)(3)).* In accordance with section 1123(b)(3) of the Bankruptcy Code, Section IV.P of the Plan provides, among other things, that, subject to Article VIII of the Plan, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes

of Action, whether arising before or after the Petition Date, including, but not limited to, any Retained Causes of Action that may be described in the Plan Supplement, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in New LightSquared.

- (d) *Additional Plan Provisions (11 U.S.C. § 1123(b)(6))*. The Plan's other provisions are appropriate and consistent with the applicable provisions of the Bankruptcy Code, including, but not limited to, provisions for (i) distributions to Holders of Claims and Holders of Equity Interests, (ii) resolution of Disputed Claims and Disputed Equity Interests, (iii) Allowance of certain Claims and Equity Interests, (iv) indemnification obligations, (v) releases by the Debtors of certain parties, (vi) releases by certain third parties, (vii) exculpations of certain parties, (viii) injunctions from certain actions, and (ix) retention of the Court's jurisdiction, thereby satisfying the requirements of section 1123(b)(6) of the Bankruptcy Code.

9. *Cure of Defaults (11 U.S.C. 1123(d))*. Section V.C of the Plan provides for the satisfaction of Cure Costs associated with each Executory Contract and Unexpired Lease to be assumed in accordance with section 365(b)(1) of the Bankruptcy Code. The Cure Costs identified in the Schedule of Assumed Agreements and any amendments thereto, as applicable, represent the amount, if any, that the Debtors propose to pay in full and complete satisfaction of such Cure Costs. Any disputed Cure Costs shall be determined in accordance with the procedures set forth in Section V.C of the Plan, this Order, and applicable bankruptcy and non-bankruptcy law. As such, the Plan provides that the Debtors shall cure, or provide adequate assurance that the Debtors shall promptly cure, defaults with respect to assumed Executory Contracts and Unexpired Leases in compliance with section 365(b)(1) of the Bankruptcy Code. Thus, the Plan complies with section 1123(d) of the Bankruptcy Code.

P. LightSquared's Compliance with Bankruptcy Code (11 U.S.C. § 1129(a)(2)). As further detailed below, LightSquared has complied with the applicable provisions of the Bankruptcy Code, thereby satisfying section 1129(a)(2) of the Bankruptcy Code. Specifically:

1. Each of the LightSquared entities is a proper debtor under section 109 of the Bankruptcy Code.

2. LightSquared has complied with all applicable provisions of the Bankruptcy Code, except as otherwise provided or permitted by orders of the Court.

3. LightSquared has complied with the applicable provisions of the Disclosure Statement Order, the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, including, but not limited to, sections 1125 and 1126(b) of the Bankruptcy Code, in (a) transmitting the Solicitation Materials and related documents and (b) soliciting and tabulating votes with respect to the Plan.

4. Good, sufficient, and timely notice of the Confirmation Hearing has been provided to each Holder of Claims or Equity Interests that was entitled to vote to accept or reject the Plan and to Holders of Claims or Equity Interests that were not entitled to vote to accept or reject the Plan.

5. LightSquared did not solicit acceptances of the Plan by any Holder of Claims or Holder of Equity Interests prior to the transmission of the Disclosure Statement.

Q. Plan Proposed in Good Faith (11 U.S.C. § 1129(a)(3)). The Plan is the product of the open, honest, and good faith process through which LightSquared has conducted its restructuring from the beginning of the Chapter 11 Cases and reflects extensive, good faith, arm's length negotiations among the Plan Proponents and the other Plan Support Parties. The Plan itself and the process leading to its formulation provide independent evidence of the Plan

Proponents' good faith, serve the public interest, and assure fair treatment of Holders of Claims and Equity Interests. Throughout the Chapter 11 Cases, LightSquared has upheld its fiduciary duty to stakeholders and protected the interests of all constituents with an even hand. In addition to achieving a result consistent with the objectives of the Bankruptcy Code, the Plan allows LightSquared's stakeholders to realize the highest possible recoveries under the circumstances. Consistent with the overriding purpose of the Bankruptcy Code, the Chapter 11 Cases were filed, the Plan was proposed, and the New Investors made or are making their investments, with the legitimate and honest purpose of reorganizing LightSquared and maximizing the value of LightSquared's Estates. Accordingly, the Plan is fair, reasonable, and consistent with sections 1122, 1123, and 1129 of the Bankruptcy Code. Based on the foregoing, the facts and record of the Chapter 11 Cases, including, but not limited to, the Disclosure Statement Hearing, the Confirmation Hearing, the Mediator's Report, and the Smith Declaration, the Plan has been proposed in good faith and not by any means forbidden by law, thereby satisfying section 1129(a)(3) of the Bankruptcy Code.

R. Payment for Services or Cost and Expenses (11 U.S.C. § 1129(a)(4)). All payments made or to be made by LightSquared for services or for costs and expenses in connection with the Chapter 11 Cases, or in connection with the Plan and incident to the Chapter 11 Cases, have been approved by, or are subject to the approval of, the Court as reasonable, thereby satisfying section 1129(a)(4) of the Bankruptcy Code.

S. Service of Certain Individuals (11 U.S.C. § 1129(a)(5)). The identity and affiliations of the persons proposed to serve as the initial directors and officers of the Reorganized Debtors after the confirmation of the Plan, to the extent known and determined, were disclosed at, or before, the Confirmation Hearing in compliance with applicable law.

Selection of members of the Reorganized Debtors Boards was, and is, in compliance with the procedures set forth for selection in the Reorganized Debtors Governance Documents. The appointment to, or continuance in, such offices and roles of such persons is consistent with the interests of Holders of Claims against, or Equity Interests in, the Debtors and with public policy. The identity of any insider that shall be employed or retained by the Reorganized Debtors, and the nature of such insider's compensation, have also been fully disclosed. Accordingly, LightSquared has satisfied the requirements of section 1129(a)(5) of the Bankruptcy Code.

T. Rate Changes (11 U.S.C. § 1129(a)(6)). Section 1129(a)(6) of the Bankruptcy Code is satisfied because the Plan does not provide for any rate changes over which a governmental regulatory commission has jurisdiction.

U. Best Interest of Creditors (11 U.S.C. § 1129(a)(7)).

1. The Plan satisfies section 1129(a)(7) of the Bankruptcy Code because each Holder of a Claim or Equity Interest either (a) has voted to accept the Plan, (b) is Unimpaired and deemed to have accepted the Plan, or (c) shall receive or retain under the Plan, on account of such Claim or Equity Interest, property of a value, as of the Effective Date of the Plan, that is not less than the amount that such Holder would receive or retain if the Debtors were to be liquidated under chapter 7 of the Bankruptcy Code on such date.

2. In addition, the liquidation analysis attached to the Disclosure Statement and the other evidence related thereto in support of the Plan that was proffered or adduced at, prior to, or in affidavits in connection with, the Confirmation Hearing: (a) are reasonable, persuasive, credible, and accurate as of the dates such analysis or evidence was proffered, adduced, and/or presented; (b) utilize reasonable and appropriate methodologies and assumptions; (c) have not been controverted by other evidence; and (d) establish that, with

respect to each Impaired Class, each Holder of an Allowed Claim or Equity Interest in such Class shall receive under the Plan on account of such Allowed Claim or Equity Interest property of a value, as of the Effective Date, that is not less than the amount such Holder would receive if the Debtors were liquidated on the Effective Date under chapter 7 of the Bankruptcy Code. Accordingly, LightSquared has satisfied the requirements of section 1129(a)(7) of the Bankruptcy Code.

V. Acceptance by Certain Classes (11 U.S.C. § 1129(a)(8)).

1. Holders of Claims or Equity Interests in Classes 1 (Inc. Other Priority Claims), 2 (LP Other Priority Claims), 3 (Inc. Other Secured Claims), 4 (LP Other Secured Claims), 7B (Prepetition LP Facility SPSO Claims), 8B (Prepetition LP Facility SPSO Guaranty Claims), 9 (Inc. General Unsecured Claims), 10 (LP General Unsecured Claims), 15B (LP Debtor Intercompany Claims), 16A (LP Debtor Intercompany Interests), and 16B (Inc. Debtor Intercompany Interests) are Unimpaired and, pursuant to section 1126(f) of the Bankruptcy Code, are conclusively presumed to have accepted the Plan, thus meeting the requirements of section 1128(a)(8) of the Bankruptcy Code.

2. In addition, in respect of Impaired Classes of Claims or Equity Interests under the Plan:

- (a) If a Class contains Claims or Equity Interests eligible to vote and no Holders of Claims or Equity Interests eligible to vote in such Class voted to accept or reject the Plan, the Plan shall be presumed accepted by the Holders of such Claims or Equity Interests in such Class.
- (b) Any Class of Claims or Equity Interests that does not contain a Holder of an Allowed Claim or Allowed Equity Interest, or a Claim or Equity Interest temporarily Allowed by the Court as of the Confirmation Hearing Date, shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

- (c) As reflected in the Tabulation Affidavit, and as a result of the entry of the Vote Changing Orders, more than the requisite: (i) number of Holders and Claim amounts in each Impaired Class of Claims entitled to vote to accept or reject the Plan have affirmatively voted to accept the Plan (i.e., Class 5 (Prepetition Inc. Facility Non-Subordinated Claims) voted 100% in number and 100% in amount to accept the Plan, Class 6 (Prepetition Inc. Facility Subordinated Claims) voted 100% in number and 100% in amount to accept the Plan, Class 7A (Prepetition LP Facility Non-SPSO Claims) voted 93.33% in number and 90.88% in amount to accept the Plan, and Class 8A (Prepetition LP Facility Non-SPSO Guaranty Claims) voted 93.33% in number and 90.88% in amount to accept the Plan); and (ii) Equity Interest amounts in each of the Impaired Classes of Equity Interests entitled to vote to accept or reject the Plan have affirmatively voted to accept the Plan (i.e., Class 11 (Existing LP Preferred Units) voted 100% in amount to accept the Plan and Class 12 (Existing Inc. Preferred Stock Equity Interests) voted 76.85% in amount to accept the Plan).

3. Accordingly, LightSquared has satisfied the requirements of section 1129(a)(8) of the Bankruptcy Code with respect to such Impaired Classes of Claims or Equity Interests. Although Classes 13, 14, and 15A are rejecting Classes for purposes of section 1129(a)(8) of the Bankruptcy Code, the Plan is confirmable pursuant to section 1129(b) of the Bankruptcy Code notwithstanding such rejection.

W. Treatment of Administrative Claims, Priority Tax Claims, and Other Priority Claims (11 U.S.C. § 1129(a)(9)). The treatment of Administrative Claims, Priority Tax Claims, and Other Priority Claims pursuant to Articles II and III of the Plan satisfies the requirements of sections 1129(a)(9) of the Bankruptcy Code.

X. Acceptance by Impaired Class of Claims (11 U.S.C. § 1129(a)(10)). Class 5 (Prepetition Inc. Facility Non-Subordinated Claims), Class 6 (Prepetition Inc. Facility Subordinated Claims), Class 7A (Prepetition LP Facility Non-SPSO Claims), and Class 8A (Prepetition LP Facility Non-SPSO Guaranty Claims), each of which is Impaired under the Plan,

have voted to accept the Plan, determined without including any vote to accept the Plan by any insider, thereby satisfying section 1129(a)(10) of the Bankruptcy Code.

Y. Feasibility (11 U.S.C. § 1129(a)(11)). All Allowed Claims and Equity Interests shall be paid or otherwise satisfied in full in accordance with the terms of the Plan and the Plan Documents. The evidence proffered, adduced, and/or presented at the Confirmation Hearing (1) is reasonable, persuasive, credible, and accurate as of the dates such analysis or evidence was prepared, presented, or proffered, (2) utilizes reasonable and appropriate methodologies and assumptions, (3) has not been controverted by other evidence, and (4) establishes that the Plan is feasible, the Reorganized Debtors shall have sufficient liquidity and be able to meet their financial obligations under the Plan and in the ordinary course of their businesses, and the confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Reorganized Debtors, thereby satisfying the requirements of section 1129(a)(11) of the Bankruptcy Code.

Z. Payment of Fees (11 U.S.C. § 1129(a)(12)). The Plan provides that (1) on the Effective Date or as soon thereafter as reasonably practicable, the Reorganized Debtors shall pay all U.S. Trustee Fees that are due and owing on the Effective Date and (2) following the Effective Date, New LightSquared shall pay the U.S. Trustee Fees for each quarter (including any fraction thereof) until the first to occur of the Chapter 11 Cases being converted, dismissed, or closed, thereby satisfying section 1129(a)(12) of the Bankruptcy Code.

AA. Continuation of Retiree Benefits (11 U.S.C. § 1129(a)(13)). The Plan provides that, on and after the Effective Date, all retiree benefits (as that term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid to the extent required by applicable law, thereby satisfying the requirements of section 1129(a)(13) of the Bankruptcy Code.

BB. Domestic Support Obligations (11 U.S.C. § 1129(a)(14)). LightSquared is not required by a judicial or administrative order, or by statute, to pay a domestic support obligation and, accordingly, section 1129(a)(14) of the Bankruptcy Code is inapplicable to the Plan.

CC. Plan of an Individual Debtor (11 U.S.C. § 1129(a)(15)). LightSquared is not an individual and, accordingly, section 1129(a)(15) of the Bankruptcy Code is inapplicable to the Plan.

DD. Transfers in Accordance with Non-Bankruptcy Law (11 U.S.C. § 1129(a)(16)). None of the LightSquared entities is a nonprofit entity and, accordingly, section 1129(a)(16) of the Bankruptcy Code is inapplicable to the Plan.

EE. No Unfair Discrimination; Fair and Equitable (11 U.S.C. § 1129(b)). Although Classes 13, 14, and 15A are rejecting Classes for purposes of section 1129(a)(8) of the Bankruptcy Code, the Plan is confirmable pursuant to section 1129(b) of the Bankruptcy Code notwithstanding such rejection because, based upon the record before the Court and the treatment provided to such Claims and Equity Interests, the Plan does not discriminate unfairly against, and is fair and equitable with respect to, such Classes of Claims or Equity Interests, and the Plan satisfies all the requirements for confirmation set forth in section 1129(a) of the Bankruptcy Code, except section 1129(a)(8). The evidence in support of confirmation of the Plan proffered or adduced by LightSquared at, or prior to, or in declarations filed in connection with, the Confirmation Hearing regarding the Debtors' classification and treatment of Claims and Equity Interests and the requirements for confirmation of the Plan under section 1129(b) of the Bankruptcy Code: (1) is reasonable, persuasive, credible, and accurate; (2) utilizes reasonable and appropriate methodologies and assumptions; and (3) has not been controverted by other credible evidence.

FF. Only One Plan (11 U.S.C. § 1129(c)). Notwithstanding the other chapter 11 plans proposed in the Chapter 11 Cases, the Plan is the only plan confirmed by the Court in the Chapter 11 Cases and, accordingly, section 1129(c) of the Bankruptcy Code is inapplicable to the Plan.

GG. Principal Purpose of Plan (11 U.S.C. § 1129(d)). The principal purpose of the Plan is not the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act, thereby satisfying the requirements of section 1129(d) of the Bankruptcy Code.

HH. Not Small Business Cases (11 U.S.C. § 1129(e)). The Chapter 11 Cases are not small business cases and, accordingly, section 1129(e) of the Bankruptcy Code is inapplicable to the Chapter 11 Cases.

II. Good Faith Solicitation (11 U.S.C. § 1125(e)). Based on the record of the Chapter 11 Cases, including, but not limited to, the evidence proffered, adduced, and/or presented at the Confirmation Hearing, which is reasonable, persuasive, and credible, utilizes reasonable and appropriate methodologies and assumptions, and has not been controverted by other evidence, the Plan Proponents, the Reorganized Debtors, and each of their successors, predecessors, control persons, members, agents, employees, officers, directors, financial advisors, investment bankers, attorneys, accountants, consultants, and other professionals (1) have solicited acceptances of the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including, but not limited to, section 1125(e) of the Bankruptcy Code, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with such solicitation, and (2) shall be deemed to have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer, issuance, sale, and purchase of any securities offered and sold under the Plan

and, therefore, (a) are not, and, on account of any such offer, issuance, and solicitation, shall not be, liable at any time for any violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or the offer, issuance, sale, or purchase of any securities offered and sold under the Plan and (b) are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code and the exculpation provisions set forth in Article VIII of the Plan. In addition, the Plan Support Parties have acted and entered into the documents effectuating LightSquared's restructuring pursuant to the Plan in good faith and shall be deemed to continue to act in good faith if they (1) proceed to consummate the Plan, the transactions contemplated thereby, and LightSquared's restructuring pursuant thereto and (2) take the actions authorized and directed by this Order. The Plan Support Parties fairly and reasonably negotiated the transactions effectuating the Debtors' restructuring at arm's length, and the resulting terms of the agreements (including the JPM Inc. Facilities Claims Purchase Agreement and the New Investor Commitment Documents, to the extent applicable) are in the best interests of the Debtors and the Estates.

JJ. Satisfaction of Confirmation Requirements. Based upon the foregoing, all other pleadings, documents, exhibits, statements, declarations, and affidavits filed in connection with confirmation of the Plan, and all evidence and arguments made, proffered, or adduced at the Confirmation Hearing, the Plan satisfies the requirements for confirmation set forth in section 1129 of the Bankruptcy Code.

ADDITIONAL FINDINGS REGARDING CHAPTER 11 CASES AND PLAN

KK. Implementation. All documents and agreements necessary to implement the Plan, including, but not limited to, those contained in the Plan Supplement, the JPM Inc. Facilities Claims Purchase Agreement, and the New Investor Commitment Documents (to the extent

applicable) are essential elements of the Plan and have been negotiated in good faith and at arm's length, and entry into and consummation of the transactions contemplated by each such document and agreement is in the best interests of the Debtors, the Estates, and the Holders of Claims or Equity Interests and shall, upon completion of documentation and execution, be valid, binding, and enforceable agreements and not be in conflict with any federal, state, or local law. LightSquared has exercised reasonable business judgment in determining which agreements to enter into and has provided sufficient and adequate notice of such documents and agreements. LightSquared is authorized, without any further notice to, or action, order, or approval of, the Court, to finalize, execute, and deliver all agreements, documents, instruments, and certificates relating to the Plan and to perform its obligations under such agreements, documents, instruments, and certificates in accordance with the Plan.

LL. Transfers by LightSquared. All transfers of property of the Estates shall be free and clear of all Liens, Claims, charges, interests, and other encumbrances, in accordance with applicable law, except as expressly provided in the Plan or this Order.

MM. Exemption from Securities Law. The offering, issuance, and distribution of the securities contemplated by the Plan and any and all agreements incorporated therein, including, but not limited to, the New LightSquared Entities Shares, shall be exempt from, among other things, the registration and prospectus delivery requirements of section 5 of the Securities Act, and any other applicable state or federal law requiring registration or delivery of a prospectus prior to the offering, issuance, distribution, or sale of securities, pursuant to section 1145 of the Bankruptcy Code or pursuant to another applicable exemption from the registration requirements of the Securities Act.

NN. Exemption from Taxation. The making and delivery of an instrument of transfer under the Plan is exempt from taxation under any law imposing a document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, sales or use tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, FCC filing or recording fee, Industry Canada filing or recording fee, or other similar tax or governmental assessment, in accordance with section 1146(a) of the Bankruptcy Code (to the extent permitted by Canadian law, as applicable).

OO. Working Capital Facility, Second Lien Exit Facility, and Reorganized LightSquared Inc. Exit Facility.

1. The Working Capital Facility, Second Lien Exit Facility, and Reorganized LightSquared Inc. Exit Facility (collectively, the “Reorganized Debtors Financings”), as may be amended or modified without further approval from the Court in accordance with their terms, are essential elements of the Plan, were proposed in good faith, are critical to the success and feasibility of the Plan, and are necessary and appropriate for the consummation of the Plan. Entry into the Reorganized Debtors Financings, and all related agreements and documents (including, but not limited to, the Exit Intercreditor Agreement), is fair, reasonable, and in the best interests of LightSquared, its Estates, all Holders of Claims or Equity Interests, and the Reorganized Debtors. The Working Capital Lenders, the Second Lien Exit Term Lenders, the lenders under the Reorganized LightSquared Inc. Exit Facility (together with such lenders’ agents, the “RLI Exit Facility Lenders”), and each of their respective agents and affiliates (collectively with the Second Lien Exit Agent, the “Reorganized Debtors Financing Parties”) participated in good faith, arm’s length negotiations with respect to the Reorganized Debtors Financings and all other contracts, instruments, agreements, and documents to be executed and

delivered in connection therewith (including, but not limited to, the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, the Exit Intercreditor Agreement, the Reorganized LightSquared Inc. Credit Agreement, any guarantee agreements, any pledge and security agreements, any mortgages, any exhibits and schedules to any agreements, UCC financing statements, deposit account control agreements, or other perfection documents, any subordination agreements, and any intercreditor agreements, and collectively with any and all commitment and fee letters and any and all highly confident letters, the “Reorganized Debtors Financing Documents”), and any credit extended or loans made to the Reorganized Debtors by the Working Capital Lenders, Second Lien Exit Term Lenders, or the RLI Exit Facility Lenders pursuant to the Reorganized Debtors Financings, as applicable, shall be deemed to have been extended, issued, and made in good faith and for legitimate business purposes.

2. The Reorganized Debtors Financing Parties and their respective agents, affiliates, members, officers, directors, employees, advisors, and attorneys are entitled to the protections and indemnifications provided for in the Reorganized Debtors Financing Documents. LightSquared exercised reasonable business judgment in determining to enter into the Reorganized Debtors Financings and the Reorganized Debtors Financing Documents and has provided sufficient and adequate notice thereof, and, in addition, LightSquared and the Reorganized Debtors, as applicable, are hereby authorized, without further approval of this Court or notice to any other party, to execute and deliver the applicable Reorganized Debtors Financing Documents, amend or modify such documents without further notice to, or approval from, this Court or the Canadian Court, and fully perform their obligations thereunder. The Reorganized Debtors Financing Documents (when, and to the extent, entered into) shall be, and are hereby deemed to be, valid, binding, and enforceable against the applicable Reorganized Debtors in

accordance with their terms. The Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, and the Reorganized LightSquared Inc. Credit Agreement (a) each contain, or shall contain, fixed maturity dates, (b) in the case of the (i) Working Capital Facility Credit Agreement and the Second Lien Exit Credit Agreement, contain, or shall contain, fixed interest rate margins, and (ii) Reorganized LightSquared Inc. Credit Agreement, contains a fixed interest rate and scheduled payments of interest, which shall be capitalized as principal, and (c) are, or shall be, as the case may be, secured by mortgages, pledges, Liens, and other security interests. The mortgages, pledges, Liens, and other security interests, and all other consideration granted pursuant to, or in connection with, the Reorganized Debtors Financings are, or shall be, as the case may be, and are hereby deemed to be, granted in good faith, for good and valuable consideration, and for legitimate business purposes as an inducement to the Reorganized Debtors Financing Parties to extend credit thereunder, and do not, and hereby are deemed not to, constitute fraudulent conveyances, fraudulent transfers, or contributions of equity and shall not otherwise be subject to avoidance or recharacterization. No third party consents, authorizations, or approvals are required with respect to the Reorganized Debtors Financing Documents, and such Reorganized Debtors Financing Documents do not, and shall not, contravene the Reorganized Debtors Governance Documents or constitute a violation of, a default under, or otherwise contravene any other instrument, contract, or agreement to which the applicable Reorganized Debtor is a party. Neither the execution and delivery by the Reorganized Debtors of any of the Reorganized Debtors Financing Documents, nor the performance by the applicable Reorganized Debtor of its obligations thereunder, constitutes a violation of, or a default under, any contract or agreement to which it is a party, including, but not limited to, those contracts or agreements reinstated under the Plan.

PP. Reorganized Debtors Governance Documents.

1. The Reorganized Debtors Governance Documents, as may be amended or modified without further approval from the Court in accordance with their terms, are essential elements of the Plan, were proposed in good faith, are critical to the success and feasibility of the Plan, and are necessary and appropriate for the consummation of the Plan. Entry into the Reorganized Debtors Governance Documents, and all related agreements and documents, is fair, reasonable, and in the best interests of LightSquared, its Estates, all Holders of Claims or Equity Interests, and the Reorganized Debtors. The Reorganized Debtors Governance Documents are the product of good faith, arm's length negotiations.

2. LightSquared exercised reasonable business judgment in determining to enter into the Reorganized Debtors Governance Documents and has provided sufficient and adequate notice thereof. LightSquared and the Reorganized Debtors, as applicable, are hereby authorized, without further approval of this Court or notice to any other party, to execute and deliver the applicable Reorganized Debtors Governance Documents, amend or modify such documents without further notice to, or approval from, this Court or the Canadian Court, and fully perform their obligations thereunder. Neither the execution and delivery by the Reorganized Debtors of any of the Reorganized Debtors Governance Documents, nor the performance by the applicable Reorganized Debtors of its obligations thereunder, constitutes a violation of, or a default under, any contract or agreement to which they are a party, including, but not limited to, those contracts or agreements reinstated under the Plan.

QQ. Injunction, Exculpation, and Releases.

1. The Court has jurisdiction under sections 157 and 1334(a) and (b) of title 28 of the United States Code to approve the releases, exculpations, and injunctions set forth

in Article VIII of the Plan. Section 105(a) of the Bankruptcy Code permits issuance of the injunctions and approval of the releases and exculpations set forth in Article VIII of the Plan.

2. The Released Parties and Exculpated Parties include the Debtors, the Reorganized Debtors, and certain non-Debtor parties, including (a) each New Investor, (b) each Plan Support Party, (c) each DIP Agent, (d) each DIP Lender (other than any SPSO Party), and each arranger and book runner of the DIP Facilities, (e) MAST, (f) the Prepetition Inc. Agent, (g) the Second Lien Exit Agent, the agent under the Working Capital Facility, and each arranger and book runner of the Second Lien Exit Facility and the Working Capital Facility, (h) the holder of the Reorganized LightSquared Inc. Exit Facility and each agent, arranger, and book runner of the Reorganized LightSquared Inc. Exit Facility, (i) each Holder of an Allowed Prepetition Facility Claim that votes to accept, or is deemed to accept, the Plan (in each case, other than any SPSO Party), (j) the Prepetition LP Agent, (k) the LP Group, (l) each Holder of Allowed Existing Inc. Preferred Stock that votes to accept, or is deemed to accept, the Plan, (m) each Holder of Allowed Existing LP Preferred Units that votes to accept, or is deemed to accept, the Plan, (n) the JPM Investment Parties, and (o) each of the foregoing Entities' respective predecessors, successors and assigns, and current and former shareholders, affiliates, subsidiaries, members (including, but not limited to, ex-officio members), officers, directors, principals, managers, trustees, employees, partners, attorneys, financial advisors, accountants, investment bankers, investment advisors, actuaries, professionals, consultants, agents, and representatives (in each case, in his, her, or its capacity as such). The Released Parties and Exculpated Parties played a meaningful role through the negotiation and development of the Plan and the restructuring transactions and settlements contemplated thereby, including, but not limited to, agreeing to settle disputes and Claims, contributing funds, contributing claims,

supporting the Plan, foregoing asserting rights, and/or providing valuable consideration assuring recoveries for the Estates and stakeholders. The Released Parties and Exculpated Parties made substantial contributions to the Debtors and their Estates and played an integral role in working towards the resolution of the Chapter 11 Cases. Accordingly, the release of potential claims belonging to LightSquared or the Estates pursuant to the Plan are part of a fair and a valid exercise of LightSquared's business judgment, and the third-party releases contemplated by Section VIII.F of the Plan are fair, reasonable, and appropriate under the circumstances of the Chapter 11 Cases.

3. Based on the record before the Court, including, but not limited to, the evidence proffered, adduced, and/or presented at the Confirmation Hearing, which is reasonable, persuasive, and credible, utilizes reasonable and appropriate methodologies and assumptions, and has not been controverted by other evidence, the release, exculpation, and injunction provisions set forth in the Plan (a) confer substantial benefit to the Estates, (b) are fair, equitable, and reasonable, (c) are in the best interests of LightSquared, its Estates, and parties in interest, (d) are supported by valuable consideration, (e) do not relieve any party of liability arising out of an act or omission constituting willful misconduct (including, but not limited to, fraud) or gross negligence, and (f) with respect to the third-party releases contemplated by Section VIII.F of the Plan, shall not be binding on any Holder voting to reject the Plan that rejects the third-party release provided in the Plan by checking the box on the applicable Ballot indicating that such Holder opts not to grant such third-party release.

4. Therefore, based upon the record of the Chapter 11 Cases, including, but not limited to, the evidence proffered, adduced, and/or presented at the Confirmation Hearing, the Court finds that the release, exculpation, and injunction provisions set forth in the Plan

(a) were proposed in good faith, are essential to the Plan, are appropriately tailored, and are intended to promote finality and prevent parties from attempting to circumvent the Plan's terms and (b) are consistent with the Bankruptcy Code and applicable law and, therefore, valid and binding.

RR. Disputed Claims and Equity Interests Reserve and Effective Date Distributions.

Based on the evidence proffered, adduced, and/or presented by LightSquared at the Confirmation Hearing, the Disputed Claims and Equity Interests Reserve is adequate to ensure that Holders of Claims or Equity Interests that are Disputed on the Effective Date but Allowed thereafter shall receive distributions equal to the Plan Distributions such Disputed Claim or Disputed Equity Interest would be entitled to on the Effective Date if such Disputed Claim or Disputed Equity Interest were Allowed in its full amount on the Effective Date.

SS. Payment of Administrative Claims and Priority Claims. Based on the evidence proffered, adduced, and/or presented by LightSquared at the Confirmation Hearing, the Plan Consideration provides for payment in full in Cash (or, with respect to the JPM Acquired DIP Inc. Claims and \$41,000,000 of the New Inc. DIP Claims held by SIG, satisfaction in full in accordance with the Plan) of all Allowed Administrative Claims, DIP Claims, Priority Tax Claims, and Other Priority Claims, as well as the U.S. Trustee Fees.

TT. Retention of Jurisdiction. The Court may properly retain jurisdiction over any matter arising under the Bankruptcy Code, or arising in, or related to, the Chapter 11 Cases or the Plan, after Confirmation thereof and after the Effective Date, and any other matter or proceeding that is within the Court's jurisdiction pursuant to 28 U.S.C. § 1334 or 28 U.S.C. § 157.

UU. Likelihood of Satisfaction of Conditions Precedent. Each of the conditions precedent to the Confirmation Date and Effective Date, as set forth in Article IX of the Plan, has

been satisfied or waived in accordance with the provisions of the Plan or is reasonably likely to be satisfied or waived prior to the Confirmation Date and Effective Date, as applicable.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. Findings of Fact and Conclusions of Law. The findings of fact and conclusions of law set forth herein or incorporated herein by reference, and the record of the Confirmation Hearing, including, but not limited to, the findings of fact and conclusions of law set forth in the New Inc. DIP Order (if applicable), the Alternative Transaction Fee Order, and the KEIP Order, to the extent not inconsistent herewith, constitute the Court's findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Bankruptcy Rules 7052 and 9014. To the extent that any of the prior findings of fact constitute conclusions of law, they are adopted as such. To the extent that any of the following conclusions of law constitute findings of fact, they are adopted as such.

2. Confirmation. All requirements for the confirmation of the Plan have been satisfied. Accordingly, the Plan, in its entirety, is CONFIRMED pursuant to section 1129 of the Bankruptcy Code. Each of the terms and conditions of the Plan and the exhibits and schedules thereto, including, but not limited to, the Plan Supplement, and any amendments, modifications, and supplements thereto, are an integral part of the Plan and are incorporated by reference into this Order. The failure to specifically describe or include any particular provision of the Plan in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Plan be approved and confirmed in its entirety. The Plan complies with all applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules. A copy of the confirmed Plan is attached hereto as Exhibit A. Once finalized and executed, the documents comprising the Plan Supplement and all other documents contemplated by the Plan

shall, as applicable, constitute legal, valid, binding, and authorized obligations of the respective parties thereto, enforceable in accordance with their terms and the terms of the Plan and this Order.

3. Objections. All parties have had a fair opportunity to litigate all issues raised by the Objections, or which might have been raised, and the Objections have been fully and fairly litigated. All Objections, responses, statements, reservation of rights, and comments in opposition to the Plan, other than those withdrawn with prejudice in their entirety, waived, settled, or resolved prior to the Confirmation Hearing, or otherwise resolved on the record of the Confirmation Hearing and/or herein, are hereby overruled for the reasons stated on the record.

4. Solicitation and Notice. Notice of the Confirmation Hearing and the Plan, and all related documents, the solicitation of votes on the Plan, and the Solicitation Materials, (a) complied with the solicitation procedures in the Disclosure Statement Order, (b) were appropriate and satisfactory based upon the circumstances of the Chapter 11 Cases, and (c) were in compliance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules.

5. Plan Classification. The categories listed in Section III.B of the Plan classify Claims against, and Equity Interests in, each of the Debtors for all purposes, including, but not limited to, voting, Confirmation, and distributions pursuant to the Plan and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. The Court hereby holds that: (a) the classifications of Claims and Equity Interests under the Plan (i) are fair, reasonable, and appropriate and (ii) were not done for any improper purpose; (b) valid business, legal, and factual reasons exist for separately classifying the various Classes of Claims and Equity Interests

under the Plan; and (c) the creation of such Classes does not unfairly discriminate between or among Holders of Claims or Equity Interests.

6. Compromise of Controversies.

a. Pursuant to sections 363 and 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the Plan Distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good faith compromise of all Claims, Equity Interests, Causes of Action, and controversies resolved pursuant to the Plan and relating to any contractual, legal, and subordination rights that a Holder of a Claim or Equity Interest may have with respect to any Allowed Claim or Equity Interest, or any Plan Distributions to be made on account of such an Allowed Claim or Equity Interest. The entry of this Order shall constitute the Court's approval of the compromise or settlement of all such Claims, Equity Interests, Causes of Action, and controversies, as well as a finding by the Court that such compromise or settlement is in the best interests of the Debtors, their Estates, and Holders of Claims or Equity Interests and is fair, equitable, and reasonable. Any settlements of objections to the Plan which are conditioned upon the occurrence of the effectiveness of the Plan, shall become effective contemporaneously or substantially contemporaneously with the effectiveness of the Plan, subject to the terms and conditions of such settlements. Plan Distributions made to Holders of Allowed Claims or Equity Interests are intended to be final; provided, however, that the Cash received by the Holders of the Prepetition LP Facility SPSO Claims and Prepetition LP Facility SPSO Guaranty Claims shall be subject to disgorgement to New LightSquared without the further approval of any Entity, to the extent that this Court or any other court of competent jurisdiction, at the request of any party in interest, disallows (on the grounds set forth in Sections III.B.8(b) and III.B.10(b) of the Plan) all or any part of the

Prepetition LP Facility SPSO Claims or the Prepetition LP Facility SPSO Guaranty Claims. For the avoidance of doubt, the Prepetition LP Facility SPSO Claims, Prepetition LP Facility SPSO Guaranty Claims, and any Cash received on account thereof shall be subject to any equitable or legal remedy previously sought and currently subject to the Appeal, other than equitable subordination of the Prepetition LP Facility SPSO Claims and the Prepetition LP Facility SPSO Guaranty Claims. In accordance with the provisions of the Plan, pursuant to sections 363 and 1123 of the Bankruptcy Code and Bankruptcy Rule 9019(a), without any further notice to or action, order, or approval of this Court, the Canadian Court, or any other Entity, after the Effective Date, New LightSquared may compromise and settle Claims against, or Equity Interests in, the Debtors, and Causes of Action against other Entities; provided that, any settlement with respect to Claims against, or Equity Interests in, or any Causes of Action against any Reorganized Inc. Entity shall require the prior approval of Reorganized LightSquared Inc.

b. For the avoidance of doubt, entry of this Order shall also operate to settle all claims and causes of action alleged in (a) the Standing Motion against the Prepetition Inc. Agent and the Prepetition Inc. Lenders in respect of the Prepetition Inc. Facility Subordinated Claims, (b) *LightSquared's Motion To Stay Harbinger's Litigation Efforts*, dated October 8, 2014 [Docket No. 1816] (the "Harbinger Litigation Stay Motion"), and (c) the *Motion of SP Special Opportunities, LLC for Entry of an Order Granting Leave, Standing and Authority to Commence, Prosecute and/or Settle Certain Claims for the Debtors' Estates Against Philip Falcone*, date April 4 2014 [Docket No. 1473] (the "SPSO Standing Motion"). To the extent not previously withdrawn with prejudice, (x) the Standing Motion shall be deemed withdrawn with prejudice upon the occurrence of the Inc. Facilities Claims Purchase Closing Date, (y) the SPSO Standing Motion shall be deemed withdrawn with prejudice upon the occurrence of the Effective

Date, and (z) the Harbinger Litigation Stay Motion shall be deemed withdrawn with prejudice upon the occurrence of (i) the Effective Date and (ii) Harbinger's irrevocable assignment of all of the Harbinger Litigations to New LightSquared.

c. Entry of this Order shall also operate to settle certain objections asserted and alternatives proposed by (i) Solus Alternative Asset Management LP on behalf of certain of its funds and/or managed accounts ("Solus") and (ii) Cerberus Capital Management, L.P. on behalf of certain of its funds and/or managed accounts against LightSquared's estates ("Cerberus"). Specifically, in exchange for and on account of (i) withdrawing from or otherwise terminating the Plan Support Agreement, dated March 17, 2015, by and among Solus, Cerberus, SPSO, and Charles W. Ergen, (ii) withdrawing all objections to the Plan and Plan Transactions, (iii) withdrawing any proposed alternative chapter 11 plan and all supplementary filings and pleadings related thereto, and (iv) the other agreements set forth in those certain Joinder Agreements, dated as of March 26, 2015, to the Plan Support Agreement (as amended, supplemented, or otherwise modified from time to time in accordance with the terms thereof, the "PSA Joinders"), by and among the Designated Plan Support Parties (as defined in the PSA Joinders) party thereto and each of Solus and Cerberus, respectively, LightSquared shall reimburse Solus' and Cerberus' reasonable and documented out-of-pocket fees and expenses (including, but not limited to, the documented fees, disbursements, and other charges of Solus' and Cerberus' respective counsel), (A) in each case incurred by Solus and Cerberus on or prior to the date hereof in connection with the Chapter 11 Cases, the entry into the PSA Joinders, the Plan, and the transactions contemplated by the PSA Joinders and the Plan and (B) in amounts not to exceed \$2,600,000 for Solus and \$500,000 for Cerberus, to be paid in full in Cash on the Effective Date in full and final satisfaction of any and all fees and expenses that are due to Solus

and Cerberus, respectively. LightSquared is hereby authorized to pay such amounts without any further notice to or action, order, or approval of, the Bankruptcy Court, all in accordance with the terms and subject to the conditions of the PSA Joinders. In addition, in exchange for and on account of the Designated Plan Support Party Purchasers' (as defined in the PSA Joinders) agreement to commit funds to finance each Trade (as defined in the PSA Joinders) under the PSA Joinders, LightSquared shall pay on the Closing Date (as defined in the PSA Joinders) of the Trades a commitment fee in Cash (the "PSA Joinders Commitment Fee") to each Designated Plan Support Party Purchaser in an amount equal to three percent (3%) of the Accrued Claim Amount (as defined in the PSA Joinders) with respect to such Designated Plan Support Party Purchaser's Trades. The PSA Joinders, including, but not limited to, the PSA Joinders Commitment Fee, are hereby approved and authorized in its entirety pursuant to sections 363 and 1123 of the Bankruptcy Code and Bankruptcy Rule 9019. Any and all objections to the Plan and Plan Transactions, as well as any proposed alternative chapter 11 plan and any supplementary filings and pleadings related thereto, previously filed by or on behalf of Solus or Cerberus shall be deemed withdrawn with prejudice as of the date hereof.

7. Plan Transactions. All of the Plan Transactions contemplated by the Plan are hereby approved. The Debtors and the Reorganized Debtors, as applicable, with the consent of each New Investor are authorized to take all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including, but not limited to: (a) the execution and delivery of (i) appropriate agreements or other documents of merger, amalgamation, consolidation, equity issuance, sale, and dissolution, and (ii) certificates of incorporation, certificates of partnership, operating agreements, bylaws, or other documents containing terms that are consistent with or reasonably necessary to implement

the terms of the Plan and that satisfy the requirements of applicable law; (b) the execution and delivery of appropriate instruments of equity issuance, transfer, assignment, assumption, or delegation of any property, right, liability, duty, or obligation on terms consistent with the terms of the Plan; and (c) all other actions that are consistent with the terms of the Plan that the New Investors, the Debtors, Reorganized LightSquared Inc., or New LightSquared, as applicable, determine are necessary or appropriate, including, but not limited to, gathering the necessary information for, preparing and filing, as and when determined by the Debtors and the New Investors, any necessary applications or other filings with the FCC, Industry Canada, and any other regulatory or other agency applicable to LightSquared.

8. JPM Inc. Facilities Claims Purchase Agreement and New Investor Commitment Documents. The parties to the JPM Inc. Facilities Claims Purchase Agreement and the New Investor Commitment Documents, as applicable, are authorized and directed, subject to the terms and conditions thereof, to consummate the transactions contemplated thereby no later than one (1) Business Day following the fourteenth (14th) day after entry of this Order.

9. New Inc. DIP Facility. This Order fully incorporates by reference the Eighth Replacement DIP Facility Order and/or the New Inc. DIP Order (and all terms thereof), as applicable, to the extent not inconsistent herewith. Subject to the terms of the Eighth Replacement DIP Facility Order, the New Inc. DIP Order and/or the New Inc. DIP Credit Agreement, as applicable, the New Inc. DIP Obligors are hereby expressly and immediately authorized and directed, no later than one (1) Business Day following the fourteenth (14th) day after entry of this Order, to (a) borrow under the applicable New Inc. DIP Facility, (b) use proceeds thereof to satisfy those DIP Inc. Claims that are not Acquired DIP Inc. Claims and to pay the Prepetition Inc. Fee Claims and DIP Inc. Fee Claims (including, if necessary, estimates

of such claims), and (c) otherwise perform under the applicable New Inc. DIP Facility, in accordance with the Eighth Replacement DIP Facility Order, the New Inc. DIP Credit Agreement, and/or New Inc. DIP Order, as applicable.

10. Working Capital Facility. The applicable Debtors and/or Reorganized Debtors are authorized, without further approval of the Court or any other party, to (a) engage in a marketing process with respect to the Working Capital Facility, (b) negotiate and document the terms of the Working Capital Facility, which shall have market terms and conditions satisfactory to New LightSquared and each of the New Investors, and shall be consistent with the Plan and the terms of the highly confident letter with respect to such Working Capital Facility, (c) enter into the Working Capital Facility Credit Agreement, which shall (i) be in form and substance satisfactory to New LightSquared, each of the New Investors, and the Debtors or Reorganized Debtors (as applicable), and (ii) grant collateral security that may be required thereunder, (d) execute and make such security agreements, mortgages, control agreements, the Exit Intercreditor Agreement, certificates, and other documents and deliveries as the Working Capital Lenders reasonably request, and (e) deliver customary opinions, in each case with such changes as may be agreed between the Reorganized Debtors and the Working Capital Lenders thereunder without further notice to, or approval from, this Court or the Canadian Court, and the Working Capital Facility Credit Agreement, and all other documents, instruments, and agreements to be entered into, delivered, or contemplated under the Plan or hereunder shall become effective in accordance with their terms on the Effective Date, and are ratified. The Working Capital Facility will constitute a valid debt obligation secured by liens and is hereby approved. The Working Capital Facility Credit Agreement and all related documents, including, but not limited to, those granting collateral security required thereunder, as may be amended or modified without further

approval from the Court in accordance with their terms, are approved, shall constitute legal, valid, binding, and authorized obligations of the applicable Reorganized Debtors, enforceable in accordance with their terms, and all creditors (existing and hereafter) and parties in interest are and shall be bound thereby. The applicable Reorganized Debtors are authorized to pay in full all fees, indemnities, and expenses incurred in connection with the Working Capital Facility.

11. Second Lien Exit Facility. The Second Lien Exit Facility constitutes a valid debt obligation secured by liens and is hereby approved. The applicable Reorganized Debtors are authorized, without further approval of the Court or any other party, to (a) enter into the Second Lien Exit Credit Agreement and grant collateral security required thereunder, (b) execute and make such security agreements, mortgages, control agreements, the Exit Intercreditor Agreement, certificates, and other documents and deliveries as the Second Lien Exit Term Lenders or the Second Lien Exit Agent reasonably request, and (c) deliver customary opinions, in each case with such changes as may be agreed between the Reorganized Debtors, the Second Lien Exit Term Lenders, and the Second Lien Exit Agent thereunder without further notice to, or approval from, this Court or the Canadian Court, and the Second Lien Exit Credit Agreement, and all other documents, instruments, and agreements to be entered into, delivered, or contemplated under the Plan or hereunder shall become effective in accordance with their terms on the Effective Date, and are ratified. The Second Lien Exit Credit Agreement and all related documents, including, but not limited to, those granting collateral security required thereunder, as may be amended or modified without further approval from the Court or the Canadian Court in accordance with their terms, are approved and shall constitute legal, valid, binding, and authorized obligations of the applicable Reorganized Debtors, enforceable in accordance with their terms, and all creditors (existing and hereafter) and parties in interest are and shall be bound

thereby. The applicable Reorganized Debtors are authorized to pay in full all fees, indemnities, and expenses incurred in connection with the Second Lien Exit Facility.

12. Reorganized LightSquared Inc. Exit Facility. The Reorganized LightSquared Inc. Exit Facility constitutes a valid debt obligation secured by liens and is hereby approved. Reorganized LightSquared Inc. and the RLI Exit Facility Lenders are authorized, without further approval of the Court or any other party, to (a) enter into the Reorganized LightSquared Inc. Credit Agreement and grant collateral security required thereunder, (b) execute and make such security agreements, mortgages, control agreements, intercreditor agreements, certificates, and other documents and deliveries as the RLI Exit Facility Lenders reasonably request, and (c) deliver customary opinions, in each case with such changes as may be agreed between Reorganized LightSquared Inc. and the RLI Exit Facility Lenders without further notice to, or approval from, this Court or the Canadian Court, and the Reorganized LightSquared Inc. Credit Agreement, and all other documents, instruments, and agreements to be entered into, delivered, or contemplated under the Plan or hereunder shall become effective in accordance with their terms on the Effective Date, and are ratified. The Reorganized LightSquared Inc. Credit Agreement and all related documents, including, but not limited to, those granting collateral security required thereunder, as may be amended or modified without further approval from the Court or the Canadian Court in accordance with their terms, are approved and shall constitute legal, valid, binding, and authorized obligations of Reorganized LightSquared Inc., enforceable in accordance with their terms, and all creditors (existing and hereafter) and parties in interest are and shall be bound thereby. Reorganized LightSquared Inc. is authorized to pay in full all fees, indemnities, and expenses incurred in connection with the Reorganized LightSquared Inc. Exit Facility.

13. Reorganized Debtors Financings Liens. The security interests and Liens granted pursuant to, or in connection with, the Reorganized Debtors Financings and the Reorganized Debtors Financing Documents (a) shall constitute, as of the Effective Date, legal, valid, binding, and duly perfected Liens on, and security interests in, the applicable property and assets of the Reorganized Debtors as set forth in the applicable Reorganized Debtors Financing Documents, (b) are granted in good faith as an inducement to the lenders thereunder to extend credit thereunder, and (c) shall be, and hereby are, deemed not to constitute fraudulent conveyances, fraudulent transfers, or contributions of equity and shall not otherwise be subject to avoidance or recharacterization, and the priorities of such Liens and security interests shall be as set forth in the Reorganized Debtors Financing Documents. On the Effective Date, all of the Liens and security interests to be created under, or in connection with, the Reorganized Debtors Financing Documents shall (x) be deemed created, (y) be legal, valid, binding, and perfected, and (z) afford to the Reorganized Debtors Financing Parties thereunder all remedies customarily granted to a holder of such Liens and security interests, without (i) any requirement of filing or recording of financing statements, or other evidence of such Liens and security interests and (ii) any approvals or consents from governmental entities or any other persons and regardless of whether or not there are any errors, deficiencies, or omissions in any property descriptions attached to any filing, and, to the extent permitted under applicable law, no further act shall be required for perfection of such Liens and security interests. Notwithstanding the foregoing, the parties granting such Liens and security interests are authorized to make all filings and recordings and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of state, federal, or Canadian law that would be applicable in the absence of this Order, and shall thereafter make all other filings and recordings that

otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

14. Termination of Engagement Letters. Each of (a) the Engagement Letter, dated December 30, 2013 (the "December Engagement Letter"), by and among J.P. Morgan Securities LLC, Credit Suisse Securities (USA) LLC and LSQ Acquisition Co LLC, Harbinger Capital Partners Master Fund I, Ltd., Harbinger Capital Partners Special Situations Fund, L.P., and Credit Distressed Blue Line Master Fund, Ltd. and (b) the Engagement Letter, dated January 17, 2014 (the "January Engagement Letter" and, together with the December Engagement Letter, the "Engagement Letters"), by and among J.P. Morgan Securities LLC, Credit Suisse Securities (USA) LLC, and LightSquared Inc. is hereby terminated in its entirety and shall no longer be of any force or effect against any party thereto, including, but not limited to, the provisions and sections of such Engagement Letters that are contemplated to survive the termination of such Engagement Letters pursuant to the terms thereof.

15. Issuance of New LightSquared Entities Shares; Reinstatement of Reinstated Intercompany Interests. The issuance of the New LightSquared Entities Shares and Reinstatement of the Reinstated Intercompany Interests are essential elements of the Plan, are fair, reasonable, and in the best interests of the Debtors, their Estates, and all Holders of Claims or Equity Interests, and are hereby approved. The Debtors have exercised reasonable business judgment in determining to incorporate the New LightSquared Entities Shares (including, but not limited to, the Reinstated Intercompany Interests) as part of the Plan Transactions and have provided sufficient and adequate notice of the terms of the New LightSquared Entities Shares. The Debtors and the Reorganized Debtors, as applicable, are authorized, without further approval of the Court or any other party, to (a) issue the New LightSquared Entities Shares and

Reinstate the Reinstated Intercompany Interests in accordance with the Plan, (b) execute and deliver all agreements, documents, instruments, and certificates relating thereto, and (c) perform their obligations thereunder.

16. Sale, Assignment, and/or Transfer of Assets and Equity Interests to New LightSquared. The Reorganized Debtors are authorized to take all actions as may be necessary or appropriate to, on or as soon as practicable after the Effective Date, consummate the Plan Transactions between New LightSquared and the Reorganized Inc. Entities. Upon consummation of the Plan Transactions between New LightSquared and the Reorganized Inc. Entities, the Reorganized Inc. Entities shall hold only the assets described in Section IV.B.2(d)(iv) of the Plan and shall not directly hold any leases, spectrum, or tangible assets other than those set forth in Section IV.B.2(d)(iv) of the Plan.

17. Reorganized Debtors Governance Documents. The Reorganized Debtors Governance Documents are essential elements of the Plan, and entry into the Reorganized Debtors Governance Documents and the other related documents (as may be amended or modified without further approval from the Court or the Canadian Order in accordance with their terms) is fair, reasonable, and in the best interests of the Debtors, their Estates, and all Holders of Claims or Equity Interests and is hereby approved. The Debtors have exercised reasonable business judgment in determining to implement the Reorganized Debtors Governance Documents and the other related documents and have provided sufficient and adequate notice of the terms of the Reorganized Debtors Governance Documents. The terms and conditions of the Reorganized Debtors Governance Documents are fair and reasonable, and the Reorganized Debtors Governance Documents were negotiated in good faith and at arm's length. The Debtors and the Reorganized Debtors, as applicable, are authorized, with the consent of the New

Investors, but without further approval of the Court or any other party, to (a) execute and deliver all agreements, documents, instruments, and certificates relating to the Reorganized Debtors Governance Documents, including without limitation preparing and finalizing the list of Schedule III Members, as set forth in Section 4.16 of the New LightSquared Interest Holders Agreement, and taking such other actions as reasonably deemed necessary to institute the measures set forth therein and to ensure compliance with, among other things, the Communications Laws, and (b) perform their obligations thereunder, including, but not limited to, the payment of all fees, indemnities, and expenses provided therein.

18. Management Incentive Plan. On or as soon as practicable following the consummation of the Plan, the New LightSquared Board shall adopt a Management Incentive Plan in accordance with the terms of the New LightSquared Interest Holders Agreement and subject to the approval of each of the New Investors.

19. Section 1145 Exemption. The offering, issuance, and distribution of the securities contemplated by the Plan and any and all agreements incorporated therein, including, but not limited to, the New LightSquared Entities Shares, shall be exempt from, among other things, the registration and prospectus delivery requirements of section 5 of the Securities Act, and any other applicable state and federal law requiring registration or delivery of a prospectus prior to the offering, issuance, distribution, or sale of securities, pursuant to section 1145 of the Bankruptcy Code or pursuant to another applicable exemption from any registration requirements of the Securities Act. In addition, any securities contemplated by the Plan and any and all agreements incorporated therein, including, but not limited to, the New LightSquared Entities Shares, shall be subject to (a) if issued pursuant to section 1145 of the Bankruptcy Code, the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an

underwriter in section 2(a)(11) of the Securities Act, (b) compliance with any rules and regulations of the Securities and Exchange Commission, if any, applicable at the time of any future transfer of such securities or instruments, (c) the restrictions, if any, on the transferability of such securities and instruments, including, but not limited to, those set forth in the Reorganized Debtors Governance Documents, and (d) applicable regulatory approval, if any.

20. Section 1146 Exemption. Pursuant to section 1146(a) of the Bankruptcy Code, and to the extent permitted by Canadian law (to the extent applicable), any transfer from a Debtor to a Reorganized Debtor or to any Entity pursuant to, in contemplation of, or in connection with the Plan, or pursuant to (a) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the Reorganized Debtors, (b) the creation, modification, consolidation, or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means, (c) the making, assignment, or recording of any lease or sublease, or (d) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including, but not limited to, any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles, or similar tax, mortgage tax, real estate transfer tax, sales or use tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, FCC filing or recording fee, Industry Canada filing or recording fee, or other similar tax or governmental assessment, and the appropriate state or local governmental officials or agents shall forego the collection of any such tax or governmental assessment and accept for filing and recordation any

of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

21. Vesting of Assets in Reorganized Debtors.

a. Except as otherwise provided in the Plan, this Order, or any agreement, instrument, or other document incorporated therein, on the Effective Date, notwithstanding any prohibition of assignability under applicable non-bankruptcy law and in accordance with section 1141 of the Bankruptcy Code, all property in each Estate, all Retained Causes of Action, and any property acquired by any of the Debtors pursuant to the Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, or other encumbrances (except for (i) any Liens granted to secure the Working Capital Facility and any rights of any of the parties under the Working Capital Facility Credit Agreement or any related documents, (ii) any Liens granted to secure the Second Lien Exit Facility and any rights of any of the parties under the Second Lien Exit Credit Agreement or any related documents, (iii) any Liens granted to secure the Reorganized LightSquared Inc. Exit Facility and any rights of any of the parties under the Reorganized LightSquared Inc. Credit Agreement or any related documents, and (iv) any rights of any of the parties under any of the Reorganized Debtors Governance Documents) without further notice to, or action, order, or approval of, this Court, the Canadian Court, or any other Entity.

b. On and after the Effective Date, except as otherwise provided in the Plan or this Order, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Equity Interests, or Retained Causes of Action without further notice to, or action, order, or approval of, this Court, the Canadian Court, or any other Entity and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

c. Except as otherwise provided in the Plan, after the Effective Date, no Reorganized Debtor and no affiliate of any such Reorganized Debtor shall have, or be construed to have or maintain, any liability, claim, or obligation that is based in whole or in part on any act, omission, transaction, event, or other occurrence or thing occurring or in existence on or prior to the Effective Date (including, but not limited to, any liability, claim, or obligation arising under applicable non-bankruptcy law as a successor to LightSquared Inc., LightSquared LP, or any other Debtor) and no such liability, claim, or obligation for any acts shall attach to any of the Reorganized Debtors or any of their Affiliates.

22. Cancellation of Existing Securities and Agreements.

a. Pursuant to Section IV.K of the Plan, on the Effective Date (or, subject to the terms of the New DIP Orders, the New DIP Closing Date with respect to the DIP Inc. Facility and, if applicable, the DIP LP Facility), except as otherwise specifically provided for in the Plan or this Order, including, but not limited to, with respect to the Acquired Inc. Facility Claims and JPM Acquired DIP Inc. Claims: (i) the obligations of the Debtors under the DIP Facilities, the Prepetition Loan Documents, the Existing Shares, and any other Certificate, share, note, bond, indenture, purchase right, option, warrant, or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of, or ownership interest in, the Debtors giving rise to any Claim or Equity Interest (except such Certificates, Equity Interests, notes, or other instruments or documents evidencing indebtedness or obligations of the Debtors that may be Reinstated pursuant to the Plan), shall be cancelled solely as to the Debtors, and the Reorganized Debtors shall not have any continuing obligations thereunder; and (ii) the obligations of the Debtors pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents

governing the shares, Certificates, notes, bonds, indentures, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of the Debtors (except such agreements, Certificates, notes, or other instruments evidencing indebtedness or obligations of the Debtors that are specifically Reinstated pursuant to the Plan) shall be released and discharged; provided, however, that any agreement that governs the rights of the Holder of a Claim or Equity Interest shall continue in effect solely for the purposes of allowing such Holders to receive Plan Distributions under the Plan; provided, further, that (i) the preceding proviso shall not affect the discharge of Claims or Equity Interests pursuant to the Bankruptcy Code, this Order, the Confirmation Recognition Order, or the Plan or result in any expense or liability to the Reorganized Debtors and (ii) the terms and provisions of the Plan and this Order shall modify any existing contract or agreement that would in any way be inconsistent with distributions under the Plan.

b. On the Confirmation Date, but subject to the Effective Date, (i) the obligations of the Debtors Stalking Horse Agreement and the Bid Procedures Order shall be cancelled as to the Debtors, and the Reorganized Debtors shall not have any continuing obligations thereunder and (ii) the obligations of the Debtors pursuant, relating, or pertaining to the Stalking Horse Agreement or the Bid Procedures Order to pay any LBAC Break-Up Fee or Expense Reimbursement, to the extent payable in accordance with the terms thereof, shall be released and discharged. For the avoidance of doubt, no party shall be entitled to, or receive (nor shall any reserve be required on account of), any LBAC Break-Up Fee or Expense Reimbursement.

23. Preservation, Transfer, and Waiver of Rights of Action.

a. In accordance with section 1123(b) of the Bankruptcy Code, but subject to

Article VIII of the Plan, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including, but not limited to, any Retained Causes of Action that may be described in the Plan Supplement, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the Reorganized Debtors, as applicable, shall not pursue any and all available Causes of Action against them. The Debtors or the Reorganized Debtors, as applicable, expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan or this Order. Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Court order, the Reorganized Debtors expressly reserve all Causes of Action for later adjudication and, therefore, no preclusion doctrine, including, but not limited to, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the confirmation or consummation of the Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in New LightSquared.

b. Upon the Effective Date of the Plan, Harbinger shall irrevocably assign to New LightSquared all Harbinger Litigations, and the New Investors shall irrevocably assign to New LightSquared any and all of their rights to commence any New Actions. New LightSquared will receive all Retained Causes of Action Proceeds, which, for the avoidance of

doubt, shall include any and all proceeds from any of the Harbinger Litigations and New Actions.

c. Harbinger shall (i) use and undertake commercially reasonable and good faith efforts to obtain consent of each defendant in the FCC Action and the GPS Action to stay all proceedings therein and (ii) not pursue any New Action on its own behalf or derivatively on behalf of the Debtors or the Reorganized Debtors (as applicable).

24. Assumption of D&O Liability Insurance Policies.

a. To the extent that the D&O Liability Insurance Policies are considered to be Executory Contracts, then, notwithstanding anything in the Plan or herein to the contrary, the Debtors shall be deemed to have assumed all of the Debtors' unexpired D&O Liability Insurance Policies pursuant to section 365(a) of the Bankruptcy Code effective as of the Effective Date; provided that, all D&O Liability Insurance Policies to which a Reorganized Inc. Entity would be a counterparty or obligor shall be assigned to New LightSquared on the Effective Date and no Reorganized Inc. Entity shall have any liability or obligations with respect to any D&O Liability Insurance Policies. Entry of this Order shall constitute, subject to the occurrence of the Effective Date, the Court's approval of the Debtors' foregoing assumption of each of the unexpired D&O Liability Insurance Policies. Notwithstanding anything to the contrary contained in the Plan or herein, but without limiting the proviso in the first sentence of this paragraph, confirmation of the Plan shall not discharge, impair, or otherwise modify any indemnity obligations assumed by the foregoing assumption of the D&O Liability Insurance Policies, and each such indemnity obligation shall be deemed and treated as an Executory Contract that has been assumed by the Debtors under the Plan as to which no Proof of Claim need be filed.

b. In addition, but subject to the proviso in the first sentence of the first paragraph in Section IV.Q of the Plan, after the Effective Date, none of the Reorganized Debtors shall terminate or otherwise reduce the coverage under any D&O Liability Insurance Policies (including, but not limited to, any “tail policy”) in effect on the Petition Date, with respect to conduct occurring prior thereto, and all directors and officers of the Debtors who served in such capacity at any time prior to the Effective Date shall be entitled to the full benefits of any such policy for the full term of such policy regardless of whether such directors and officers remain in such positions after the Effective Date. As of the Effective Date, New LightSquared shall purchase and maintain continuing director and officer insurance coverage for a tail period of six (6) years.

25. Employee and Retiree Benefits.

a. Except as otherwise provided in the Plan or this Order, on and after the Effective Date, New LightSquared shall assume and continue to perform the Debtors’ obligations to: (i) honor, in the ordinary course of business, any contracts, agreements, policies, programs, and plans, in each case, to the extent disclosed in the Disclosure Statement or the First Day Pleadings, for, among other things, compensation and wages (including, but not limited to, equity based and bonus compensation), health care benefits, disability benefits, deferred compensation benefits, travel benefits, savings, severance or termination benefits, retirement benefits, welfare benefits, workers’ compensation insurance, and accidental death and dismemberment insurance for the directors, officers, and current and former employees of any of the Debtors who served in such capacity at any time; and (ii) honor, in the ordinary course of business, Claims of current and former employees employed as of the Effective Date for accrued vacation time arising prior to the Petition Date; provided, however, that the Debtors’ or

Reorganized Debtors' performance of any employment agreement shall not entitle any Person or Entity to any benefit or alleged entitlement under any policy, program, or plan that has expired or been terminated before the Effective Date, or restore, reinstate, or revive any such benefit or alleged entitlement under any such policy, program, or plan. In addition, as of the Effective Date, (i) Equity Interests granted to an existing employee of the Debtors pursuant to any equity plan maintained by the Debtors or under any existing employment agreement of the Debtors, and any such applicable equity plan, shall be (A) fully vested and (B) cancelled and terminated and (ii) Holders of such Equity Interests shall be treated in accordance with Class 12 in Section III.B.14 of the Plan; provided, that the applicable Reorganized Debtors Boards shall maintain the discretion to execute and implement agreements or plans that grant current and former employees of the applicable Reorganized Debtors awards of stock options, equity appreciation rights, restricted equity, phantom equity, or any other Cash or performance-based awards as the Reorganized Debtors Boards deem appropriate.

b. Nothing in the Plan or this Order shall limit, diminish, or otherwise alter the Reorganized Debtors' defenses, claims, Causes of Action, or other rights with respect to any such contracts, agreements, policies, programs, and plans. Notwithstanding the foregoing, pursuant to section 1129(a)(13) of the Bankruptcy Code, on and after the Effective Date, all retiree benefits (as that term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid to the extent required by applicable law.

26. Executory Contracts and Unexpired Leases.

a. The Debtors have exercised sound business judgment in determining whether to assume or reject each of their Executory Contracts and Unexpired Leases pursuant to sections 365 and 1123(b)(2) of the Bankruptcy Code, Article V of the Plan, and as set forth in the

Plan Supplement and in the Schedule of Assumed Agreements. Except as set forth herein and/or in separate orders entered by the Court relating to assumption of Executory Contracts or Unexpired Leases, the Debtors have cured, or provided adequate assurances of future performance, as that term is used in section 365 of the Bankruptcy Code, that the Debtors shall cure, defaults (if any) under or relating to each Executory Contract or Unexpired Lease assumed under the Plan. The Court shall adjudicate and decide any unresolved disputes relating to the assumption of Executory Contracts and Unexpired Leases, including, but not limited to, disputed issues relating to Cure Costs, financial wherewithal, or adequate assurance of future performance, at a hearing scheduled at such time as determined by the Court.

b. As of the Effective Date, all Executory Contracts or Unexpired Leases listed on the Schedule of Assumed Agreements shall be assumed pursuant to sections 365(a) and 1123 of the Bankruptcy Code and shall remain in full force and effect for the benefit of the Reorganized Debtors, as applicable, and be enforceable by the Reorganized Debtors, as applicable, in accordance with their terms notwithstanding any provision in such Executory Contracts and Unexpired Leases that purports to prohibit, restrict, or condition such assumption; provided, that all assumed Executory Contracts and Unexpired Leases to which a Reorganized Inc. Entity would be a counterparty or an obligor shall be assigned to New LightSquared on the Effective Date and no Reorganized Inc. Entity shall have any liability or obligations with respect to any such Executory Contracts and Unexpired Leases. To the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan (including, but not limited to, any “change of control” provision) prohibits, restricts, or conditions, or purports to prohibit, restrict, or condition, such assumption or is modified, breached, or terminated or deemed modified, breached, or terminated, by (i) the commencement of the Chapter 11 Cases, (ii) any

Debtor's or any Reorganized Debtor's assumption or assumption or assignment (as applicable) of such Executory Contract or Unexpired Lease, or (iii) the confirmation or consummation of the Plan, then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party to such Executory Contract or Unexpired Lease, to modify or terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights or remedies with respect thereto, and any required consent under any such contract or lease shall be deemed satisfied by the confirmation of the Plan.

c. The assumption of any Executory Contracts and Unexpired Leases shall be free and clear of all Liens, encumbrances, pledges, mortgages, deeds of trust, security interests, Claims, charges, options, rights of first refusal, easements, servitudes, proxies, voting trusts or agreements, and/or transfer restrictions under any shareholder or similar agreement or encumbrance.

d. Notwithstanding anything in the Claims Bar Date Order to the contrary, if the rejection of an Executory Contract or Unexpired Lease, including, but not limited to, pursuant to the Plan, gives rise to a Claim by the non-Debtor party or parties to such contract or lease, such Claim shall be forever barred and shall not be enforceable against the Debtors, their respective successors, or their respective property unless a Proof of Claim is Filed and served on the Reorganized Debtors no later than thirty (30) days after the Effective Date. All Allowed Claims arising from the rejection of the Inc. Debtors' Executory Contracts and Unexpired Leases shall be classified as Inc. General Unsecured Claims and shall be treated in accordance with Class 9 in Section III.B.11 of the Plan, and all Allowed Claims arising from the rejection of the LP Debtors' Executory Contracts and Unexpired Leases shall be classified as LP General

Unsecured Claims and shall be treated in accordance with Class 10 in Section III.B.12 of the Plan.

e. Each Reorganized Debtor shall perform its obligations under each contract and lease entered into by the respective Debtor or applicable Reorganized Debtor after the Petition Date to the extent not rejected prior to the Effective Date, including, but not limited to, any Executory Contract and Unexpired Lease assumed by such Debtor or Reorganized Debtor, in each case, in accordance with, and subject to, the then applicable terms of such contract or lease; provided that each Reorganized Inc. Entity shall assign such obligations to New LightSquared on the Effective Date. Accordingly, such contracts and leases, to the extent not rejected prior to the Effective Date (including, but not limited to, any assumed Executory Contracts or Unexpired Leases), shall survive, and remain unaffected by, entry of this Order.

27. Distributions Under Plan.

a. Except as set forth herein or in the Plan, each Plan Distribution referred to in Article VI of the Plan shall be governed by the terms and conditions set forth herein and in the Plan applicable to such Plan Distribution and by the terms and conditions of the instruments evidencing or relating to such Plan Distribution, if any, which terms and conditions shall bind each Entity receiving such Plan Distribution. Except as otherwise provided herein or in the Plan, Plan Distributions of Plan Consideration under the Plan shall be made by the Debtors or the Reorganized Debtors, as applicable, to the Disbursing Agent for the benefit of the Holders of Allowed Claims or Allowed Equity Interests, and the other eligible Entities under the Plan, as applicable. All Plan Distributions by the Disbursing Agent shall be at the discretion of the Debtors or the Reorganized Debtors, as applicable, and the Disbursing Agent shall not have any liability to any Entity for Plan Distributions made by it under the Plan.

b. Commencing upon the Effective Date (or the New DIP Closing Date and/or the Inc. Facilities Claims Purchase Closing Date with respect to DIP Inc. Claims and DIP LP Claims, as applicable), LightSquared, the Disbursing Agent, the New DIP Agents, the Prepetition Inc. Agent, and the Prepetition LP Agent, as applicable, shall be authorized and directed to distribute the amounts required under the Plan, this Order, or any other order of the Court, as applicable, to the Holders of Allowed Claims or Equity Interests or other eligible Entities, as applicable, solely according to the provisions of the Plan, including, but not limited to, Article VI of the Plan, this Order, or any other order of the Court, as applicable.

28. Existing LP Preferred Units Election. Pursuant to Section III.B.13(b) of the Plan, each Holder of Existing LP Preferred Units has the option to receive, on account of its Existing LP Preferred Units, Plan Consideration in the form of either (a) New LightSquared Series A-2 Preferred Interests having a liquidation preference equal to such Holder's pro rata share of the Existing LP Preferred Units Distribution Amount or (b) New LightSquared Series C Preferred Interests having a liquidation preference equal to such Holder's pro rata share of the Existing LP Preferred Units Distribution Amount. Any Holder of Existing LP Preferred Units that wishes to receive New LightSquared Series A-2 Preferred Interests rather than New LightSquared Series C Preferred Interests must make an election to do so (the "Election") by timely and properly executing, completing, and delivering an election form, the approved form of which is attached hereto as Exhibit B (the "Election Form"), so that it is received by LightSquared and each of the New Investors **no later than April 10, 2015, at 5 p.m. (prevailing Eastern time)** (the "Election Deadline"). If a Holder of Allowed Existing LP Preferred Units declines the Election, submits an Election Form without any box in Item 1 checked, or fails to timely or properly complete and deliver an Election Form so that it is received by the Election Deadline, such Holder shall be

deemed to have elected to receive New LightSquared Series C Preferred Interests. For the avoidance of doubt, any New Investor that holds Allowed Existing LP Preferred Units shall be deemed, and hereby agrees, to elect to receive New LightSquared Series C Preferred Interests solely on account of the Allowed Existing LP Preferred Units held by such New Investor as of the Distribution Record Date.

29. Disputed Claims and Disputed Equity Interests. The provisions of Article VII of the Plan, including, but not limited to, the provisions governing procedures for resolving Disputed Claims and Disputed Equity Interests, are found to be fair and reasonable and are approved.

30. No Postpetition Interest on Claims. Unless otherwise (a) specifically provided for in the Plan or this Order, (b) agreed to by the New Investors (upon agreement of all of the New Investors) or the Reorganized Debtors, as applicable, (c) provided for in a postpetition agreement in writing between all of the New Investors or the Reorganized Debtors, as applicable, and a Holder of a Claim, or (d) allowed under applicable bankruptcy and non-bankruptcy law, postpetition interest shall not accrue or be paid on Claims (other than Inc. General Unsecured Claims and the LP General Unsecured Claims), and no Holder of a Claim (other than the Holders of Inc. General Unsecured Claims and the Holders of LP General Unsecured Claims) shall be entitled to interest accruing on or after the Petition Date on any Claim or right. Additionally, and without limiting the foregoing, and except as otherwise set forth in the Plan or this Order, interest shall not accrue or be paid on any Disputed Claim with respect to the period from the Effective Date to the date a final Plan Distribution is made on account of such Disputed Claim, if and when such Disputed Claim becomes an Allowed Claim.

31. Full and Final Satisfaction of Claims. Upon the Effective Date, all Claims against, or Equity Interests in, LightSquared shall be deemed fixed and adjusted pursuant to the Plan, and LightSquared shall have no further liability on account of any Claims or Equity Interests except as set forth in the Plan or in this Order. Except as otherwise provided by the Plan or this Order, all payments and all distributions made by LightSquared or the Reorganized Debtors under, and in accordance with, the Plan shall be in full and final satisfaction, settlement, and release of all Claims and Equity Interests.

32. Discharge of Claims and Termination of Equity Interests.

a. Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or this Order, the Plan Distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims (including, but not limited to, any Intercompany Claims resolved or compromised after the Effective Date by the Reorganized Debtors in accordance with Section III.B.17 and Section III.B.18 of the Plan), Equity Interests, and Causes of Action of any nature whatsoever, including, but not limited to, any interest accrued on Claims or Equity Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Equity Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims or Equity Interests, including, but not limited to, demands, liabilities, and Causes of Action that arose before the Effective Date, any liability to the extent such Claims or Equity Interests relate to services performed by current or former employees of the Debtors prior to the Effective Date and that arise from a termination of employment or a termination of any employee or retiree benefit program, regardless of whether

such termination occurred prior to or after the Effective Date, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case, whether or not (i) a Proof of Claim or proof of Equity Interest based upon such debt, right, or Equity Interest is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim or Equity Interest based upon such debt, right, or Equity Interest is Allowed pursuant to section 502 of the Bankruptcy Code, or (iii) the Holder of such a Claim or Equity Interest has accepted the Plan. Any default by the Debtors or their Affiliates with respect to any Claim or Equity Interest that existed immediately prior to, or on account of, the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date.

b. This Order constitutes a judicial determination of the discharge of all Claims and Equity Interests subject to the occurrence of the Effective Date that shall, to the fullest extent provided under section 524 and other applicable provisions of the Bankruptcy Code, (i) void any judgment at any time obtained, to the extent that such judgment is a determination of the personal liability of any Debtor or Reorganized Debtor with respect to any Claim discharged under this Order and (ii) operate as a permanent injunction against the commencement or continuation of an action, the employment of process, or an act, to collect, recover, or offset any such discharged Claim as a personal liability of any Debtor or Reorganized Debtor.

c. Except as otherwise expressly provided by the Plan or this Order, upon the Effective Date: (i) the rights afforded herein and the treatment of all Claims and Equity Interests under the Plan shall be in exchange for, and in complete satisfaction, settlement, discharge, and release of, all Claims and Equity Interests of any nature whatsoever, including, but not limited to,

any interest accrued on such Claims from and after the Petition Date, against the Debtors or any of their respective assets, property, or Estates; (ii) all Claims and Equity Interests shall be satisfied, discharged, and released in full, and each of the Debtor's liability with respect thereto shall be extinguished completely without further notice or action; and (iii) all Entities shall be precluded from asserting against the Debtors, the Estates, the Reorganized Debtors, each of their respective successors and assigns, and each of their respective assets and properties, any such Claims or Equity Interests, whether based upon any documents, instruments, act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date or otherwise.

33. Releases by Debtors. Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or this Order, for good and valuable consideration, including, but not limited to, the service of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the restructuring transactions contemplated by the Plan, on and after the Effective Date, the Released Parties are deemed released and discharged by the Debtors, the Reorganized Debtors, and the Estates from any and all claims, interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including, but not limited to, any derivative claims asserted on behalf of the Debtors or the Estates, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, that the Debtors, the Reorganized Debtors, the Estates, or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Equity Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11

Cases, the CCAA Proceeding, the prepetition or postpetition purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors, the Prepetition Facilities, the DIP Facilities, the Working Capital Facility, the Second Lien Exit Facility, the Exit Intercreditor Agreement, the New LightSquared Entities Shares, or the Reorganized LightSquared Inc. Exit Facility, as applicable, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims or Equity Interests prior to or in the Chapter 11 Cases and/or the CCAA Proceeding, the negotiation, formulation, or preparation of the Plan and the Disclosure Statement, or related agreements (including, but not limited to, the Plan Support Agreement), instruments, or other documents, any of the Debtors' regulatory efforts (including, but not limited to, change of control applications), upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct (including, but not limited to, fraud) or gross negligence. Notwithstanding anything contained herein or in the Plan to the contrary, the foregoing release does not release any obligations of any party under the Plan or any document, instrument, or agreement (including, but not limited to, those set forth in the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, the Reorganized LightSquared Inc. Credit Agreement, the Exit Intercreditor Agreement, the Reorganized Debtors Governance Documents, and the Plan Supplement) executed to implement the Plan.

34. Exculpation. Except as otherwise specifically provided in the Plan or this Order, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any claim, obligation, Cause of Action, or liability for any act taken or omitted

to be taken in connection with, or related to, formulating, negotiating, preparing, disseminating, implementing, administering, confirming, or effecting the confirmation or consummation of the Plan, the Disclosure Statement, the Plan Documents, or any contract, instrument, release, or other agreement or document created or entered into in connection with the Plan (including, but not limited to, the Plan Support Agreement), any act taken or omitted to be taken in connection with, or related to, any of the Debtors' regulatory efforts (including, but not limited to, change of control applications), the negotiation of Cure Costs, the amendment, assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases, or any other prepetition or postpetition act taken or omitted to be taken in connection with, or in contemplation of, the restructuring of the Debtors, the approval of the Disclosure Statement, or confirmation or consummation of the Plan, except for (a) willful misconduct (including, but not limited to, fraud) or gross negligence and/or (b) the rights of any Entity to enforce the Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered under, or in connection with, the Plan, or assumed pursuant to the Plan, or assumed pursuant to a Final Order, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon confirmation of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the distributions of the Securities pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

35. Third-Party Releases by Holders of Claims or Equity Interests.

a. Except as otherwise specifically provided in the Plan or this Order, on and after the Effective Date, to the fullest extent permissible under applicable law, (i) each Released Party, (ii) each present and former Holder of a Claim or Equity Interest, and (iii) each of the foregoing Entities' respective predecessors, successors and assigns, and current and former shareholders, affiliates, subsidiaries, members (including, but not limited to, ex-officio members), officers, directors, principals, managers, trustees, employees, partners, attorneys, financial advisors, accountants, investment bankers, investment advisors, actuaries, professionals, consultants, agents, and representatives (in each case, in his, her, or its capacity as such) (each of the foregoing parties in (i), (ii), and (iii), a "Releasing Party") shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged the Released Parties from any and all claims, interests, obligations, rights, suits, damages, Claims, Equity Interests, Causes of Action, remedies, and liabilities whatsoever, including, but not limited to, any derivative claims asserted on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, that each Releasing Party would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the CCAA Proceeding, the prepetition or postpetition purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors, the Prepetition Facilities, the DIP Facilities, the Working Capital Facility, the Second Lien Exit Facility, the Exit Intercreditor Agreement, the New LightSquared Entities Shares, or the Reorganized LightSquared Inc. Exit Facility, as applicable, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, the

business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims or Equity Interests prior to or in the Chapter 11 Cases and/or the CCAA Proceeding, the negotiation, formulation, or preparation of the Plan and the Disclosure Statement, or related agreements, instruments, or other documents, any act taken or omitted to be taken in connection with, or related to, any of the Debtors' regulatory efforts (including, but not limited to, change of control applications), the negotiation of Cure Costs, the amendment, assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases, upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct (including, but not limited to, fraud) or gross negligence; provided, however, that each present and former Holder of a Claim or Equity Interest voting to reject the Plan may reject the third-party release provided in Section VIII.F of the Plan by checking the box on the applicable Ballot indicating that such Holder opts not to grant such third-party release.

b. Notwithstanding anything contained herein or in the Plan to the contrary, the third-party release herein and in the Plan does not release any obligations of any party under the Plan or any document, instrument, or agreement (including, but not limited to, those set forth in the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, the Reorganized LightSquared Inc. Credit Agreement, the Exit Intercreditor Agreement, the Reorganized Debtors Governance Documents, and the Plan Supplement) executed to implement the Plan.

36. Injunction.

a. Except as otherwise expressly provided in the Plan or this Order, or for obligations issued pursuant to the Plan or this Order, all Entities who have held, hold, or may hold Claims or Equity Interests that have been released pursuant to Section VIII.D of the Plan (and herein) or Section VIII.F of the Plan (and herein), discharged pursuant to Section VIII.A of the Plan (and herein), or are subject to exculpation pursuant to Section VIII.E of the Plan (and herein) are permanently enjoined, from and after the Effective Date, from taking any of the following actions against the Debtors or the Reorganized Debtors: (i) commencing or continuing in any manner any action or other proceeding of any kind on account of, in connection with, or with respect to any such Claims or Equity Interests; (ii) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of, in connection with, or with respect to any such Claims or Equity Interests; (iii) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or Estates of such Entities on account of, in connection with, or with respect to any such Claims or Equity Interests; (iv) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property or Estates of such Entities on account of, in connection with, or with respect to any such Claims or Equity Interests unless such Holder has Filed a motion requesting the right to perform such setoff on or before the Confirmation Date, and notwithstanding an indication in a Proof of Claim or proof of Equity Interest or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to section 553 of the Bankruptcy Code or otherwise; and (v) commencing or continuing in any manner any action or other proceeding of any kind on account of, in connection with, or with respect to any such Claims or Equity Interests released or settled pursuant to the Plan.

Nothing in the Plan or this Order shall preclude any Entity from pursuing an action against one or more of the Debtors in a nominal capacity to recover insurance proceeds so long as the Debtors or Reorganized Debtors, as applicable, and any such Entity agree in writing that such Entity shall (i) waive all Claims against the Debtors, the Reorganized Debtors, and the Estates related to such action and (ii) enforce any judgment on account of such Claim solely against applicable insurance proceeds, if any.

b. No Holder of any Claim or Equity Interest, and none of any such Holder's heirs, successors, assigns, trustees, executors, administrators, controlled-affiliates, officers, directors, agents, representatives, attorneys, beneficiaries, and/or guardians (collectively, the "Representatives") shall take, or cause to be taken, and each such Holder and each of its Representatives is hereby permanently enjoined from taking, any action that is intended or is reasonably likely to directly or indirectly prevent, impede, hinder, adversely affect, and/or delay any actions or efforts of the Debtors or the Reorganized Debtors, as applicable, and/or their ability to: (i) implement the Plan and the Plan Transactions (including, but not limited to, performance and/or enforcement of contracts of LightSquared or the Reorganized Debtors); (ii) obtain any consents and/or approvals, achieve the expiration or termination of any waiting period, and/or take any actions necessary or appropriate to consummate the transactions contemplated by the Plan and this Order, including, but not limited to, under (A) the *Hart-Scott-Rodino Antitrust Improvements Act of 1976*, the *Investment Canada Act*, the *Competition Act* (Canada), and/or any comparable requirements in any foreign jurisdiction and (B) the rules and regulations of the FCC, Industry Canada, and the Canadian Radio-television Telecommunications Commission ("CRTC"), including, but not limited to, with respect to the assignment, transfer of control, and/or maintenance of the Debtors' FCC, Industry Canada, and

CRTC licenses and authorizations (collectively, the “Transfer Proceedings”); (iii) obtain grant of the License Modification Application or any Material Regulatory Request, as amended and/or supplemented from time to time, and/or any associated rulemaking, waiver, and/or other requests regarding the subject matter thereof, or the satisfaction of any FCC Objective; or (iv) undertake any acts related to, or in furtherance of, the matters described in clauses (i), (ii) and/or (iii) in this subparagraph; provided, however, that nothing in this Order shall prevent or enjoin anyone from communicating with or otherwise exercising their right to petition any Governmental entity, including the FCC, for any reason – including, but not limited to, any communications or petitions concerning the matters set forth in this paragraph.

c. Until such time as the New LightSquared Interest Holders Agreement is in full force and effect (at which time such agreement shall govern), each Holder of any Claim or Equity Interest and their Representatives that has a right to obtain New LightSquared Interests shall (i) promptly provide to the Debtors or the Reorganized Debtors, at such Holder’s cost and expense, such ownership or other information as may be reasonably required in order for the Debtors or the Reorganized Debtors to comply with the Communications Laws (as defined in the New LightSquared Interest Holders Agreement), the *Competition Act* (Canada), the *Investment Canada Act*, and the *Defense Production Act* (Canada), in each case as amended, including, but not limited to, such information that may be necessary in connection with the Transfer Proceedings or such other information as reasonably requested by the Debtors or the Reorganized Debtors to obtain the necessary consents and approvals of any governmental authority, (ii) not complete any transaction, including, but not limited to, any assignment of its rights to obtain New LightSquared Interests or its obligations, and not permit any transfer of direct or indirect ownership in or control of such Holder (or any entity holding an interest in such

Holder), that would (individually or together with all other such transactions) require amendment, notice, supplement, or any other submission to the FCC, Industry Canada, or other Governmental Unit in connection with the Transfer Proceedings; provided, however, that the foregoing shall not preclude any such action that (x) is (i) expressly provided by the Plan or (ii) otherwise contemplated as part of any settlement agreements entered into in connection with confirmation of the Plan or entry of this Order, (y) both necessary and designed solely to effectuate the Transfer Proceedings as initially filed, or (z) would, in the judgment of the Debtors (after consultation with their applicable regulatory counsel), be reasonably likely to cause the FCC, Industry Canada, or other Governmental Unit to expedite the grant of any application or necessary consent in connection with the Transfer Proceedings, and (iii) not directly assign its rights to obtain New LightSquared Interests or its obligations (whether to a permitted assignee or otherwise), and not affirmatively take any action to permit any transfer or assignment of direct or indirect ownership in such Holder (or any entity holding an interest in the Holder) or knowingly take any other action, if such transfer, assignment, or other action would be reasonably likely to impede or delay approval of the License Modification Application or any Material Regulatory Request or the satisfaction of any FCC Objective. Notwithstanding anything to the contrary in this paragraph 36, the obligations and restrictions set forth in this paragraph 36(c) shall not apply to any transfer or assignment occurring as a result of public trading on a national securities exchange of the securities of any Entity that is a direct or indirect beneficial owner of a Holder of any Claim or Equity Interest that has a right to obtain New LightSquared Interests (a “Publicly Traded Entity”), or the issuance of securities by such Publicly Traded Entity, so long as (a) such Entity is not in breach of the requirements of clause (i) above, and (b) upon determining that any transfer or issuance of the securities of such Publicly Traded Entity has directly resulted in a

requirement for the Debtors or the Reorganized Debtors to obtain approvals under the Communications Laws relating to New LightSquared's direct or indirect foreign ownership or has directly resulted in a transfer of control of the Debtors or the Reorganized Debtors under the Communications Laws, such Entity, if so requested by the Debtors, diligently seeks any approvals or cooperates with the Debtors in seeking such approvals and clearances as may be needed from the FCC or Industry Canada under any Communications Laws as a result of such transfer or issuance of securities.

37. Reservation of Rights of the United States.

a. As to the United States of America, its agencies, departments, or agents (collectively, the "United States"), nothing in the Plan or this Order shall limit or expand the scope of discharge, release, or injunction to which the Debtors or the Reorganized Debtors are entitled under the Bankruptcy Code, if any. The discharge, release, and injunction provisions contained in the Plan and this Order are not intended, and shall not be construed, to bar the United States from, subsequent to this Order, pursuing any police or regulatory action.

b. Accordingly, notwithstanding anything contained in the Plan or this Order to the contrary, nothing in the Plan or this Order shall discharge, release, impair, or otherwise preclude: (i) any liability to the United States that is not a Claim; (ii) any Claim of the United States arising on or after the Confirmation Date; (iii) any valid right of setoff or recoupment of the United States against any of the Debtors; or (iv) any liability of the Debtors or the Reorganized Debtors under police or regulatory statutes or regulations to any Governmental Unit as the owner, lessor, lessee, or operator of property that such entity owns, operates, or leases after the Confirmation Date. Further, nothing in this Order or the Plan shall: (i) enjoin or otherwise bar the United States or any Governmental Unit from asserting or enforcing, outside

the Court, any liability described in the preceding sentence; or (ii) divest any court, commission, or tribunal of jurisdiction to determine whether any liabilities asserted by the United States or any Governmental Unit are discharged or otherwise barred by this Order, the Plan, or the Bankruptcy Code.

c. Moreover, nothing in this Order or the Plan shall release or exculpate any non-Debtor, including, but not limited to, any Released Parties or Exculpated Parties, from any liability to the United States, including, but not limited to, any liabilities arising under the Internal Revenue Code, the environmental laws, or the criminal laws against the Released Parties or Exculpated Parties, nor shall anything in this Order or the Plan enjoin the United States from bringing any claim, suit, action, or other proceeding against the Released Parties or Exculpated Parties for any liability whatsoever; provided, however, that the foregoing sentence shall not limit the scope of discharge granted to the Debtors under sections 524 and 1141 of the Bankruptcy Code or any findings of fact or conclusions of law set forth herein.

d. Nothing contained in the Plan or this Order shall be deemed to determine the tax liability of any person or entity, including, but not limited to, the Debtors and the Reorganized Debtors, nor shall the Plan or this Order be deemed to have determined the federal tax treatment of any item, distribution, or entity, including, but not limited to, the federal tax consequences of the Plan, nor shall anything in the Plan or this Order be deemed to have conferred jurisdiction upon the Court to make determinations as to federal tax liability and federal tax treatment except as provided under section 505 of the Bankruptcy Code.

38. USAC Claims. Notwithstanding anything to the contrary contained in the Plan, the Plan Supplement, this Order, and/or any document or instrument entered into in respect thereof, no term(s) or provision(s) contained in the foregoing shall: (a) effect a release,

discharge, or otherwise preclude or prohibit any claim whatsoever against any Debtor and/or Reorganized Debtor by or on behalf of the Universal Service Administrative Company or its agents (collectively, "USAC"), including, but not limited to, any claims (i) arising under 47 C.F.R. Part 54, (ii) relating to audits that may be performed by USAC to (A) examine any Debtor's and/or Reorganized Debtor's compliance with universal service support program eligibility requirements, (B) confirm the accuracy of any Debtor's and/or Reorganized Debtor's data submissions, and (C) review any Debtor's and/or Reorganized Debtor's overall compliance with program rules promulgated by the FCC, (iii) for setoff or recoupment, and/or (iv) resulting from, or relating to, orders issued by the FCC (collectively, "USAC Claims"); (b) enjoin USAC from bringing any suit, action, claim, or other proceeding against any Debtor or Reorganized Debtor for any liability whatsoever, including, but not limited to, any liability arising from the USAC Claims; or (c) exculpate any Debtor and/or Reorganized Debtor from any liability to USAC whatsoever, including, but not limited to, any liability arising from any USAC Claim.

39. Conditions Precedent to Effective Date of Plan. The following are conditions precedent to the Effective Date of the Plan that must be satisfied or waived in accordance with Section IX.B of the Plan:

a. This Order, in form and in substance satisfactory to each of the New Investors, the Debtors, and MAST (solely with respect to those provisions of this Order that relate to MAST Terms) and reasonably satisfactory to MAST as to all other provisions of this Order, shall have become a Final Order.

b. The transactions contemplated by the JPM Inc. Facilities Claims Purchase Agreement shall have been consummated.

- c. The New DIP Orders (i) shall have been entered and (ii) shall have become Final Orders.
- d. The New DIP Recognition Order shall have become a Final Order.
- e. The New DIP Facilities shall have been funded, and there shall not be any default under the New DIP Credit Agreements or the New DIP Orders with respect to which the New DIP Agents or New DIP Lenders are exercising any rights and remedies against the collateral under such New DIP Facilities.
- f. The Plan Documents, to the extent applicable to the transactions to be consummated pursuant to this Order, shall have been executed and delivered, and any conditions (other than the occurrence of the Effective Date or certification that the Effective Date has occurred) contained therein shall have been satisfied or waived in accordance therewith, including, but not limited to:
 - (i) the Working Capital Facility Credit Agreement and any related documents, in forms and substance satisfactory to New LightSquared, each of the New Investors, and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof, and the incurrence of obligations pursuant to the Working Capital Facility Credit Agreement shall have occurred;
 - (ii) the Second Lien Exit Credit Agreement and any related documents, in forms and substance satisfactory to each of the New Investors and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof, the incurrence of obligations pursuant to the Second Lien Exit Credit Agreement, and the funding of all New Money Lender Commitments (as such term is defined in the Second Lien Exit Credit Agreement) shall have occurred;
 - (iii) the Reorganized LightSquared Inc. Exit Facility and any related documents, in forms and substance satisfactory to each of the New Investors and the Debtors, shall have been executed and delivered

by all of the Entities that are parties thereto, and the incurrence of obligations pursuant to the Reorganized LightSquared Inc. Exit Facility shall have occurred;

- (iv) the New LightSquared Interest Holders Agreement, in form and substance satisfactory to each of the New Investors and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, and all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof; and
- (v) the Debtors shall have sufficient Cash on hand to fund the Professional Fee Reserve and the Disputed Claims and Equity Interests Reserve.

g. The Canadian Court shall have entered the Confirmation Recognition Order and such order shall have become a Final Order.

h. All necessary actions, documents, certificates, and agreements necessary to implement the Plan shall have been effected or executed and delivered to the required parties and, to the extent required, Filed with the applicable Governmental Units in accordance with applicable laws.

i. Except as otherwise agreed by each of the New Investors, the FCC shall not have: (i) denied any Material Regulatory Request in writing on material substantive grounds; (ii) denied any Material Regulatory Request in writing on any other grounds without affording the applicant or petitioner an opportunity to submit a substantively similar request without prejudice; or (iii) otherwise taken action so as to preclude a reasonable prospect of satisfying any FCC Objective.

j. The FCC, Industry Canada, and other applicable governmental authorities shall have granted any necessary consents and approvals required for the Debtors to emerge from chapter 11 pursuant to the Plan (including, but not limited to, and to the extent applicable, consents to the assignment of the Debtors' licenses and/or the transfer of control of the Debtors,

as well as customary approvals and authorizations related thereto) and any statutory waiting periods shall have expired (including, but not limited to, under the *Hart-Scott-Rodino Antitrust Improvements Act of 1976* and the *Competition Act (Canada)*).

- k. The Plan Support Agreement shall be in full force and effect.
- l. The Debtors shall have paid in full in Cash all New Investor Fee Claims.
- m. The Harbinger Litigations shall have been assigned to New LightSquared.
- n. The identity of the Chairman of the New LightSquared Board shall be reasonably acceptable to each of the New Investors.

40. Waiver of Conditions Precedent. The conditions to the Confirmation Date and/or the Effective Date set forth in Article IX of the Plan may be waived by the agreement of each of the New Investors and the Debtors, without notice to, or action, order, or approval of, this Court, the Canadian Court, or any other Entity; provided, that if the Inc. Facilities Claims Purchase Closing Date and payment in full in Cash of the DIP Inc. Claims has not yet occurred, the conditions to Confirmation set forth in Section IX.A of the Plan may not be waived without the consent of MAST, other than Sections IX.A.1, IX.A.10 and IX.A.11 of the Plan.

41. FCC and Industry Canada Approval. No provision in the Plan or this Order relieves the Reorganized Debtors from their obligations to comply with the Communications Laws and the rules, regulations, and orders promulgated thereunder by the FCC and Industry Canada, respectively. To the extent applicable, no assignment to the Reorganized Debtors of any federal license or authorization issued by the FCC or Industry Canada, or transfer of control of any entity holding any federal license or authorization issued by the FCC or Industry Canada, shall take place prior to the issuance of any required FCC or Industry Canada regulatory approval for such assignment or transfer of control pursuant to any applicable FCC regulations or

Industry Canada rules. To the extent applicable, the rights and powers of the FCC and Industry Canada to take any action pursuant to their respective regulatory authority over the assignment or transfer of control, including, but not limited to, imposing any regulatory conditions on such assignment or transfer of control, are fully preserved, and nothing herein shall proscribe or constrain the exercise of such power or authority by the FCC and Industry Canada as the case may be.

42. Change of Control Provisions. Except for the transfer of control and ownership described in the Change of Control Application, and as contemplated by Article IV of the Plan, the consummation of the Plan shall not constitute a change of ownership or change in control, as such terms are used in any statute, regulation, contract, or agreement, including, but not limited to, any employment, severance, termination, or insurance agreements, in effect on the Effective Date and to which any of the Debtors is a party, or under any applicable law of any applicable Governmental Unit, and any acceleration, vesting, or similar change of control rights under any employment, benefit, or other arrangements triggered by the consummation of the Plan shall be waived or otherwise cancelled under the Plan.

43. Effect of Non-Occurrence of Effective Date. If this Order is vacated, the Plan shall be null and void in all respects and nothing contained in the Plan, the Disclosure Statement, or this Order shall: (a) constitute a waiver or release of any Claims by or against, or any Equity Interests in, the LightSquared entities; (b) prejudice in any manner the rights of LightSquared or any other party; or (c) constitute an admission, acknowledgment, offer, or undertaking by the Plan Proponents; provided, that the vacatur of this Order shall not affect any other order of the Court (unless as otherwise specified in such other order); provided, further that, to the extent that the Inc. Facilities Claims Purchase Closing Date has occurred, (y) the vacatur of this Order shall

not affect the purchases pursuant to the JPM Inc. Facilities Claims Purchase Agreement and/or the New Investor Commitment Documents, and (z) any distributions made from the proceeds of the New DIP Facilities, which purchases and distributions shall remain valid, in full force and effect, and not subject to revocation or reversal.

44. Modification of Plan. Except as otherwise specifically provided in the Plan or this Order, the Plan Proponents (in accordance with the Plan Support Agreement, as applicable, and the terms of Article X of the Plan), reserve the right with the written consent of each Plan Proponent to modify the Plan as to material terms and seek Confirmation consistent with the Bankruptcy Code; provided, however, that the Plan may not be modified or amended with respect to (a) a MAST Term or (b) Articles/Sections I, II, II.A, II.C, III, IV.A, IV.B.1, and VI of the Plan (solely as to such terms that pertain to MAST or the Prepetition Inc. Agent), Articles/Sections VIII, IX.A, IX.C, X, and XI of the Plan (solely as to such terms that pertain to MAST or the Prepetition Inc. Agent), and Article XII of the Plan, without the prior written consent of MAST and the Prepetition Inc. Agent, which consent, in the case of clause (b) immediately above and when unrelated to a MAST Term, shall not be unreasonably withheld or delayed. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, and those restrictions on modifications set forth in the Plan and in the Plan Support Agreement, the Plan Proponents other than the Debtors (in accordance with the Plan Support Agreement or the terms of Section X.A of the Plan), expressly reserve the right to alter, amend, or modify materially the Plan with respect to any Debtor, one or more times, after Confirmation, and, to the extent necessary, may initiate proceedings in this Court or Canadian Court to so alter, amend, or modify the Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement, this Order, or

the Confirmation Recognition Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. Any such modification or supplement shall be considered a modification of the Plan and shall be made in accordance with Section X.A of the Plan.

45. Revocation or Withdrawal of Plan. The Plan Proponents, with the consent of each Plan Proponent, MAST, and the Prepetition Inc. Agent, in accordance with the Plan Support Agreement (or, in the case of the Debtors, the terms of Section X.C of the Plan), reserve the right to revoke or withdraw the Plan prior to the Confirmation Date and to file subsequent chapter 11 plans. The Debtors reserve their right to withdraw support for the Plan at any time if it is determined that pursuing the Plan would be inconsistent with the exercise of their fiduciary duties; provided, however, that such withdrawal is without prejudice to the right of the other Plan Proponents to continue to seek consummation of the Plan. If the Plan Proponents collectively revoke or withdraw the Plan, or if consummation of the Plan does not occur, then: (a) the Plan shall be null and void in all respects; (b) any settlement or compromise embodied in the Plan (including, but not limited to, the fixing or limiting to an amount certain of any Claims or Equity Interests or Class of Claims or Equity Interests), assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void in all respects (provided, however, that the foregoing shall not apply to (i) the Standing Motion Stipulation and the withdrawal of the Standing Motion as to the Prepetition Inc. Facility Non-Subordinated Claims or (ii) the JPM Inc. Facilities Claims Purchase Agreement or the New Investor Commitment Documents to the extent that the Inc. Facilities Claims Purchase Closing Date has occurred); and (c) nothing contained in the Plan, the Disclosure Statement, or this Order shall (i) constitute a waiver or release of any Claims or Equity Interests in any respect, (ii) prejudice in any manner

the rights of the Debtors or any other Entity in any respect, or (iii) constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Entity in any respect.

46. Validity of Certain Plan Transactions If Effective Date Does Not Occur. If, for any reason, the Plan is Confirmed, but the Effective Date does not occur, any and all post-Confirmation Date and pre-Effective Date Plan Transactions that were authorized by the Court, whether as part of the New DIP Facilities, the purchases pursuant to the JPM Inc. Facilities Claims Purchase Agreement, the New Investor Commitment Documents, the Plan, or otherwise, and any distributions made from proceeds of the New DIP Facilities, shall be deemed valid, in full force and effect, and not subject to revocation or reversal.

47. Reversal. If any or all of the provisions of this Order are hereafter reversed, modified, or vacated by subsequent order of the Court or any other court of competent jurisdiction, (a) such reversal, modification, or vacatur shall not affect the validity or the enforceability of (i) any act, obligations, indebtedness, liability, priority, or Lien incurred or undertaken by the Debtors or the Reorganized Debtors, as applicable, under or in connection with the Plan (including, but not limited to, pursuant to any other order of the Court) prior to the date that LightSquared or the Reorganized Debtors received actual written notice of the effective date of any such reversal, modification, or vacatur or (ii) any provisions of this Order that are not expressly reversed, modified, or vacated by such subsequent order of the Court or any other court of competent jurisdiction, and (b) to the extent that the Inc. Facilities Claims Purchase Closing Date has occurred, the purchases pursuant to the JPM Inc. Facilities Claims Purchase Agreement and/or the New Investor Commitment Documents, and any distributions made from the proceeds of the New DIP Facilities, shall be deemed valid, in full force and effect, and not

subject to revocation or reversal. Notwithstanding any such reversal, modification, or vacatur of this Order, any such act or obligation incurred or undertaken pursuant to, and in reliance on, this Order prior to the effective date of such reversal, modification, or vacatur shall be governed in all respects by the provisions of this Order, the Plan, and any amendments or modifications thereto.

48. Retention of Jurisdiction.

a. Pursuant to Article XI of the Plan, notwithstanding the entry of this Order and the occurrence of the Effective Date, on and after the Effective Date, the Court shall retain jurisdiction over all matters arising out of, or relating to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including, but not limited to, jurisdiction to:

- (i) Allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Equity Interest, including, but not limited to, the resolution of any request for payment of any Administrative Claim, of any request for the payment or Plan Distribution on account of Claims entitled to priority pursuant to section 507 of the Bankruptcy Code, and of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Equity Interests;
- (ii) Decide and resolve all matters relating to the granting and denying, in whole or in part, of any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;
- (iii) Resolve any matters relating to the following: (A) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including, but not limited to, Cure Costs pursuant to section 365 of the Bankruptcy Code; (B) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed, or assumed and assigned; (C) the Reorganized Debtors amending, modifying, or supplementing, after the Effective Date, pursuant to Article V of the Plan, the Schedule of Assumed Agreements; and

- (D) any dispute regarding whether a contract or lease is or was executory or unexpired;
- (iv) Ensure that Plan Distributions to Holders of Allowed Claims and Allowed Equity Interests are accomplished pursuant to the provisions of the Plan;
 - (v) Adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;
 - (vi) Adjudicate, decide, or resolve any and all matters related to Causes of Action;
 - (vii) Adjudicate, decide, or resolve all matters related to the Standing Motion Stipulation and Standing Motion Stipulation Order;
 - (viii) Adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;
 - (ix) Enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan or the Disclosure Statement;
 - (x) To hear and determine any matters relating to, arising out of, or in connection with the implementation of the Working Capital Facility, the Second Lien Exit Facility, the Reorganized LightSquared Inc. Exit Facility, the Exit Intercreditor Agreement, the Reorganized Debtors Governance Documents, the Second Lien Exit Facility Commitment Letter, or any ancillary or related agreements thereto;
 - (xi) Resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the Consummation, interpretation, or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;
 - (xii) Issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with the Consummation or enforcement of the Plan, including, but not limited to, the releases set forth therein;
 - (xiii) Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the releases, injunctions, and other

provisions contained in Article VIII of the Plan and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;

- (xiv) Hear and determine all disputes involving the existence, nature, or scope of the Debtors' discharge, including, but not limited to, any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date;
- (xv) Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of Plan Distributions and the recovery of additional amounts owed by the Holder of a Claim or Equity Interest for amounts not timely repaid pursuant to Section VI.J of the Plan;
- (xvi) Enter and implement such orders as are necessary or appropriate if this Order is for any reason modified, stayed, reversed, revoked, or vacated;
- (xvii) Determine any other matters that may arise in connection with, or relate to, the Plan, the Disclosure Statement, this Order, or any contract, instrument, release, indenture, or other agreement or document created in connection with the Plan or the Disclosure Statement;
- (xviii) Enter an order or final decree concluding or closing the Chapter 11 Cases;
- (xix) Adjudicate any and all disputes arising from, or relating to, Plan Distributions under the Plan or any transactions contemplated therein;
- (xx) Adjudicate any and all disputes arising from or relating to the JPM Inc. Facilities Claims Purchase Agreement;
- (xxi) Adjudicate any and all disputes arising from, or relating to, the New Investor Commitment Documents;
- (xxii) Consider any modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in any Court order, including, but not limited to, this Order;
- (xxiii) Hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

(xxiv) Enforce all orders previously entered by the Court; and

(xxv) Hear any other matter not inconsistent with the Bankruptcy Code.

b. Notwithstanding any other provision in Article XI of the Plan to the contrary, nothing herein or in the Plan shall prevent the Reorganized Debtors from commencing and prosecuting any Causes of Action before any other court or judicial body which would otherwise have appropriate jurisdiction over the matter and parties thereto, and nothing herein shall restrict any such courts or judicial bodies from hearing and resolving such.

49. Successors and Assigns. Except as expressly set forth in the Plan or this Order, the rights, benefits, and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign, affiliate, officer, director, agent, representative, attorney, beneficiary, or guardian, if any, of each Entity.

50. No Successors In Interest. Except as to obligations expressly assumed pursuant to the Plan, the Reorganized Debtors shall not be deemed to be successors to LightSquared and shall not assume, nor be deemed to assume, or in any way be responsible for, any successor liability or similar liability with respect to LightSquared or LightSquared's operations that are not expressly assumed or reinstated in connection with, or expressly provided by, the Plan or this Order.

51. Further Assurances. The Holders of Claims or Equity Interests receiving distributions under the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

52. Service of Documents. Any pleading, notice, or other document required by the Plan to be served shall be served pursuant to the terms of Section XII.E of the Plan.

53. Effectiveness of All Actions. Except as set forth in the Plan or this Order, all actions authorized to be taken pursuant to the Plan shall be effective on, prior to, or after the Effective Date pursuant to this Order, as applicable, without further notice to, or action, order, or approval of, the Court or further action by the respective shareholders, affiliates, subsidiaries, members (including, but not limited to, ex-officio members), officers, directors, principals, managers, trustees, employees, partners, agents, or representatives of the Debtors or the Reorganized Debtors and with the effect that such actions had been taken by unanimous action of such shareholders, affiliates, subsidiaries, members (including, but not limited to, ex-officio members), officers, directors, principals, managers, trustees, employees, partners, agents, or representatives.

54. Notice of Confirmation Order and Effective Date; Substantial Consummation of Plan. KCC shall serve notice of the entry of this Order (including the Election Form) to (a) all Holders of Claims or Equity Interests and (b) those parties on whom the Plan, Disclosure Statement, and related documents were served. Such service constitutes good and sufficient notice pursuant to Bankruptcy Rules 2002(f)(7) and 3020(c). On the Effective Date, or as soon thereafter as is reasonably practicable, LightSquared shall file with the Court a "Notice of Effective Date" and cause KCC to serve such Notice of Effective Date by first class mail, postage prepaid, or by facsimile to those persons who have filed with the Court requests for notices pursuant to Bankruptcy Rule 2002, which notice and service shall constitute appropriate and adequate notice that the Plan has become effective. Upon the Effective Date, the Plan shall be deemed substantially consummated as to each LightSquared entity, consistent with the definition of "substantial consummation" as defined in section 1101(2) of the Bankruptcy Code.

55. Transactions on Business Days. If the date on which a transaction may occur under the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day.

56. Filing of Additional Documents. On or before the Effective Date, the Plan Proponents may file with the Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan.

57. Utility Deposits. All utilities, including, but not limited to, any Person who received a deposit or other form of “adequate assurance” of performance pursuant to section 366 of the Bankruptcy Code during the Chapter 11 Cases (collectively, the “Deposits”), whether pursuant to the *Order Determining Adequate Assurance of Payment for Future Utility Services* [Docket No. 120] or otherwise, including, but not limited to, gas, electric, and telephone services, are directed to return such Deposits to the Reorganized Debtors, either by setoff against postpetition indebtedness or by Cash refund, within thirty (30) days following the Effective Date.

58. Insurance Neutrality. Notwithstanding any other term or provision in the Plan or this Order, nothing in the Plan or this Order: (a) shall prejudice any of the rights, claims, or defenses of the Debtors’ insurers (the “Insurers”) under any insurance policies under which the Debtors, or successor in interest, seeks coverage (the “Policies”) and any agreements related to the Policies (together, with the Policies, the “Insurance Agreements”); (b) shall modify any of the terms, conditions, limitations, and/or exclusions contained in the Insurance Agreements, which shall remain in full force and effect; (c) shall be deemed to create any insurance coverage that does not otherwise exist, if at all, under the terms of the Insurance Agreements, or create any right of action against the Insurers that does not otherwise exist under applicable non-bankruptcy law; (d) shall be deemed to prejudice any of the Insurers’ rights and/or defenses in any pending

or subsequent litigation in which the Insurers or the Debtors may seek any declaration regarding the nature and/or extent of any insurance coverage under the Insurance Agreements; (e) shall be deemed to alter the continuing duties and obligations of any insured under the Insurance Agreements; (f) shall be deemed or construed to create a direct right of action for any claimant or plaintiff against any of the Insurers for insurance proceeds, except where such right exists as a matter of law or otherwise; or (g) shall be construed as an acknowledgement that the Insurance Agreements cover or otherwise apply to any claims or that any claims are eligible for payment under any of the Insurance Agreements. In addition, notwithstanding any other term or provision in the Plan or this Order, nothing in the Plan or this Order shall alter, diminish, or otherwise prejudice the rights, claims, or defenses of any of the Debtors or their successors in interest in respect of any Insurance Agreements.

59. Administrative Claims.

a. Except for Accrued Professional Compensation Claims, DIP Claims, U.S. Trustee Fees, and KEIP Payments, and unless previously Filed, requests for payment of Administrative Claims must be Filed and served on New LightSquared no later than the Administrative Claims Bar Date (i.e., thirty (30) days after the Effective Date) pursuant to the procedures specified in this Order and the notice of the occurrence of the Effective Date. Objections to such requests must be Filed and served on New LightSquared and the requesting party by the later of (i) one hundred and eighty (180) days after the Effective Date and (ii) one hundred and eighty (180) days after the Filing of the applicable request for payment of Administrative Claims, if applicable. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior Court orders, the Allowed amounts, if any, of Administrative Claims shall be determined by, and satisfied in accordance with an order

of, the Court.

b. Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not File and serve such a request by the Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, the Reorganized Debtors, or their property, and such Administrative Claims shall be deemed discharged as of the Effective Date without the need for any objection from the Reorganized Debtors or any action by the Court.

c. Notwithstanding anything to the contrary herein, (i) a New Investor, the DIP Inc. Lenders, the DIP Inc. Agent, the Holders of Prepetition Inc. Facility Non-Subordinated Claims, and the Prepetition Inc. Agent shall not be required to File any request for payment of any Administrative Claims, including, but not limited to, any New Investor Fee Claims, DIP Claims, DIP Inc. Fee Claims, or Prepetition Inc. Fee Claims, and (ii) any New Investor, the DIP Inc. Lenders, the DIP Inc. Agent, the Holders of Prepetition Inc. Facility Non-Subordinated Claims, and the Prepetition Inc. Agent shall be paid in accordance with the terms of the Plan, this Order, the DIP Inc. Order, the DIP LP Order, or other applicable governing documents.

d. Notwithstanding anything to the contrary herein, (i) the New Investor Fee Claims incurred through and including, but not limited to, the Confirmation Date shall be paid in full, in Cash following the Inc. Facilities Claims Purchase Closing Date from the proceeds of the New DIP Facilities or Cash on hand, to the extent available up to \$10 million, with any such unpaid New Investor Fee Claims being paid on the Effective Date, and (ii) the New Investor Fee Claims incurred after the Confirmation Date through and including, but not limited to, the Effective Date (to the extent not previously paid) shall be paid monthly from the proceeds of the New DIP Facilities or Cash on hand, subject to the New Investors and the Debtors' prior receipt

of invoices and reasonable documentation in connection therewith and without the requirement to File a fee application with the Court. The New Investor Fee Claims shall be deemed Allowed Administrative Claims following the Inc. Facilities Claims Purchase Closing Date.

60. Post-Confirmation Date Fees and Expenses.

a. Notwithstanding anything herein or in any prior order of the Court to the contrary, all final requests for payment of Claims of a Professional shall be Filed no later than forty-five (45) days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior Court orders, the Allowed amounts of such Accrued Professional Compensation Claims shall be determined by the Court and satisfied in accordance with an order of the Court.

b. Except as otherwise specifically provided herein or in the Plan or this Order, on and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to, or action, order, or approval of, the Court, and upon five (5) Business Days' advance notice to all of the New Investors, pay in Cash the reasonable legal, Professional, or other fees and expenses related to the Consummation and implementation of the Plan incurred by the Debtors on or after the Confirmation Date through the Effective Date. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 of the Bankruptcy Code or the Interim Compensation Order in seeking retention or compensation for services rendered from the Confirmation Date through the Effective Date shall terminate, and the Debtors may employ and pay any Professional in the ordinary course of business without any further notice to, or action, order, or approval of, the Court, subject to the terms of the New DIP Orders. The payments contemplated by this section shall be included in

all final requests for payment of Claims of a Professional as contemplated by Section II.B.1 of the Plan.

61. Payment of Statutory Fees. On the Effective Date or as soon thereafter as reasonably practicable, the Reorganized Debtors shall pay all U.S. Trustee Fees that are due and owing on the Effective Date. Following the Effective Date, New LightSquared shall pay the U.S. Trustee Fees for each quarter (including any fraction thereof) until the first to occur of the Chapter 11 Cases being converted, dismissed, or closed.

62. Term of Injunctions or Stays. Unless otherwise provided in this Order, in the Plan, or in the Confirmation Recognition Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Court or the Canadian Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan, this Order, or the Confirmation Recognition Order), shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan, this Order, or the Confirmation Recognition Order shall remain in full force and effect in accordance with their terms.

63. Plan Supplement. All materials included in the Plan Supplement (as may be amended in accordance with the terms of the Plan or this Order) are integral to, part of, and incorporated by reference into the Plan. The Plan Supplement (as may be amended in accordance with the terms of the Plan or this Order) and all related documents are hereby approved, including, but not limited to: (a) executed commitment letters, engagement letters, highly confident letters, or form and/or definitive agreements, and related documents with respect to (i) the Working Capital Facility Credit Agreement, (ii) the Second Lien Exit Facility, (iii) the Reorganized LightSquared Inc. Credit Agreement, and (iv) the Effective Date

Investments; (b) the Reorganized Debtors Governance Documents; (c) the Schedule of Assumed Agreements; (d) the Schedule of Retained Causes of Action; (e) the JPM Inc. Facilities Claims Purchase Agreement; and (f) the New Investor Commitment Documents.

64. Entire Agreement. Except as otherwise indicated, the Plan and the Plan Supplement (which, for the avoidance of doubt, shall not include the New Inc. DIP Order, the Alternative Transaction Fee Order, or the KEIP Order) supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

65. Headings. The headings contained within this Order are used for the convenience of the parties and shall not alter or affect the meaning of the text of this Order.

66. References to Plan Provisions. The failure specifically to include or to refer to any particular article, section, or provision of the Plan, the Plan Supplement, or any related document in this Order shall not diminish or impair the effectiveness of such article, section, or provision, it being the intent of the Court that the Plan be confirmed and any related documents be approved in their entirety.

67. Existing Board of Directors. The existing boards of directors and other governing bodies of LightSquared shall be deemed to have resigned on and as of the Effective Date, in each case, without further (a) notice to, or order of, the Court, (b) act or action under applicable law, regulation, order, or rule, or (c) vote, consent, authorization, or approval of any Person or Entity.

68. Non-Severability. This Order constitutes a judicial determination that each term and provision of the Plan, as it may have been altered or interpreted in accordance with Section XII.I of the Plan, is (a) valid and enforceable pursuant to its terms, (b) integral to the Plan and may not be deleted or modified without the consent of LightSquared, the New Investors, and, to

the extent otherwise set forth herein or in the Plan Support Agreement, MAST, and (c) non-severable and mutually dependent. The provisions of the Plan shall not be severable unless such severance is agreed to by LightSquared (or, if after the Effective Date, by the Reorganized Debtors), the New Investors, and, to the extent otherwise set forth herein, in the Plan, or in the Plan Support Agreement, MAST, and such severance would constitute a permissible modification of the Plan pursuant to section 1127 of the Bankruptcy Code.

69. Final Order. This Order is a Final Order and the period in which an appeal must be filed shall commence upon the entry hereof.

70. Closing of Chapter 11 Cases. The Reorganized Debtors shall promptly, upon the full administration of the Chapter 11 Cases, file with the Court all documents required by the Bankruptcy Rules and any applicable orders of the Court to close the Chapter 11 Cases.

71. Binding Effect; Waiver of Bankruptcy Rules 3020(e), 6004(h), and 7062 and Federal Rule of Civil Procedure 62(a). The fourteen (14) day stay provided by Bankruptcy Rules 3020(e), 6004(h), and 7062 and Federal Rule of Civil Procedure 62(a) shall not apply to this Order. Immediately upon the entry of this Order: (a) the provisions of the Plan shall be binding upon (i) LightSquared, (ii) all Holders of Claims against, or Equity Interests in, LightSquared, whether or not Impaired under the Plan and whether or not, if Impaired, such Holders accepted the Plan, (iii) each Person acquiring property under the Plan, (iv) any other party in interest, (v) any Person making an appearance in the Chapter 11 Cases, and (vi) each of the foregoing's respective heirs, successors, assigns, trustees, executors, administrators, affiliates, officers, directors, agents, representatives, attorneys, beneficiaries, or guardians; and (b) LightSquared is authorized to consummate the Plan immediately upon entry of this Order.

72. Conflicts with This Order. The provisions of the Plan and this Order shall be construed in a manner consistent with each other so as to effect the purpose of each; provided, however, that if there is determined to be any inconsistency between any Plan provision and any provision of this Order that cannot be so reconciled, then solely to the extent of such inconsistency, the provisions of this Order shall govern, and any provision of this Order shall be deemed a modification of the Plan and shall control and take precedence. Subject to paragraph 47(a) of this Order, the provisions of this Order are integrated with each other and are non-severable and mutually dependent. To the extent of any inconsistency between this Order and either the New Inc. DIP Order, the Alternative Transaction Fee Order, or the KEIP Order that cannot be reconciled, then solely to the extent of such inconsistency, the provisions of this Order shall govern.

Dated: March 27, 2015
New York, New York

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

Exhibit A

Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code

**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

**MODIFIED SECOND AMENDED JOINT PLAN PURSUANT TO CHAPTER 11 OF
BANKRUPTCY CODE**

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Dated: New York, New York
March 26, 2015

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.

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INTRODUCTION

Fortress, Centerbridge, Harbinger, and the Debtors, as the Plan Proponents, hereby respectfully propose the following joint chapter 11 plan for the resolution of outstanding claims against, and interests in, the Debtors pursuant to title 11 of the United States Code, 11 U.S.C. §§ 101-1532. Reference is made to the Disclosure Statement for a discussion of the Debtors' history, businesses, assets, results of operations, and projections of future operations, as well as a summary and description of the Plan and certain related matters. The Plan may be altered, amended, modified, revoked, or withdrawn in accordance with, and subject in all respects to, the terms of the Plan Support Agreement and the Plan, or, in the case of the Debtors, the terms of the Plan only, prior to its substantial consummation.

Among other things, the Plan provides for the satisfaction in full of all Allowed Claims against the Debtors, provides for a recovery to Holders of Existing Inc. Preferred Stock and Existing LP Preferred Units and resolves certain significant issues between the LP Debtors' Estates and the Inc. Debtors' Estates. The Plan is the product of months of mediation and significant negotiations and efforts by the various key constituents in the Chapter 11 Cases, as well as the mediator appointed by the Bankruptcy Court, to broker as much consensus as possible and develop a restructuring plan that will achieve maximum returns for the Estates and stakeholders. Significantly, the Plan is a joint plan for both the Inc. Estates and the LP Estates, which, as numerous parties have consistently stated, is the best means to maximize value for the benefit of all Holders of Claims and Equity Interests and avoids potential litigation over numerous issues that would otherwise arise between the stakeholders of the Inc. Estates and the stakeholders of the LP Estates.

The New Investors, through the provision of new equity investments, new debtor in possession financing and the purchase of certain DIP Claims, are providing the Debtors with additional liquidity to fund the Debtors' operations through the Effective Date and to repay in full the Allowed DIP Inc. Claims and the Allowed DIP LP Claims. Additionally, as set forth herein, the Plan contemplates, among other things, (a) a first lien exit financing facility of \$1.25 billion, (b) the issuance of new debt and equity instruments, (c) the assumption of certain liabilities, and (d) the preservation of the Debtors' litigation claims.

Upon their emergence from bankruptcy, the Reorganized Debtors will have a sustainable capital structure and will be stronger and better positioned to avail themselves of significant upside value of the pending spectrum license modification applications. The Plan Proponents accordingly believe that the Plan is the highest and best restructuring offer available to the Debtors that will maximize the value of the Estates for the benefit of the Debtors' creditors and equity holders.

ALL HOLDERS OF CLAIMS OR EQUITY INTERESTS ENTITLED TO VOTE ON THE PLAN ARE ENCOURAGED TO READ THE PLAN AND THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.

**ARTICLE I.
DEFINED TERMS, RULES OF INTERPRETATION,
COMPUTATION OF TIME, AND GOVERNING LAW**

A. Defined Terms

Unless the context otherwise requires, the following terms shall have the following meanings when used in capitalized form herein:

1. **“Accrued Professional Compensation Claims”** means, at any given moment, all accrued fees and expenses (including success fees) for services rendered by all Professionals through and including the Effective Date, to the extent such fees and expenses have not been paid and regardless of whether a fee application has been Filed for such fees and expenses, but in all events subject to estimation as provided in Section VII.C hereof. To the extent that the Bankruptcy Court denies or reduces by a Final Order any amount of a Professional’s fees or expenses, then the amount by which such fees or expenses are reduced or denied shall reduce the applicable Accrued Professional Compensation Claim.

2. **“Acquired DIP Inc. Claims”** means, collectively, the Fortress/Centerbridge Acquired DIP Inc. Claims and the JPM Acquired DIP Inc. Claims.

3. **“Acquired Inc. Facility Claims”** means the Allowed Prepetition Inc. Facility Non-Subordinated Claims (inclusive of principal, Inc. Facility Prepetition Interest, and Inc. Facility Postpetition Interest allocable to the Inc. Facility Non-Subordinated Claims accrued through the Inc. Facilities Claims Purchase Closing Date but exclusive of the Prepetition Inc. Facility Repayment Premium and the Prepetition Inc. Fee Claims) purchased for Cash in an amount equal to the Acquired Inc. Facility Claims Purchase Price by SIG from the Prepetition Inc. Facility Claims Sellers on the Inc. Facilities Claims Purchase Closing Date pursuant to, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement.

4. **“Acquired Inc. Facility Claims Purchase Price”** means an amount equal to the Allowed amount of the Prepetition Inc. Facility Non-Subordinated Claims inclusive of principal, Inc. Facility Prepetition Interest, and Inc. Facility Postpetition Interest allocable to the Prepetition Inc. Facility Non-Subordinated Claims accrued through the Inc. Facilities Claims Purchase Closing Date but exclusive of the Prepetition Inc. Facility Repayment Premium and the Prepetition Inc. Fee Claims, and which amount as of January 15, 2015 equals \$337,879,725.54 (which shall increase on a *per diem* basis through and including the Inc. Facilities Claims Purchase Closing Date to account for the Inc. Facility Postpetition Interest allocable to the Prepetition Inc. Facility Non-Subordinated Claims accrued from January 16, 2015 through the Inc. Facilities Claims Purchase Closing Date).

5. **“Administrative Claim”** means a Claim for costs and expenses of administration pursuant to sections 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date and through the Effective Date of preserving the Estates and operating the businesses of the Debtors (including wages, salaries, or commissions for services, and payments for goods and other services and leased premises); (b) compensation for legal, financial advisory, accounting, and other services,

and reimbursement of expenses pursuant to sections 328, 330(a), or 331 of the Bankruptcy Code or otherwise for the period commencing on the Petition Date and ending on the Effective Date, including Accrued Professional Compensation Claims; (c) all fees and charges assessed against the Estates pursuant to chapter 123 of the Judicial Code, including the U.S. Trustee Fees; (d) the DIP Claims; (e) all requests for compensation or expense reimbursement for making a substantial contribution in the Chapter 11 Cases pursuant to sections 503(b)(3), (4), and (5) of the Bankruptcy Code; (f) any and all KEIP Payments; (g) the Prepetition Inc. Fee Claims; (h) the DIP Inc. Fee Claims; (i) all indemnification claims arising from the postpetition services of the directors serving on the special committee of the boards of directors for LightSquared Inc. and LightSquared GP Inc., as approved by the Bankruptcy Court pursuant to the *Final Order (I) Approving Compensation for Independent Directors, (II) Authorizing Administrative Expense Priority for Indemnification Claims Arising From Postpetition Services of Independent Directors, and (III) Granting Related Relief* [Docket No. 897]; and (j) any fees and expenses that are earned and payable pursuant to the New DIP Facilities, the Working Capital Facility, the Plan, and the other Plan Documents, including the New Investor Fee Claims.

6. “**Administrative Claims Bar Date**” means the deadline for filing requests for payment of Administrative Claims, which shall be thirty (30) days after the Effective Date.

7. “**Affiliate**” has the meaning set forth in section 101(2) of the Bankruptcy Code.

8. “**Allowed**” means, with respect to Claims, any Claim that (a) is evidenced by a Proof of Claim Filed by the applicable Claims Bar Date or that is not required to be evidenced by a Filed Proof of Claim under the Bankruptcy Code or a Final Order, (b) is listed on the Schedules as of the Effective Date as not contingent, not unliquidated, and not disputed, and for which no Proof of Claim has been timely Filed, (c) has been compromised, settled, or otherwise resolved pursuant to the authority granted to the Debtors by a Final Order of the Bankruptcy Court, or (d) is Allowed pursuant to the Plan or a Final Order; provided, however, that with respect to any Claim described in clauses (a) or (b) above, such Claim shall be considered Allowed only if, and to the extent that, with respect to any Claim, no objection to the allowance thereof, request for estimation, motion to deem the Schedules amended, or other challenge has been interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, if any, or such a challenge is so interposed and the Claim shall have been Allowed for distribution purposes only by a Final Order. Any Claim that has been or is hereafter listed on the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim has been timely Filed, is not considered Allowed and shall be expunged without further action by the Debtors or the Reorganized Debtors and without any further notice to or action, order, or approval of the Bankruptcy Court. Notwithstanding anything to the contrary herein, no Claim of any Entity subject to section 502(d) of the Bankruptcy Code shall be deemed Allowed unless and until such Entity pays in full the amount that it owes such Debtor or Reorganized Debtor, as applicable. In addition, “**Allowed**” means, with respect to any Equity Interest, such Equity Interest is reflected as outstanding (other than any such Equity Interest held by any Debtor or any subsidiary of a Debtor) in the stock transfer ledger or similar register of the applicable Debtor on the Distribution Record Date and is not subject to any objection or challenge.

9. “**Alternative Transaction**” means any agreement, chapter 11 plan, sale, winding up, liquidation, reorganization, merger, or restructuring of the Debtors other than the Plan that pays in full in Cash (unless a particular Holder of Claims or Equity Interests is offered to be paid in full in Cash and agrees to different treatment in lieu of being paid in full in Cash) all Claims against, or Equity Interests in, the Debtors other than those set forth in Classes 13-16B; provided, however, that to the extent that such Alternative Transaction that pays in full in Cash all Claims against, or Equity Interests in, the Debtors (other than (i) those set forth in Classes 13-16B and (ii) in accordance with the foregoing parenthetical, with respect to those Holders of Claims or Equity Interests who have agreed to different treatment in lieu of being paid in full in Cash) is proposed, sponsored, funded, arranged, or otherwise supported by the Holder of a Claim or Equity Interest or such Holder’s equity owner or affiliate (including as to SPSO, any SPSO Affiliate), such Holder’s Claim or Equity Interest (as applicable) shall not be required to be paid (or be offered to be paid) in full in Cash.

10. “**Appeal**” means that certain cause of action captioned *Harbinger Capital Partners LLC, HGW US Holding Company LP, Blue Line DZM Corp., and Harbinger Capital Partners SP, Inc. v. SP Special Opportunities LLC, DISH Network Corporation, EchoStar Corporation, Charles W. Ergen, Sound Point Capital Management LP, and Stephen Ketchum*, No. 14-MC-00234 (S.D.N.Y. filed June 19, 2014).

11. “**Assets**” means all rights, titles, and interest of the Debtors of any nature in property of any kind, wherever located, as specified in section 541 of the Bankruptcy Code.

12. “**Avoidance Actions**” means any and all actual or potential claims and causes of action to avoid a transfer of property or an obligation incurred by the Debtors pursuant to any applicable section of the Bankruptcy Code, including sections 502, 510, 542, 544, 545, 547-553, and 724(a) of the Bankruptcy Code, or under similar or related state or federal statutes and common law, including fraudulent transfer laws.

13. “**Ballot**” means the ballot upon which Holders of Claims or Equity Interests entitled to vote shall cast their vote to accept or reject the Plan.

14. “**Bankruptcy Code**” means title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as applicable to the Chapter 11 Cases, as may be amended from time to time.

15. “**Bankruptcy Court**” means the United States Bankruptcy Court for the Southern District of New York having jurisdiction over the Chapter 11 Cases, and, to the extent of the withdrawal of any reference under section 157 of the Judicial Code or the General Order of the District Court pursuant to section 151 of the Judicial Code, the United States District Court for the Southern District of New York.

16. “**Bankruptcy Rules**” means the Federal Rules of Bankruptcy Procedure, as applicable to the Chapter 11 Cases, promulgated under section 2075 of the Judicial Code and the general, local, and chambers rules of the Bankruptcy Court.

17. “**Bid Procedures Order**” means the *Order (A) Establishing Bid Procedures, (B) Scheduling Date and Time for Auction, (C) Approving Assumption and Assignment Procedures, (D) Approving Form of Notice, and (E) Granting Related Relief* [Docket No. 892].

18. “**Business Day**” means any day, other than a Saturday, Sunday, or “legal holiday” (as defined in Bankruptcy Rule 9006(a)).

19. “**Canadian Court**” means the Ontario Superior Court of Justice (Commercial List) having jurisdiction over the CCAA Proceedings.

20. “**Canadian Proceeding**” means the proceedings commenced with respect to the Chapter 11 Cases in the Canadian Court pursuant to Part IV of the Companies’ Creditors Arrangement Act.

21. “**Cash**” means the legal tender of the United States of America or the equivalent thereof.

22. “**Causes of Action**” means any claim, cause of action, controversy, demand, right, action, Lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, offset, power, privilege, license, and franchise of any kind or character whatsoever, known, unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law. For purposes of clarity, Causes of Action includes, without limitation, the following: (a) any right of setoff, counterclaim, or recoupment and any claim on contracts or for breaches of duties imposed by law or in equity; (b) the right to object to Claims or Equity Interests; (c) any claim pursuant to section 362 of the Bankruptcy Code; (d) any claim or defense including fraud, mistake, duress, and usury and any other defenses set forth in section 558 of the Bankruptcy Code; (e) any Avoidance Actions; and (f) any cause of action listed on the Schedule of Retained Causes of Action.

23. “**CCAA Proceedings**” means the proceedings commenced by LightSquared LP, in its capacity as foreign representative of the Debtors pursuant to Part IV of the Companies’ Creditors Arrangement Act, R.S.C. 1985, c.C-36.

24. “**Centerbridge**” means Centerbridge Partners, L.P. on behalf of certain of its affiliated funds.

25. “**Certificate**” means any instrument evidencing a Claim or an Equity Interest.

26. “**Chapter 11 Cases**” means (a) when used with reference to a particular Debtor or group of Debtors, the chapter 11 case or cases pending for that Debtor or group of Debtors under chapter 11 of the Bankruptcy Code in the Bankruptcy Court and (b) when used with reference to all Debtors, the jointly administered chapter 11 cases pending for the Debtors in the Bankruptcy Court.

27. “**Claim**” means any claim against a Debtor as defined in section 101(5) of the Bankruptcy Code.

28. “**Claims and Equity Interests Objection Bar Date**” means the deadline for objecting to a Claim or Equity Interest, which shall be on the date that is the later of (a) six (6) months after the Effective Date and (b) such later period of limitation as may be specifically fixed by an order of the Bankruptcy Court.

29. “**Claims and Solicitation Agent**” means Kurtzman Carson Consultants LLC, the notice, claims, solicitation, and balloting agent retained by the Debtors in the Chapter 11 Cases.

30. “**Claims Bar Date**” means, with reference to a Claim, the date by which Proofs of Claim must be or must have been Filed with respect to such Claim, as ordered by the Bankruptcy Court pursuant to the Claims Bar Date Order or another Final Order of the Bankruptcy Court.

31. “**Claims Bar Date Order**” means the *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* [Docket No. 266].

32. “**Claims Register**” means the official register of Claims maintained by the Claims and Solicitation Agent.

33. “**Class**” means a category of Holders of Claims or Equity Interests as set forth in Article III hereof pursuant to section 1122(a) of the Bankruptcy Code.

34. “**Collateral**” means any property or interest in property of the Estates subject to a Lien to secure the payment or performance of a Claim, which Lien is not subject to avoidance or otherwise invalid under the Bankruptcy Code or applicable non-bankruptcy law.

35. “**Confirmation**” means the entry of the Confirmation Order on the docket of the Chapter 11 Cases.

36. “**Confirmation Date**” means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

37. “**Confirmation Hearing**” means the hearing held by the Bankruptcy Court on the Confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code, as such hearing may be continued from time to time.

38. “**Confirmation Hearing Date**” means the date of the commencement of the Confirmation Hearing.

39. “**Confirmation Order**” means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code, and granting other related relief, in form and substance satisfactory to each of the New Investors, the Debtors, and MAST (solely with

respect to those provisions of the Confirmation Order that relate to MAST Terms) and reasonably satisfactory to MAST as to all other provisions of the Confirmation Order.

40. **“Confirmation Recognition Order”** means an order of the Canadian Court, which shall be in form and substance satisfactory to each of the New Investors, the Debtors, and MAST (solely with respect to those provisions of the Confirmation Recognition Order that relate to MAST Terms) and reasonably satisfactory to MAST as to all other provisions of the Confirmation Recognition Order, recognizing the entry of the Confirmation Order and vesting in the Reorganized Debtors all of the Debtors’ rights, titles, and interest in and to the Assets that are owned, controlled, regulated, or situated in Canada, free and clear of all Liens, Claims, charges, interests, or other encumbrances, in accordance with applicable law.

41. **“Consummation”** means the occurrence of the Effective Date.

42. **“Cure Costs”** means all amounts (or such lesser amount as may be agreed upon by the parties under an Executory Contract or Unexpired Lease) required to cure any monetary defaults under any Executory Contract or Unexpired Lease that is to be assumed, or assumed and assigned, by the Debtors pursuant to sections 365 or 1123 of the Bankruptcy Code.

43. **“D&O Liability Insurance Policies”** means all insurance policies of any of the Debtors for directors’, managers’, and officers’ liability.

44. **“Debtor”** means one of the Debtors, in its individual capacity as a debtor in these Chapter 11 Cases.

45. **“Debtors”** means, collectively, the Inc. Debtors and the LP Debtors.

46. **“DIP Agents”** means the DIP Inc. Agent and the New DIP Agents.

47. **“DIP Claim”** means a DIP Inc. Claim, a DIP LP Claim, or a New DIP Claim.

48. **“DIP Facilities”** means the DIP Inc. Facility, the DIP LP Facility, and the New DIP Facilities.

49. **“DIP Inc. Agent”** means U.S. Bank National Association, as Arranger, Administrative Agent, and Collateral Agent under the DIP Inc. Credit Agreement.

50. **“DIP Inc. Borrower”** means One Dot Six Corp., as borrower under the DIP Inc. Credit Agreement.

51. **“DIP Inc. Claim”** means a Claim held by the DIP Inc. Agent or DIP Inc. Lenders arising under or related to the DIP Inc. Facility, including, without limitation, all principal, interest, default interest, commitment fees, and exit fees provided for thereunder.

52. **“DIP Inc. Claims Sellers”** means the Holders of JPM Acquired DIP Inc. Claims and the Fortress/Centerbridge Acquired DIP Inc. Claims immediately prior to the Inc. Facilities Claims Purchase Closing Date.

53. **“DIP Inc. Credit Agreement”** means that certain Senior Secured, Super-Priority Debtor-in-Possession Credit Agreement, dated as of July 19, 2012 (as amended, supplemented, restated, or otherwise modified from time to time in accordance with the terms thereof), among the DIP Inc. Obligors, the DIP Inc. Agent, and the DIP Inc. Lenders.

54. **“DIP Inc. Facility”** means that certain debtor in possession credit facility provided in connection with the DIP Inc. Credit Agreement and DIP Inc. Order.

55. **“DIP Inc. Fee Claims”** means all Claims for the reasonable, actual documented fees and expenses of the DIP Inc. Lenders and the DIP Inc. Agent, including, but not limited to, the fees and expenses of financial advisors and counsel, in each case to the extent payable pursuant to the DIP Inc. Order.

56. **“DIP Inc. Guarantors”** means LightSquared Inc., One Dot Four Corp., and One Dot Six TVCC Corp., as guarantors under the DIP Inc. Credit Agreement.

57. **“DIP Inc. Lenders”** means the lenders party to the DIP Inc. Credit Agreement from time to time.

58. **“DIP Inc. Obligors”** means the DIP Inc. Borrower and the DIP Inc. Guarantors.

59. **“DIP Inc. Order”** means 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] (as amended, supplemented, or modified from time to time in accordance with the terms thereof).

60. **“DIP Lenders”** means the DIP Inc. Lenders, the DIP LP Lenders, and the New DIP Lenders.

61. **“DIP LP Borrower”** means LightSquared LP, as borrower under the DIP LP Facility.

62. **“DIP LP Claim”** means a Claim held by the DIP LP Lenders arising under or related to the DIP LP Facility, including, without limitation, all principal, interest, default interest, and fees provided for thereunder.

63. **“DIP LP Facility”** means that certain debtor in possession credit facility provided in connection with the DIP LP Order and related documents.

64. **“DIP LP Lenders”** means the lenders under the DIP LP Facility from time to time.

65. **“DIP LP Order”** means the *Final Order (A) Authorizing LP DIP Obligors To Obtain Seventh Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1927] (as amended, supplemented, or modified from time to time in accordance with the terms thereof).

66. **“Disbursing Agent”** means, for Plan Distributions made prior to the Effective Date, the Debtors or the DIP Inc. Agent, to the extent it makes or facilitates Plan Distributions, and, for Plan Distributions made on or after the Effective Date, the Reorganized Debtors, or the Entity or Entities designated by the Reorganized Debtors, as applicable, to make or facilitate Plan Distributions pursuant to the Plan on or after the Effective Date, including, without limitation, the Prepetition Inc. Agent or the Prepetition LP Agent to the extent they make or facilitate Plan Distributions.

67. **“Disclosure Statement”** means, collectively, (a) the Specific Disclosure Statement and (b) the General Disclosure Statement (as either may be amended, supplemented, or modified from time to time, including all exhibits and schedules thereto and references therein that relate to the Plan, in each case, in accordance with the terms of the Plan Support Agreement or, in the case of the Debtors, the terms of the Plan).

68. **“Disclosure Statement Order”** means the order or orders entered by the Bankruptcy Court in the Chapter 11 Cases, in form and substance satisfactory to each of the New Investors, MAST, and the Debtors, (a) approving the Disclosure Statement as containing adequate information required under section 1125 of the Bankruptcy Code and Bankruptcy Rule 3017, and (b) authorizing the use of the Disclosure Statement for soliciting votes on the Plan.

69. **“Disclosure Statement Recognition Order”** means the order or orders of the Canadian Court, which shall be in form and substance satisfactory to each of the New Investors, MAST, and the Debtors, recognizing the entry of the Disclosure Statement Order.

70. **“Disputed”** means, with respect to any Claim or Equity Interest, any Claim or Equity Interest that is not yet Allowed.

71. **“Disputed Claims and Equity Interests Reserve”** means a reserve to be held by New LightSquared for the benefit of each Holder of a Disputed Claim or Equity Interest, in an amount equal to the Plan Distributions such Disputed Claim or Equity Interest would be entitled to on the Effective Date if such Disputed Claim or Equity Interest were Allowed in its full amount on the Effective Date.

72. **“Distribution Record Date”** means: (a) for the DIP Inc. Claims, the Inc. Facilities Claims Purchase Closing Date; (b) for the DIP LP Claims, the New LP DIP Closing Date; (c) for the Acquired Inc. Facility Claims and the New DIP Claims, the Effective Date; and (d) for all other Claims and Equity Interests, the Voting Record Date.

73. **“Effective Date”** means the date selected by the New Investors (upon agreement of all of the New Investors) and the Debtors, that is a Business Day after the Confirmation Date on which (a) no stay of the Confirmation Order is in effect and (b) all conditions precedent specified in Section IX.B hereof have been satisfied or waived (in accordance with Section IX.C hereof).

74. **“Effective Date Investments”** means the cash investments to be provided by certain of the New Investors to New LightSquared in the aggregate principal amount of

\$89,500,175.01, of which Fortress shall contribute \$68,391,643.16 and Centerbridge shall contribute \$21,108,531.85.

75. “**Eligible Transferee**” means any Person that is not a Prohibited Transferee.

76. “**Entity**” has the meaning set forth in section 101(15) of the Bankruptcy Code.

77. “**Equity Interest**” means any equity security (as defined in section 101(16) of the Bankruptcy Code) in a Debtor, including any issued or unissued share of common stock, preferred stock, or other instrument evidencing an ownership interest in a Debtor, whether or not transferable, including membership interests in limited liability companies and partnership interests in partnerships, and any option, warrant or right, contractual or otherwise, to acquire any such interest in a Debtor that existed immediately prior to the Effective Date, any award of stock options, restricted stock units, equity appreciation rights, restricted equity, or phantom equity granted to an existing employee of the Debtors pursuant to any equity plan maintained by the Debtors or under any existing employment agreement of the Debtors’ existing employees, any Existing Shares, and any Claim against the Debtors subject to subordination pursuant to section 510(b) of the Bankruptcy Code arising from or related to any of the foregoing.

78. “**Estate**” means the bankruptcy estate of any Debtor created by section 541 of the Bankruptcy Code upon the commencement of the Chapter 11 Cases.

79. “**Exculpated Party**” means a Released Party.

80. “**Executory Contract**” means a contract to which one or more of the Debtors is a party that is subject to assumption, assumption and assignment, or rejection under sections 365 or 1123 of the Bankruptcy Code.

81. “**Existing Inc. Common Stock**” means the Equity Interests in LightSquared Inc. (other than the Existing Inc. Preferred Stock).

82. “**Existing Inc. Preferred Stock**” means the Existing Inc. Series A Preferred Stock and Existing Inc. Series B Preferred Stock.

83. “**Existing Inc. Series A Preferred Stock**” means the outstanding shares of Convertible Series A Preferred Stock issued by LightSquared Inc.

84. “**Existing Inc. Series B Preferred Stock**” means the outstanding shares of Convertible Series B Preferred Stock issued by LightSquared Inc.

85. “**Existing LP Common Units**” means the outstanding common units issued by LightSquared LP.

86. “**Existing LP Preferred Units**” means the outstanding non-voting Series A Preferred Units issued by LightSquared LP.

87. “**Existing LP Preferred Units Distribution Amount**” means the outstanding liquidation preference of the Existing LP Preferred Units as of the Effective Date (excluding any prepayment or redemption premium).

88. “**Existing Shares**” means all Equity Interests related to Existing Inc. Common Stock, Existing Inc. Preferred Stock, Existing LP Common Units, Existing LP Preferred Units, and Intercompany Interests.

89. “**Exit Intercreditor Agreement**” means that certain Intercreditor Agreement, dated on or before the Effective Date, between the Working Capital Lenders, the Second Lien Exit Term Lenders, the agents under the Working Capital Facility and the Second Lien Exit Facility, and the other relevant Entities governing, among other things, the respective rights, remedies, and priorities of claims and security interests held by the Working Capital Lenders, the Second Lien Exit Term Lenders, the agents and the other relevant Entities under the Working Capital Facility and the Second Lien Exit Facility, under the Working Capital Facility Credit Agreement and the Second Lien Exit Credit Agreement.

90. “**Expense Reimbursement**” means the (i) “Inc. Expense Reimbursement,” but solely to the extent such Inc. Expense Reimbursement has not yet been paid or is not subject to payment in connection with a prior order of the Bankruptcy Court, and (ii) “LP Expense Reimbursement,” in each case, as such term is used in the Bid Procedures Order.

91. “**FCC**” means the Federal Communications Commission.

92. “**FCC Action**” means that certain cause of action captioned *Harbinger Capital Partners, LLC, et al. v. United States of America*, Civil Action No. 14-cv-00597 (Fed. Cl. 2014).

93. “**FCC Objectives**” means that: (a) the Debtors shall have FCC authority to (i) provide terrestrial communications in the United States on 20 MHz of uplink spectrum comprised of 10 MHz nominally between 1627-1637 MHz and 10 MHz nominally between 1646-1656 MHz, and 10 MHz of downlink spectrum comprised of 5 MHz at 1670-1675 MHz (under the One Dot Six Lease) and 5 MHz at 1675-1680 MHz, (ii) operate in those band segments at transmit power levels commensurate with existing terrestrially-based 4th generation LTE wireless communications networks, and (iii) provide terrestrial signal coverage of (A) 290 million total POPs calculated on a weighted-average basis over the nominal 1627-1637 MHz and 1646-1656 MHz bands and (B) 265 million total POPs calculated on a weighted-average basis over the 1670-1680 MHz band; (b) any build out conditions that may be imposed by the FCC on the Debtors shall be no more onerous than those in effect for DISH Network Corporation’s AWS-4 spectrum as of December 2012; and (c) any specific restrictions that may be imposed by the FCC on the Debtors regarding their possible sale to future buyers must not preclude a sale to AT&T Inc., Verizon Communications Inc., T-Mobile USA, Inc., or Sprint Corporation.

94. “**Federal Judgment Rate**” means the federal judgment rate in effect as of the Petition Date.

95. “**File**,” “**Filed**,” or “**Filing**” means file, filed, or filing with (i) the Bankruptcy Court or its authorized designee in the Chapter 11 Cases or (ii) the Canadian Court, as applicable.

96. “**Final Order**” means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction (including the Canadian Court) with respect to the relevant subject matter, which has not been reversed, stayed, modified, or amended, and as to which the time to appeal or seek certiorari or leave to appeal has expired and no appeal or petition for certiorari or motion for leave to appeal has been timely taken, or as to which any appeal that has been taken or any petition for certiorari or motion for leave to appeal that has been or may be Filed has been resolved by the highest court to which the order or judgment was appealed or from which certiorari or leave to appeal was sought; provided, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or under the Ontario Rules of Civil Procedure, may be Filed relating to such order shall not prevent such order from being a Final Order; provided, further, that the New Investors (upon the consent of each New Investor and the Debtors) reserve the right to waive any appeal period.

97. “**First Day Pleadings**” means those certain pleadings Filed by the Debtors on or around the Petition Date.

98. “**Fortress**” means Fortress Credit Opportunities Advisors LLC, on behalf of certain funds and/or accounts managed by it and its affiliates.

99. “**Fortress/Centerbridge Acquired DIP Inc. Claims**” means DIP Inc. Claims purchased for Cash by Fortress and Centerbridge from the DIP Inc. Claims Sellers on the Inc. Facilities Claims Purchase Closing Date pursuant to, and subject to the terms and conditions of, the Fortress/Centerbridge DIP Inc. Claims Purchase Agreement.

100. “**Fortress/Centerbridge DIP Inc. Claims Purchase Agreement**” means that certain purchase agreement to be entered into between Fortress, Centerbridge, and the DIP Inc. Claims Sellers on terms mutually acceptable to the parties thereto, pursuant to which Fortress and Centerbridge shall agree to backstop the purchase from the DIP Inc. Claims Sellers of up to \$89,500,175.01 of DIP Inc. Claims.

101. “**General Disclosure Statement**” means the *First Amended General Disclosure Statement* [Docket No. 918].

102. “**General Unsecured Claim**” means any Claim against any of the Debtors that is not one of the following Claims: (a) Administrative Claim; (b) Priority Tax Claim; (c) DIP Claim; (d) Other Priority Claim; (e) Other Secured Claim; (f) Prepetition Inc. Facility Claim; (g) Prepetition LP Facility Non-SPSO Claim; (h) Prepetition LP Facility SPSO Claim; (i) Prepetition LP Facility Non-SPSO Guaranty Claim; (j) Prepetition LP Facility SPSO Guaranty Claim; or (i) Intercompany Claim.

103. “**Governmental Unit**” has the meaning set forth in section 101(27) of the Bankruptcy Code.

104. “**GPS Action**” means that certain cause of action captioned *Harbinger Capital Partners LLC v. Deere & Co.*, Case No. 13-cv-5543 (RMB) (S.D.N.Y. 2013).

105. “**Harbinger**” means Harbinger Capital Partners LLC on behalf of itself and each of its and its affiliates’ managed funds and/or accounts that hold Claims and/or Equity Interests.

106. “**Harbinger Litigations**” means, collectively, the Appeal, the FCC Action, the GPS Action, the RICO Action, and any and all of Harbinger’s rights to commence any New Action.

107. “**Holder**” means the Entity holding the beneficial interest in a Claim or Equity Interest.

108. “**Impaired**” means, with respect to a Class of Claims or Equity Interests, a Class of Claims or Equity Interests that is not Unimpaired.

109. “**Inc. Debtors**” means, collectively, LightSquared Inc., One Dot Four Corp., One Dot Six Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, SkyTerra Investors LLC, One Dot Six TVCC Corp., LightSquared Investors Holdings Inc., and TMI Communications Delaware, Limited Partnership.

110. “**Inc. Facilities Claims Purchase Closing Date**” means the date upon which (a) all conditions precedent to the consummation of the JPM Inc. Facilities Claims Purchase Agreement have been waived or satisfied in accordance with the terms thereof, (b) the JPM Inc. Facilities Claims Purchase Agreement is consummated, and (c) the Allowed DIP Inc. Claims that are not JPM Acquired DIP Inc. Claims are paid in full in Cash from the proceeds of the Third Party New Inc. DIP Facility and/or pursuant to the New Investor Commitment Documents, as applicable. Subject to the terms of the JPM Inc. Facilities Claims Purchase Agreement, such date shall be no later than one (1) Business Day following the fourteenth (14th) day after entry of the Confirmation Order, provided that there is no stay of the Confirmation Order in effect at such time.

111. “**Inc. Facility Postpetition Interest**” means all interest and/or default interest (calculated as is set forth in paragraphs E(ii) and 16(b) of the DIP Inc. Order) owed pursuant to the Prepetition Inc. Loan Documents from and after the Petition Date.

112. “**Inc. Facility Prepetition Interest**” means all interest and/or default interest owed pursuant to the Prepetition Inc. Loan Documents prior to the Petition Date.

113. “**Inc. General Unsecured Claim**” means any General Unsecured Claim asserted against an Inc. Debtor.

114. “**Inc. Other Priority Claim**” means any Other Priority Claim asserted against an Inc. Debtor.

115. “**Inc. Other Secured Claim**” means any Other Secured Claim asserted against an Inc. Debtor.

116. “**Industry Canada**” means the Canadian Federal Department of Industry, or any successor or any department or agency thereof, administering the Radiocommunication Act, R.S.C., 1985, c. R-2, among other statutes, including its staff acting under delegated authority, and includes the Minister of Industry (Canada) and the Commissioner of Competition (Canada).

117. “**Intercompany Claim**” means any Claim against a Debtor held by another Debtor or a non-Debtor Affiliate.

118. “**Intercompany Contract**” means any agreement, contract, or lease, all parties to which are Debtors.

119. “**Intercompany Interest**” means any Equity Interest in a Debtor held by another Debtor, including the Existing LP Common Units.

120. “**Interim Compensation Order**” means the *Order Authorizing and Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [Docket No. 122], as may have been modified by a Bankruptcy Court order approving the retention of the Professionals.

121. “**JPM Acquired DIP Inc. Claims**” means DIP Inc. Claims in the amount of \$41,000,000 purchased for Cash by SIG from the DIP Inc. Claims Sellers on the Inc. Facilities Claims Purchase Closing Date pursuant to, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement.

122. “**JPM Inc. Facilities Claims Purchase Agreement**” means that certain purchase agreement to be entered into between SIG, the DIP Inc. Claims Sellers, and the Prepetition Inc. Facility Claims Sellers on terms mutually acceptable to the parties thereto, pursuant to which SIG shall purchase (a) from the Prepetition Inc. Facility Claims Sellers the Acquired Inc. Facility Claims in exchange for the Acquired Inc. Facility Claims Purchase Price and (b) from the DIP Inc. Claims Sellers the JPM Acquired DIP Inc. Claims in exchange for \$41,000,000.

123. “**JPM Investment Parties**” means SIG, together with any affiliates (but, with respect to such affiliates, solely with respect to the Credit Trading Group and the Credit Trading Group’s position in any Claims and/or Equity Interests held through such affiliates, and subject to the terms of the Plan Support Agreement) of SIG that become party to the Plan Support Agreement after the date such Plan Support Agreement becomes effective.

124. “**Judicial Code**” means title 28 of the United States Code, 28 U.S.C. §§ 1-4001.

125. “**KEIP Payments**” means any and all amounts payable under (a) the Debtors’ key employee incentive plan approved by the Bankruptcy Court pursuant to the *Order Approving LightSquared’s Key Employee Incentive Plan* [Docket No. 394] or (b) any amended, supplemented, or other employee incentive plan of the Debtors approved pursuant to an order of the Bankruptcy Court.

126. “**LBAC Break-Up Fee**” has the meaning set forth in the Bid Procedures Order.

127. **“License Modification Application”** means, collectively, those certain applications filed by certain of the Debtors with the FCC on or about September 28, 2012, seeking to modify various of their spectrum licenses to (a) authorize their use of the 1675 – 1680 MHz spectrum band on a shared basis with certain government users, including the National Oceanic and Atmospheric Administration, (b) permit them to conduct terrestrial operations “pairing” the 1670-1680 MHz downlink band with two (2) 10 MHz L-band uplink channels in which they currently are authorized to operate, and (c) permanently relinquish their 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 Global Positioning System devices).

128. **“Lien”** has the meaning set forth in section 101(37) of the Bankruptcy Code.

129. **“LP Cash Collateral Order”** means the *Amended Agreed Final Order (a) Authorizing Debtors To Use Cash Collateral, (b) Granting Adequate Protection to Prepetition Secured Parties, and (c) Modifying Automatic Stay* [Docket No. 544] (as amended, supplemented, restated, or otherwise modified from time to time in accordance with the terms thereof).

130. **“LP Debtors”** means, collectively, LightSquared LP, ATC Technologies, LLC, LightSquared Corp., LightSquared Finance Co., LightSquared Network LLC, LightSquared Inc. of Virginia, LightSquared Subsidiary LLC, SkyTerra Holdings (Canada) Inc., SkyTerra (Canada) Inc., Lightsquared Bermuda Ltd., and LightSquared GP Inc.

131. **“LP Facility Postpetition Interest”** means all interest owed pursuant to the Prepetition LP Credit Agreement from and after the Petition Date less the amount of adequate protection payments made by LightSquared LP during the Chapter 11 Cases pursuant to the LP Cash Collateral Order (exclusive of Professional Fees (as defined in the LP Cash Collateral Order) paid in accordance with the LP Cash Collateral Order).

132. **“LP Facility Prepetition Interest”** means all interest owed pursuant to the Prepetition LP Loan Documents prior to the Petition Date.

133. **“LP Facility Repayment Premium”** means the repayment premium due and owing pursuant to Section 2.10(f) of the Prepetition LP Credit Agreement.

134. **“LP General Unsecured Claim”** means any General Unsecured Claim asserted against an LP Debtor.

135. **“LP Group”** means that certain ad hoc group of Prepetition LP Lenders, comprised of holders, advisors or affiliates of advisors to holders, or managers of various accounts with investment authority, contractual authority, or voting authority, of the loans under the Prepetition LP Credit Agreement, which, for the avoidance of doubt, shall exclude SPSO.

136. **“LP Group Advisors”** means White & Case LLP, as counsel to the LP Group, Bennett Jones LLP, as Canadian counsel to the LP Group, and Blackstone Advisory Partners L.P., as financial advisor to the LP Group.

137. “**LP Group Fee Claims**” means all Claims for the reasonable, documented fees and expenses of the LP Group Advisors.

138. “**LP Other Priority Claim**” means any Other Priority Claim asserted against an LP Debtor.

139. “**LP Other Secured Claim**” means any Other Secured Claim asserted against an LP Debtor.

140. “**Management Incentive Plan**” means a post-Effective Date equity incentive plan approved by the New LightSquared Board subject to the terms of the New LightSquared Interest Holders Agreement and approved by each of the New Investors, which shall provide for the issuance of equity and/or equity based awards of New LightSquared (which may include but are not limited to New LightSquared Common Interests), to certain officers and employees of the Reorganized Debtors (subject to the terms and conditions of such plan).

141. “**MAST**” means MAST Capital Management, LLC and its managed funds and accounts that are DIP Inc. Lenders and Holders of Prepetition Inc. Facility Non-Subordinated Claims.

142. “**MAST Terms**” has the meaning set forth in the Plan Support Agreement.

143. “**Material Regulatory Request**” means any of the following: (a) the License Modification Application; (b) the Spectrum Allocation Petition for Rulemaking; and (c) the pending petition for rulemaking in RM-11683.

144. “**New Action**” means any unasserted claim or Cause of Action arising out of, relating to, or in connection with, in any manner, the Chapter 11 Cases, the Debtors or the Debtors’ businesses, or any obligations or securities of, or interests in, the Debtors for things occurring through and including the date of termination of the Plan Support Agreement.

145. “**New DIP Agents**” means the New Inc. DIP Agent and the New LP DIP Agent.

146. “**New DIP Claim**” means a New Inc. DIP Claim or a New LP DIP Claim.

147. “**New DIP Closing Dates**” means the New Inc. DIP Closing Date and the New LP DIP Closing Date.

148. “**New DIP Credit Agreements**” means the New Inc. DIP Credit Agreement and the New LP DIP Credit Agreement.

149. “**New DIP Facilities**” means the New Inc. DIP Facility and the New LP DIP Facility.

150. “**New DIP Lenders**” means the New Inc. DIP Lenders and the New LP DIP Lenders.

151. “**New DIP Orders**” means orders of the Bankruptcy Court, in forms and substance satisfactory to each of the New Investors, MAST (solely with respect to any provision in the New DIP Orders relating to MAST Terms), and the Debtors, approving the New DIP Facilities (as may be amended, supplemented, or modified from time to time in accordance with the terms thereof), or amending, supplementing or otherwise modifying the DIP LP Order.

152. “**New DIP Recognition Order**” means an order of the Canadian Court, which shall be in form and substance satisfactory to each of the New Investors, MAST (solely with respect to any provision in the New DIP Recognition Order relating to MAST Terms), and the Debtors, recognizing the entry of the New DIP Orders to the extent necessary.

153. “**New Inc. DIP Agent**” means the administrative agent under the New Inc. DIP Credit Agreement or any successor agent appointed in accordance with the New Inc. DIP Credit Agreement.

154. “**New Inc. DIP Claim**” means a Claim held by the New Inc. DIP Agent or New Inc. DIP Lenders arising under, or related to, New Inc. DIP Loans, including, without limitation, all outstanding principal, interest, default interest, and fees provided for thereunder.

155. “**New Inc. DIP Closing Date**” means the date upon which the New Inc. DIP Credit Agreement shall have been executed by all of the parties thereto, and all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof, and the incurrence of the obligations pursuant to the New Inc. DIP Facility shall have occurred.

156. “**New Inc. DIP Credit Agreement**” means that certain senior secured, priming, superpriority debtor-in-possession credit agreement with respect to the New Inc. DIP Facility to be entered into among the New Inc. DIP Obligors and the New Inc. DIP Lenders, in form and substance satisfactory to each of the New Investors and the Debtors.

157. “**New Inc. DIP Facility**” means, as applicable, either the New Investor New Inc. DIP Facility or the Third Party New Inc. DIP Facility.

158. “**New Inc. DIP Lenders**” means the lenders party to the New Inc. DIP Credit Agreement from time to time.

159. “**New Inc. DIP Loans**” means the loans to be made, or deemed made, under the New Inc. DIP Facility.

160. “**New Inc. DIP Obligors**” means LightSquared Inc., as borrower, and certain of the other Inc. Debtors, as guarantors, under the New Inc. DIP Credit Agreement.

161. “**New Investor Break-Up Fee**” means a break-up fee of \$200,000,000, which shall be payable on the following basis: (a) 47.65% to Fortress; (b) 37.65% to SIG; and (c) 14.71% to Centerbridge, allowed and irrevocably payable in Cash only (i) upon the closing of an Alternative Transaction as per the New Investor Break-Up Fee Order, which order may be the Confirmation Order, and (ii) if (A) the Plan has not been withdrawn, (B) the Bankruptcy Court

has not denied Confirmation of the Plan, and (C) as of the Inc. Facilities Claims Purchase Closing Date, the Plan Support Agreement, the JPM Inc. Facilities Claims Purchase Agreement, and the New Investor Commitment Documents are in full force and effect, in each case, as to the New Investors.

162. **“New Investor Break-Up Fee Order”** means an order of the Bankruptcy Court approving the New Investor Break-Up Fee in form and substance satisfactory to each of the New Investors and the Debtors.

163. **“New Investor Commitment Documents”** means (a) the Fortress/Centerbridge DIP Inc. Claims Purchase Agreement and (b) the New Investor New Inc. DIP Commitment Letter.

164. **“New Investor Fee Claims”** means all Claims for the reasonable, actual documented fees and expenses of the advisors to the New Investors in an aggregate amount not to exceed \$15,000,000, to be shared as agreed to by each of the New Investors.

165. **“New Investor New Inc. DIP Commitment Letter”** means the commitment letter from the New Investors or certain of their affiliates, dated as of January 15, 2015, as amended by that certain Amendment to Debtor-in-Possession Facility Commitment Letter, dated February 9, 2015 (as amended, supplemented, or otherwise modified from time to time in accordance with the terms thereof), pursuant to which the New Investors or their affiliates commit to provide, among other things, New Inc. DIP Loans of up to \$210,811,224.48, comprised of the conversion of the Acquired DIP Inc. Claims into New DIP Loans in the amount of not less than \$130,500,175.01 and new money loans of up to \$80,311,049.47.

166. **“New Investor New Inc. DIP Facility”** means that certain debtor-in-possession credit facility provided by the New Investors in connection with the New Inc. DIP Credit Agreement and New DIP Orders on substantially the terms set forth in the New Investor New Inc. DIP Commitment Letter in an aggregate principal amount not less than the aggregate principal amount set forth in the New Investor New Inc. DIP Commitment Letter (after giving effect to the conversion of the Acquired DIP Inc. Claims into New Inc. DIP Loans).

167. **“New Investors”** means Fortress, SIG, Centerbridge, and Harbinger.

168. **“New LightSquared”** means LightSquared LP as reorganized under, and pursuant to, the Plan, or any successor thereto, by merger, consolidation, or otherwise, on or after the Effective Date.

169. **“New LightSquared Board”** means the board of directors, board of managers, or equivalent governing body of New LightSquared, as initially comprised as set forth in the Plan and as comprised thereafter in accordance with the terms of the applicable Reorganized Debtors Governance Documents.

170. **“New LightSquared Common Interests”** means those certain limited liability company common interests to be issued by New LightSquared in connection with, and subject to, the Plan, the Confirmation Order, and the New LightSquared Interest Holders Agreement.

171. **“New LightSquared Entities Shares”** means, collectively, the New LightSquared Interests, the Reorganized LightSquared Inc. Common Shares, and the Reinstated Intercompany Interests.

172. **“New LightSquared Interest Holders Agreement”** means that certain limited liability company operating agreement of New LightSquared with respect to the New LightSquared Interests, to be effective on the Effective Date and binding on all holders of the New LightSquared Interests.

173. **“New LightSquared Interests”** means, collectively, the New LightSquared Common Interests, and the New LightSquared Preferred Interests.

174. **“New LightSquared Obligor”** means New LightSquared and its subsidiaries.

175. **“New LightSquared Preferred Interests”** means, collectively, the New LightSquared Series A Preferred Interests, New LightSquared Series B Preferred Interests, and New LightSquared Series C Preferred Interests.

176. **“New LightSquared Series A Preferred Interests”** means, collectively, the New LightSquared Series A-1 Preferred Interests and the New LightSquared Series A-2 Preferred Interests.

177. **“New LightSquared Series A-1 Preferred Interests”** means those certain series A-1 preferred payable-in-kind interests having an original liquidation preference equal to the New LightSquared Series A-1 Preferred Interests Original Liquidation Preference, issued by New LightSquared in connection with, and subject to, the Plan, the Confirmation Order, and the New LightSquared Interest Holders Agreement.

178. **“New LightSquared Series A-1 Preferred Interests Original Liquidation Preference”** means a liquidation preference of (subject to any modification pursuant to the proviso of Section IV.B.2(d)(iv)) not less than the sum of (a) the Allowed amount of the Acquired Inc. Facility Claims and the Prepetition Inc. Facility Subordinated Claims, in each case as of the Effective Date, plus (b) \$122,000,000.

179. **“New LightSquared Series A-2 Preferred Interests”** means those certain series A-2 preferred payable-in-kind interests having an original liquidation preference equal to the New LightSquared Series A-2 Preferred Interests Original Liquidation Preference, issued by New LightSquared in connection with, and subject to, the Plan, the Confirmation Order, and the New LightSquared Interest Holders Agreement.

180. **“New LightSquared Series A-2 Preferred Interests Original Liquidation Preference”** means a liquidation preference of (subject to any modification pursuant to the proviso of Section IV.B.2(d)(iv)) not less than the amount of the Existing LP Preferred Units Distribution Amount attributable to those Holders of Existing LP Preferred Units who elect to receive New LightSquared Series A-2 Preferred Interests under the Plan.

181. **“New LightSquared Series B Preferred Interests”** means those certain series B preferred payable-in-kind interests having an original liquidation preference of not less than \$130,500,175.01, issued by New LightSquared in connection with, and subject to, the Plan, the Confirmation Order, and the New LightSquared Interest Holders Agreement.

182. **“New LightSquared Series C Preferred Interests”** means those certain series C preferred payable-in-kind interests having an original liquidation preference equal to the New LightSquared Series C Preferred Interests Original Liquidation Preference, issued by New LightSquared in connection with, and subject to, the Plan, the Confirmation Order, and the New LightSquared Interest Holders Agreement.

183. **“New LightSquared Series C Preferred Interests Original Liquidation Preference”** means a liquidation preference of (subject to any modification pursuant to the proviso of Section IV.B.2(d)(iv)) not less than (a) the amount of the Existing LP Preferred Units Distribution Amount attributable to those Holders of Existing LP Preferred Units who elect to receive New LightSquared Series C Preferred Interests under the Plan, plus (b) the outstanding liquidation preference of the Existing Inc. Preferred Stock held by the Other Existing Inc. Preferred Equity Holders as of the Effective Date (excluding any prepayment or redemption premium), plus (c) \$73,000,000.

184. **“New LP DIP Agent”** means the administrative agent under the New LP DIP Credit Agreement or any successor agent appointed in accordance with the New LP DIP Credit Agreement.

185. **“New LP DIP Claim”** means a Claim held by the New LP DIP Agent or New LP DIP Lenders arising under, or related to, New LP DIP Loans, including, without limitation, all outstanding principal, interest, default interest, and fees provided for thereunder.

186. **“New LP DIP Closing Date”** means the date upon which the New LP DIP Credit Agreement shall have been executed by all of the parties thereto, and all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof, and the incurrence of the obligations pursuant to the New LP DIP Facility shall have occurred.

187. **“New LP DIP Credit Agreement”** means that certain senior secured, priming, superpriority debtor-in-possession credit agreement with respect to the New LP DIP Facility to be entered into among the New LP DIP Obligors and the New LP DIP Lenders, in form and substance satisfactory to each of the New Investors and the Debtors.

188. **“New LP DIP Facility”** means that certain debtor-in-possession credit facility provided in connection with the New LP DIP Credit Agreement and New DIP Orders.

189. **“New LP DIP Lenders”** means the lenders party to the New LP DIP Credit Agreement from time to time.

190. **“New LP DIP Loans”** means the loans to be made under the New LP DIP Facility.

191. “**New LP DIP Obligors**” means LightSquared LP, as borrower, and the other LP Debtors, as guarantors, under the New LP DIP Credit Agreement.

192. “**NOAA Spectrum**” means that 5 MHz of spectrum between 1675-1680 MHz in the United States, currently used on a primary basis by the National Oceanic and Atmospheric Administration.

193. “**One Dot Six Lease**” has the meaning set forth in the Disclosure Statement.

194. “**Other Existing Inc. Preferred Equity Holder**” means each Holder of Existing Inc. Preferred Stock other than SIG.

195. “**Other Priority Claim**” means any Claim accorded priority in right of payment under section 507(a) of the Bankruptcy Code, other than an Administrative Claim or a Priority Tax Claim.

196. “**Other Secured Claim**” means any Secured Claim that is not a DIP Claim or Prepetition Facility Claim.

197. “**Person**” has the meaning set forth in section 101(41) of the Bankruptcy Code.

198. “**Petition Date**” means May 14, 2012.

199. “**Plan**” means this *Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* (as amended, supplemented, or modified from time to time in accordance with the terms hereof), including, without limitation, the Plan Supplement, which is incorporated herein by reference.

200. “**Plan Consideration**” means a payment or distribution of Cash, assets, securities, or instruments evidencing an obligation to Holders of Allowed Claims or Equity Interests under the Plan. Unless otherwise expressly specified herein, any Plan Consideration in the form of Cash shall be paid from proceeds of the Working Capital Facility, the Second Lien Exit Facility, and the Debtors’ Cash on hand.

201. “**Plan Distribution**” means a payment or distribution to Holders of Allowed Claims, Allowed Equity Interests, or other eligible Entities under the Plan or Plan Supplement documents.

202. “**Plan Documents**” means the documents other than the Plan, to be executed, delivered, assumed, or performed in conjunction with the Consummation of the Plan on the Effective Date, including, without limitation, any documents included in the Plan Supplement, in each case, in forms and substance satisfactory to each of the New Investors and the Debtors.

203. “**Plan Proponents**” means Fortress, Centerbridge, Harbinger, and the Debtors.

204. “**Plan Supplement**” means the compilation of documents and forms of documents, schedules, and exhibits to the Plan (as may be altered, amended, modified, or supplemented from time to time in accordance with the terms hereof and in accordance with the

Bankruptcy Code and the Bankruptcy Rules and, in each case, (x) in form and substance satisfactory to each of the New Investors and the Debtors and (y) with respect to documents (f) and (g) below, in form and substance satisfactory to MAST in all respects, and with respect to all other documents, in form and substance satisfactory to MAST solely with respect to the MAST Terms (except as otherwise provided by the Plan or Plan Support Agreement)) to be Filed no later than the Plan Supplement Date or such other date as may be approved by the Bankruptcy Court, including: (a) executed commitment letters, engagement letters, highly confident letters, or form and/or definitive agreements, and related documents with respect to (i) the Working Capital Facility Credit Agreement, (ii) the Second Lien Exit Facility, (iii) the Reorganized LightSquared Inc. Credit Agreement, and (iv) the Effective Date Investments; (b) the Reorganized Debtors Corporate Governance Documents; (c) the terms of a transition plan for the Debtors as may be agreed to among the Debtors and each of the New Investors; (d) the Schedule of Assumed Agreements; (e) the Schedule of Retained Causes of Action; (f) the JPM Inc. Facilities Claims Purchase Agreement; and (g) the New Investor Commitment Documents.

205. **“Plan Supplement Date”** means (a) January 30, 2015 or (b) such other date agreed to by each of the New Investors and the Debtors or established by the Bankruptcy Court; provided, that such date shall not be later than five (5) days prior to the Confirmation Hearing Date; provided, further, that the Plan Proponents reserve the right to File amended Plan Documents at any time prior to the conclusion of the Confirmation Hearing.

206. **“Plan Support Agreement”** means that certain Amended and Restated Plan Support Agreement, dated as of January 15, 2015, by and among Fortress, Centerbridge, Harbinger, the JPM Investment Parties, MAST, and the Prepetition Inc. Agent, as may be amended, supplemented, or modified from time to time in accordance with the terms thereof, which agreement is attached hereto as Exhibit A.

207. **“Plan Support Parties”** means collectively, the Plan Proponents, the JPM Investment Parties, MAST, the Prepetition Inc. Agent and any subsequent person or entity that becomes a party to the Plan Support Agreement.

208. **“Plan Transactions”** means one or more transactions to occur on or before the Effective Date or as soon thereafter as reasonably practicable, that may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including: (a) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, equity issuance, sale, dissolution, certificates of incorporation, certificates of partnership, operating agreements, bylaws, or other documents containing terms that are consistent with or reasonably necessary to implement the terms of the Plan and that satisfy the requirements of applicable law; (b) the execution and delivery of appropriate instruments of equity issuance, transfer, assignment, assumption, or delegation of any property, right, liability, duty, or obligation on terms consistent with the terms of the Plan; and (c) all other actions that are consistent with the terms of the Plan that the New Investors, the Debtors, Reorganized LightSquared Inc. or New LightSquared, as applicable, determine are necessary or appropriate.

209. **“Prepetition Facilities”** means the Prepetition Inc. Facility and the Prepetition LP Facility.

210. **“Prepetition Facility Claim”** means a Prepetition Inc. Facility Claim or a Prepetition LP Facility Claim.

211. **“Prepetition Inc. Agent”** means U.S. Bank National Association, as successor administrative agent to UBS AG, Stamford Branch under the Prepetition Inc. Credit Agreement.

212. **“Prepetition Inc. Borrower”** means LightSquared Inc., as borrower under the Prepetition Inc. Credit Agreement.

213. **“Prepetition Inc. Credit Agreement”** means that certain Credit Agreement, dated as of July 1, 2011 (as amended, supplemented, restated, or otherwise modified from time to time in accordance with the terms thereof), among the Prepetition Inc. Obligors, the Prepetition Inc. Agent, and the Prepetition Inc. Lenders.

214. **“Prepetition Inc. Facility”** means that certain \$278,750,000 term loan credit facility provided in connection with the Prepetition Inc. Credit Agreement.

215. **“Prepetition Inc. Facility Claim”** means, collectively, any Prepetition Inc. Facility Non-Subordinated Claim and Prepetition Inc. Facility Subordinated Claim.

216. **“Prepetition Inc. Facility Claims Sellers”** means the Holders of Prepetition Inc. Facility Non-Subordinated Claims immediately prior to the Inc. Facilities Claims Purchase Closing Date.

217. **“Prepetition Inc. Facility Lender Subordination Agreement”** means that certain Lender Subordination Agreement, dated as of March 29, 2012, between and among certain Affiliate Lenders and Non-Affiliate Lenders (each as defined therein), by which the Affiliate Lenders agreed to subordinate their Liens (as such term is used therein) and Claims under the Prepetition Inc. Loan Documents to the Liens and Claims of the Non-Affiliate Lenders.

218. **“Prepetition Inc. Facility Non-Subordinated Claim”** means a Claim held by the Prepetition Inc. Agent or Prepetition Inc. Lenders arising under, or related to, the Prepetition Inc. Loan Documents, but excluding any Prepetition Inc. Facility Subordinated Claim.

219. **“Prepetition Inc. Facility Repayment Premium”** means any repayment or prepayment premium owed pursuant to the Prepetition Inc. Loan Documents.

220. **“Prepetition Inc. Facility Subordinated Claim”** means a Claim held by a Prepetition Inc. Lender arising under, or related to, the Prepetition Inc. Loan Documents that is subordinated to the Prepetition Inc. Facility Non-Subordinated Claims pursuant to the Prepetition Inc. Facility Lender Subordination Agreement.

221. **“Prepetition Inc. Fee Claims”** means all Claims for the reasonable, actual documented fees and expenses of the Holders of Inc. Facility Non-Subordinated Claims and the Prepetition Inc. Agent, including, but not limited to, the fees and expenses of financial advisors and counsel.

222. **“Prepetition Inc. Guarantors”** means One Dot Four Corp., One Dot Six Corp., and One Dot Six TVCC Corp., as guarantors under the Prepetition Inc. Credit Agreement.

223. **“Prepetition Inc. Lenders”** means the lenders party to the Prepetition Inc. Credit Agreement from time to time.

224. **“Prepetition Inc. Loan Documents”** means the Prepetition Inc. Credit Agreement together with all related security agreements, notes, guarantees, pledge agreements, mortgages, fixture filings, transmitting utility filings, deeds of trust, financing statements, instruments, agreements, documents, assignments, account control agreements, or other security documents (as each of the foregoing may be amended, supplemented, restated, or otherwise modified from time to time in accordance with the terms thereof).

225. **“Prepetition Inc. Obligors”** means the Prepetition Inc. Borrower and the Prepetition Inc. Guarantors.

226. **“Prepetition Loan Documents”** means the Prepetition Inc. Loan Documents and the Prepetition LP Loan Documents.

227. **“Prepetition LP Agent”** means, collectively, Wilmington Savings Fund Society, FSB, as administrative agent, and Wilmington Trust FSB, as collateral trustee, under the Prepetition LP Credit Agreement.

228. **“Prepetition LP Borrower”** means LightSquared LP, as borrower, under the Prepetition LP Credit Agreement.

229. **“Prepetition LP Credit Agreement”** means that certain Credit Agreement, dated as of October 1, 2010 (as amended, supplemented, restated, or otherwise modified from time to time in accordance with the terms thereof), among the Prepetition LP Obligors, the Prepetition LP Agent, and the Prepetition LP Lenders.

230. **“Prepetition LP Facility”** means that certain \$1,500,000,000 term loan credit facility provided in connection with the Prepetition LP Credit Agreement.

231. **“Prepetition LP Facility Claim”** means a Claim held by the Prepetition LP Agent or Prepetition LP Lenders arising under, or related to, the Prepetition LP Loan Documents.

232. **“Prepetition LP Facility Non-SPSO Claim”** means a Prepetition LP Facility Claim that is not a Prepetition LP Facility SPSO Claim.

233. **“Prepetition LP Facility Non-SPSO Guaranty Claim”** means a Prepetition LP Facility Non-SPSO Claim against any of the Inc. Debtors.

234. **“Prepetition LP Facility SPSO Claim”** means a Prepetition LP Facility Claim held by SPSO, its affiliates, or each of their successors or assigns.

235. **“Prepetition LP Facility SPSO Guaranty Claim”** means a Prepetition LP Facility SPSO Claim against any of the Inc. Debtors.

236. **“Prepetition LP Fee Claims”** means all Claims for the reasonable, actual documented fees and expenses, if any, of the Holders of Prepetition LP Facility Claims, including, but not limited to, the fees and expenses of financial advisors and counsel, to the extent Allowed by Final Order of the Bankruptcy Court under section 506(b) of the Bankruptcy Code.

237. **“Prepetition LP Guarantors”** means LightSquared Inc., 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., as guarantors under the Prepetition LP Credit Agreement.

238. **“Prepetition LP Lenders”** means the lenders party to the Prepetition LP Credit Agreement from time to time.

239. **“Prepetition LP Loan Documents”** means the Prepetition LP Credit Agreement together with all related security agreements, notes, guarantees, pledge agreements, mortgages, fixture filings, transmitting utility filings, deeds of trust, financing statements, instruments, agreements, documents, assignments, account control agreements, or other security documents (as each of the foregoing may be amended, supplemented, restated, or otherwise modified from time to time in accordance with the terms thereof).

240. **“Prepetition LP Obligors”** means the Prepetition LP Borrower and the Prepetition LP Guarantors.

241. **“Priority Tax Claim”** means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

242. **“Professional”** means an Entity employed pursuant to a Bankruptcy Court order in accordance with sections 327, 328, 330, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered prior to or on the Effective Date, pursuant to sections 327, 328, 329, 330, 363, and 331 of the Bankruptcy Code or awarded compensation and reimbursement by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code (excluding those Entities entitled to compensation for services rendered after the Petition Date in the ordinary course of business pursuant to a Final Order granting such relief).

243. **“Professional Fee Escrow Account”** means an interest-bearing account in an amount equal to the Professional Fee Reserve Amount funded and maintained by New LightSquared on and after the Effective Date for the purpose of paying all Allowed and unpaid Accrued Professional Compensation Claims.

244. **“Professional Fee Reserve”** means Cash in an amount equal to the Professional Fee Reserve Amount to be held in reserve by New LightSquared in the Professional Fee Escrow Account.

245. “**Professional Fee Reserve Amount**” means the aggregate Accrued Professional Compensation Claims through the Effective Date as estimated in accordance with Section II.B.3 hereof.

246. “**Prohibited Transferee**” means SPSO, any SPSO Affiliate, and any other Entity that may be a competitor of one or more of the Debtors and is identified by the New Investors (upon agreement of all of the New Investors) or the Debtors (with the consent of each of the New Investors) in the Plan Supplement as a Prohibited Transferee and such Entity’s successors or any other Entity directly or indirectly controlling, controlled by, or under common control with, any such Entity or its successors; provided, that, for the purposes of this definition, “**control**” (including, with correlative meanings, the terms “controlled by” and “under common control with”), as used with respect to any Entity, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Entity, whether through the ownership of voting securities, by agreement or otherwise; provided, further, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”) as used with respect to any Entity shall also include (a) any Entity that directly or indirectly owns, or in which such Entity directly or indirectly owns more than ten percent (10%) of any class of capital stock or other equity interest of such Entity, (b) in the case of a corporation, any officer or director of such corporation, (c) in the case of a partnership, any general partner of such partnership, (d) in the case of a trust, any trustee or beneficiary of such trust, (e) any spouse, parent, sibling, or child or lineal descendant of any individual described in clauses (a) through (d) above, and (f) any trust for the benefit of any individual described in clauses (a) through (e) above.

247. “**Proof of Claim**” means a proof of Claim Filed against any of the Debtors in the Chapter 11 Cases.

248. “**Reinstated**” or “**Reinstatement**” means (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim or Equity Interest entitles the Holder of such Claim or Equity Interest so as to leave such Claim or Equity Interest Unimpaired or (b) notwithstanding any contractual provision or applicable law that entitles the Holder of a Claim or Equity Interest to demand or receive accelerated payment of such Claim or Equity Interest after the occurrence of a default (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) of the Bankruptcy Code expressly does not require to be cured, (ii) reinstating the maturity (to the extent such maturity has not otherwise accrued by the passage of time) of such Claim or Equity Interest as such maturity existed before such default, (iii) compensating the Holder of such Claim or Equity Interest for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law, (iv) if such Claim or Equity Interest arises from a failure to perform a nonmonetary obligation other than a default arising from failure to operate a nonresidential real property lease subject to section 365(b)(1)(A) of the Bankruptcy Code, compensating the Holder of such Claim or Equity Interest (other than the Debtors or an insider) for any actual pecuniary loss incurred by such Holder as a result of such failure, and (v) not otherwise altering the legal, equitable, or contractual rights to which such Claim or Equity Interest entitles the Holder.

249. **“Reinstated Intercompany Interests”** means the Intercompany Interests that are Reinstated under, and pursuant to, the Plan.

250. **“Released Party”** means each of the following: (a) the Debtors; (b) the Reorganized Debtors; (c) each New Investor; (d) each Plan Support Party; (e) each DIP Agent, (f) each DIP Lender (other than any SPSO Party), and each arranger and book runner of the DIP Facilities; (g) MAST; (h) the Prepetition Inc. Agent; (i) the Second Lien Exit Agent, the agent under the Working Capital Facility, and each arranger and book runner of the Second Lien Exit Facility and the Working Capital Facility; (j) the holder of Reorganized LightSquared Inc. Exit Facility and each agent, arranger, and book runner of the Reorganized LightSquared Inc. Exit Facility; (k) each Holder of an Allowed Prepetition Facility Claim that votes to accept, or is deemed to accept, the Plan (in each case, other than any SPSO Party); (l) the Prepetition LP Agent; (m) the LP Group, (n) each Holder of Allowed Existing Inc. Preferred Stock that votes to accept, or is deemed to accept, the Plan; (o) each Holder of Allowed Existing LP Preferred Units that votes to accept, or is deemed to accept, the Plan; (p) the JPM Investment Parties; and (q) each of the foregoing Entities’ respective predecessors, successors and assigns, and current and former shareholders, affiliates, subsidiaries, members (including ex-officio members), officers, directors, principals, managers, trustees, employees, partners, attorneys, financial advisors, accountants, investment bankers, investment advisors, actuaries, professionals, consultants, agents, and representatives (in each case, in his, her, or its capacity as such). Notwithstanding anything contained in the Plan, the Confirmation Order, or any Plan Document, in no instance shall any SPSO Party be, or be deemed to be, a Released Party.

251. **“Releasing Party”** has the meaning set forth in Section VIII.F hereof.

252. **“Reorganized Debtors”** means, collectively, New LightSquared and each of the Debtors other than LightSquared LP, as reorganized under, and pursuant to, the Plan, on or after the Effective Date.

253. **“Reorganized Debtors Boards”** means, collectively, the Board and the boards of directors or similar governing bodies of each of the Reorganized Debtors other than New LightSquared.

254. **“Reorganized Debtors Governance Documents”** means, as applicable, the certificates of incorporation, certificates of formation, bylaws, operating agreements, shareholders agreements, and any other applicable organizational or operational documents with respect to the Reorganized Debtors, including the New LightSquared Interest Holders Agreement.

255. **“Reorganized Inc. Entity”** means Reorganized LightSquared Inc. or any of its wholly owned direct or indirect subsidiaries after the Effective Date. Neither New LightSquared nor any of its subsidiaries shall be deemed a Reorganized Inc. Entity for purposes hereunder.

256. **“Reorganized LightSquared Inc.”** means LightSquared Inc., as reorganized under, and pursuant to, the Plan, or any successor thereto, by merger, consolidation, or otherwise, on or after the Effective Date.

257. **“Reorganized LightSquared Inc. Common Shares”** means those certain common shares issued by Reorganized LightSquared Inc. in connection with, and subject to, the Plan and the Confirmation Order.

258. **“Reorganized LightSquared Inc. Credit Agreement”** means that certain credit agreement with respect to the Reorganized LightSquared Inc. Exit Facility, to be entered into on the Effective Date among Reorganized LightSquared Inc. and SIG.

259. **“Reorganized LightSquared Inc. Exit Facility”** means a term loan facility in the aggregate principal amount equal to the amount of the Acquired Inc. Facility Claims as of the Effective Date and \$41 million of the JPM Acquired DIP Inc. Claims as of the Effective Date, which shall be secured by liens on substantially all of the assets of Reorganized LightSquared Inc.

260. **“Retained Causes of Action”** means the Causes of Action of the Debtors listed on the Schedule of Retained Causes of Action.

261. **“Retained Causes of Action Proceeds”** means all proceeds, damages, or other relief obtained or realized from the pursuit and prosecution of any and all Retained Causes of Action.

262. **“RICO Action”** means that certain cause of action captioned *Harbinger Capital Partners LLC, HGW US Holding Company LP, Blue Line DZM Corp., and Harbinger Capital Partners SP, LLC v. Charles W. Ergen, Dish Network Corporation, L-Band Acquisition LLC, SP Special Opportunities LLC, Special Opportunities Holdings LLC, Sound Point Capital Management LP, and Stephen Ketchum*, No. 14-01907 (D. Co. July 8, 2014).

263. **“Schedule of Assumed Agreements”** means the schedule of certain Executory Contracts and Unexpired Leases to be assumed, or assumed and assigned, by the Debtors pursuant to the Plan, including any Cure Costs related thereto (as the same may be amended, modified, or supplemented from time to time with the consent of each New Investor and the Debtors).

264. **“Schedule of Retained Causes of Action”** means the schedule of certain Causes of Action of the Debtors that are not released, waived, or transferred pursuant to the Plan or otherwise (as the same may be amended, modified, or supplemented from time to time with the consent of each New Investor and the Debtors).

265. **“Schedules”** means the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases, and statements of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code, the official bankruptcy forms, and the Bankruptcy Rules (as they may be amended, modified, or supplemented from time to time).

266. **“Second Lien Exit Agent”** means the arranger and administrative agent under the Second Lien Exit Credit Agreement or any successor agent appointed in accordance with the Second Lien Exit Credit Agreement.

267. **“Second Lien Exit Credit Agreement”** means that certain credit agreement, dated as of the Effective Date (as amended, supplemented, restated, or otherwise modified from time to time in accordance with the terms thereof), among the New LightSquared Obligor, the Second Lien Exit Agent, and the Second Lien Exit Term Lenders, in form and substance satisfactory to each of the New Investors and the Debtors.

268. **“Second Lien Exit Facility”** means that certain second lien term loan facility provided in connection with the Second Lien Exit Credit Agreement in the original aggregate principal amount of (a) the Prepetition LP Facility Claims as of the Effective Date, plus (b) any commitment fees paid pursuant to the Second Lien Exit Facility Commitment Letter in the form of Second Lien Exit Term Loans.

269. **“Second Lien Exit Facility Commitment Letter”** means that certain commitment letter by and among certain of the Second Lien Exit Term Lenders and the Debtors pursuant to which such Second Lien Exit Term Lenders have committed to fund to New LightSquared, on the Effective Date, Cash in an amount equal to the Prepetition LP Facility SPSO Claims as of the Effective Date.

270. **“Second Lien Exit Term Lenders”** means the lenders under the Second Lien Exit Facility that are party to the Second Lien Exit Credit Agreement from time to time.

271. **“Second Lien Exit Term Loans”** means the term loans to be made under the Second Lien Exit Facility.

272. **“Secured”** means, when referring to a Claim, (a) secured by a Lien on property in which the Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Bankruptcy Court order, or that is subject to a valid right of setoff pursuant to section 553 of the Bankruptcy Code as determined pursuant to section 506(a) of the Bankruptcy Code, or (b) Allowed pursuant to the Plan as a Secured Claim.

273. **“Securities Act”** means the Securities Act of 1933, 15 U.S.C. §§ 77a-77aa, as now in effect and hereafter amended, or any similar federal, state, or local law.

274. **“Securities Exchange Act”** means the Securities Exchange Act of 1934, 15 U.S.C. §§ 78a-78nn, as now in effect and hereafter amended, or any similar federal, state, or local law.

275. **“Security”** has the meaning set forth in section 2(a)(1) of the Securities Act.

276. **“SIG”** means SIG Holdings, Inc. and/or one or more of its designated affiliates.

277. **“Special Committee”** means the special committee of the boards of directors of LightSquared Inc. and LightSquared GP Inc.

278. **“Specific Disclosure Statement”** means the *Second Amended Specific Disclosure Statement for the Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 2035].

279. “**Spectrum Allocation Petition for Rulemaking**” has the meaning set forth in the Disclosure Statement.

280. “**SPSO**” means SP Special Opportunities, LLC.

281. “**SPSO Affiliate**” means (a) Charles W. Ergen, Candy Ergen, and L-Band Acquisition, LLC and their successors and any member of a Group (as defined under Regulation 13D under the Securities Exchange Act of 1934, as amended) of which SPSO, Charles W. Ergen, Candy Ergen, and L-Band Acquisition, LLC or their successors are a member, and (b) any other Entity or Group directly or indirectly controlling, controlled by, or under common control with, SPSO, Charles W. Ergen, Candy Ergen, and/or L-Band Acquisition, LLC or their successors or any member of any Group of which SPSO, Charles W. Ergen, Candy Ergen, and/or L-Band Acquisition, LLC or their successors is a member; provided, that, for the purposes of this definition, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”), as used with respect to any Entity, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Entity, whether through the ownership of voting securities, by agreement or otherwise; provided, further, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”) as used with respect to any Entity shall also include (u) any Entity that directly or indirectly owns, or in which such Entity directly or indirectly owns more than ten percent (10%) of any class of capital stock or other equity interest of such Entity, (v) in the case of a corporation, any officer or director of such corporation, (w) in the case of a partnership, any general partner of such partnership, (x) in the case of a trust, any trustee or beneficiary of such trust, (y) any spouse, parent, sibling, or child or lineal descendant of any individual described in clauses (u) through (x) above, and (z) any trust for the benefit of any individual described in clauses (u) through (y) above. For the avoidance of doubt, it is understood that DISH Network Corporation, EchoStar Corporation, and any other Entity directly or indirectly controlling, controlled by, or under common control with, DISH Network Corporation or EchoStar Corporation are currently SPSO Affiliates.

282. “**SPSO Parties**” means SPSO or any SPSO Affiliate.

283. “**Stalking Horse Agreement**” has the meaning set forth in the Bid Procedures Order.

284. “**Standing Motion**” means that certain *Motion of the Ad Hoc Secured Group of LightSquared LP Lenders for Entry of an Order Granting Leave, Standing and Authority To Commence, Prosecute and/or Settle Certain Claims of the Debtors’ Estates* [Docket No. 323].

285. “**Standing Motion Stipulation**” means the *Stipulation and Order Resolving the Motion of the Ad Hoc Secured Group of LightSquared LP Lenders for Entry of an Order Granting Leave, Standing and Authority To Commence, Prosecute and/or Settle Certain Claims of the Debtors’ Estates* [Docket No. 323] *Solely with Respect to the Prepetition Inc. Facility Non-Subordinated Claims* [Docket No. 2054].

286. “**Standing Motion Stipulation Order**” means an order of the Bankruptcy Court approving the Standing Motion Stipulation.

287. **“Third Party New Inc. DIP Facility”** means that certain debtor-in-possession credit facility provided either (a) solely by one or more third parties other than the New Investors or (b) by one or more third parties other than the New Investors together with one or more of the New Investors, in connection with the New Inc. DIP Credit Agreement and New DIP Orders in form and substance satisfactory to the New Investors and the Debtors in an aggregate principal amount not less than the aggregate principal amount of the New Inc. DIP Facility as set forth in the New Investor New Inc. DIP Commitment Letter (after giving effect to the conversion of the Acquired DIP Inc. Claims into New Inc. DIP Loans).

288. **“Unexpired Lease”** means a lease to which one or more of the Debtors is a party that is subject to assumption, assumption and assignment, or rejection under sections 365 or 1123 of the Bankruptcy Code, or may be amended by mutual agreement of the parties thereto.

289. **“Unimpaired”** means, with respect to a Class of Claims or Equity Interests, a Claim or an Equity Interest that is not impaired within the meaning of section 1124 of the Bankruptcy Code.

290. **“U.S. Trustee”** means the United States Trustee for the Southern District of New York.

291. **“U.S. Trustee Fees”** means fees arising under section 1930(a)(6) of the Judicial Code and, to the extent applicable, accrued interest thereon arising under 31 U.S.C. § 3717.

292. **“Voting Record Date”** means the date upon which the Disclosure Statement Order is entered by the Bankruptcy Court.

293. **“Working Capital Facility”** means that certain first lien credit facility in an original aggregate principal amount of \$1,250,000,000 provided in connection with the Working Capital Facility Credit Agreement.

294. **“Working Capital Facility Credit Agreement”** means that certain credit agreement or equivalent instrument with respect to the Working Capital Facility, to be entered into on the Effective Date among the New LightSquared Obligor and the Working Capital Lenders.

295. **“Working Capital Facility Loans”** means the working capital term loans or equivalent securities to be made or issued under the Working Capital Facility. The Working Capital Facility Loans shall have market terms and conditions satisfactory to New LightSquared, each of the New Investors, and the Debtors.

296. **“Working Capital Lenders”** means the lenders party to the Working Capital Facility Credit Agreement from time to time.

B. Rules of Interpretation

The following rules for interpretation and construction shall apply to the Plan: (1) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall

include the masculine, feminine, and the neuter gender; (2) any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in such form or substantially on such terms and conditions; (3) any reference herein to an existing document or exhibit having been Filed or to be Filed shall mean that document or exhibit as it may thereafter be amended, modified, or supplemented; (4) unless otherwise stated, all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time; (5) any reference herein to an Entity as a Holder of a Claim or Equity Interest includes that Entity's successors and assigns; (6) unless otherwise specified, all references herein to "Articles" or "Sections" are references to Articles or Sections hereof or hereto; (7) unless otherwise stated, the words "herein," "hereof," and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan; (8) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (9) unless otherwise stated, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; and (10) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules, as applicable.

C. Computation of Time

The provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein.

D. Governing Law

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and the Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of New York, without giving effect to the principles of conflict of laws (other than section 5-1401 and section 5-1402 of the New York General Obligations Law), shall govern the rights, obligations, construction, and implementation of the Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control), and corporate governance matters; provided, however, that corporate governance matters relating to the Debtors or the Reorganized Debtors, as applicable, not incorporated in New York shall be governed by the laws of the state or other jurisdiction of incorporation of the applicable Debtor or Reorganized Debtor, as applicable.

E. Reference to Monetary Figures

All references in the Plan to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided.

F. Approval Rights Over Plan Documents

Unless otherwise expressly provided in the Plan, all approval rights over the Plan or the Plan Documents for Plan Support Parties other than the New Investors and the Debtors shall be governed by the terms and conditions of the Plan Support Agreement.

G. Rights of the Debtors Under the Plan

Notwithstanding anything to the contrary contained in the Plan, to the extent any term or provision of the Plan provides the Debtors with (1) consent, approval or similar rights, including, without limitation, with respect to the form of, the substance of or amendments to the Plan, any documents or transactions contemplated by the Plan, or the other Plan Documents or (2) decision making rights, and either (a) the Debtors seek to exercise such rights in a circumstance not consented to by each of the New Investors or (b) the New Investors collectively seek to act or refrain from acting in a certain fashion, or collectively consent to the form of, the substance of, or amendments to the Plan or any documents contemplated by the Plan, and the Debtors fail to consent thereto, then the position of the New Investors shall govern, and the Debtors' sole right shall be to withdraw as a Plan Proponent, in which case all such consent, approval, or similar rights of the Debtors under the Plan shall be void and of no force and effect and shall be automatically deemed deleted from the Plan without further action by any Entity.

H. Nonconsolidated Plan

Although for purposes of administrative convenience and efficiency the Plan has been filed as a joint plan for each of the Debtors and presents together Classes of Claims against, and Equity Interests in, the Debtors, the Plan does not provide for the substantive consolidation of any of the Debtors.

ARTICLE II.

ADMINISTRATIVE CLAIMS, ACCRUED PROFESSIONAL COMPENSATION CLAIMS, DIP CLAIMS, PRIORITY TAX CLAIMS, AND U.S. TRUSTEE FEES

All Claims and Equity Interests (except Administrative Claims, Accrued Professional Compensation Claims, DIP Claims, Priority Tax Claims, and U.S. Trustee Fees) are placed in the Classes set forth in Article III hereof. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Accrued Professional Compensation Claims, DIP Claims, Priority Tax Claims, and U.S. Trustee Fees have not been classified, and the Holders thereof are not entitled to vote on the Plan. A Claim or Equity Interest is placed in a particular Class only to the extent that the Claim or Equity Interest falls within the description of that Class, and is classified in other Classes to the extent that any portion of the Claim or Equity Interest falls within the description of such other Classes.

A. Administrative Claims

Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtors, each Holder of an Allowed Administrative Claim (other than of an Accrued Professional Compensation Claim, DIP Claim, and KEIP Payment) shall receive in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Administrative Claim, Plan Consideration in the form of Cash in an amount equal to such Allowed Administrative Claim either: (1) on the Effective Date or as soon thereafter as reasonably practicable, or, if not then due, when such Allowed Administrative Claim is due or as soon thereafter as reasonably practicable; (2) if the Administrative Claim is not Allowed as of the Effective Date, no later than thirty (30) days after the date on which an order of the

Bankruptcy Court Allowing such Administrative Claim becomes a Final Order, or as soon thereafter as reasonably practicable or, if not then due, when such Allowed Administrative Claim is due or as soon thereafter as reasonably practicable; (3) if the Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their businesses after the Petition Date, pursuant to the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claims, without any further action by the Holders of such Allowed Administrative Claims; (4) at such other time that is agreed to by all of the New Investors (in consultation with the Debtors) or New LightSquared, as applicable, and the Holder of such Allowed Administrative Claim; or (5) at such other time and on such other terms set forth in an order (including, without limitation, the Confirmation Order and the New DIP Order) of the Bankruptcy Court; provided, that, to the extent any Allowed Administrative Claims are due and payable after the Effective Date, such Claims shall be paid by, and be the sole obligation of, New LightSquared and/or its subsidiaries and such Administrative Claims shall not be an obligation of any Reorganized Inc. Entity.

Except for Accrued Professional Compensation Claims, DIP Claims, U.S. Trustee Fees, and KEIP Payments, and unless previously Filed, requests for payment of Administrative Claims must be Filed and served on New LightSquared no later than the Administrative Claims Bar Date pursuant to the procedures specified in the Confirmation Order and the notice of the occurrence of the Effective Date. Objections to such requests must be Filed and served on New LightSquared and the requesting party by the later of (1) one hundred and eighty (180) days after the Effective Date and (2) one hundred and eighty (180) days after the Filing of the applicable request for payment of Administrative Claims, if applicable. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior Bankruptcy Court orders, the Allowed amounts, if any, of Administrative Claims shall be determined by, and satisfied in accordance with an order of, the Bankruptcy Court.

Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not File and serve such a request by the Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, the Reorganized Debtors or their property, and such Administrative Claims shall be deemed discharged as of the Effective Date without the need for any objection from the Reorganized Debtors or any action by the Bankruptcy Court.

Notwithstanding anything to the contrary herein, (1) a New Investor, the DIP Inc. Lenders, the DIP Inc. Agent, the Holders of Prepetition Inc. Facility Non-Subordinated Claims, and the Prepetition Inc. Agent shall not be required to File any request for payment of any Administrative Claims, including, but not limited to, any New Investor Fee Claims, DIP Claims, DIP Inc. Fee Claims, or Prepetition Inc. Fee Claims, and (2) any New Investor, the DIP Inc. Lenders, the DIP Inc. Agent, the Holders of Prepetition Inc. Facility Non-Subordinated Claims, and the Prepetition Inc. Agent shall be paid in accordance with the terms of the Plan, Confirmation Order, DIP Inc. Order, DIP LP Order, or other applicable governing documents.

Notwithstanding anything to the contrary herein, (1) the New Investor Fee Claims incurred through and including the Confirmation Date shall be paid in full, in Cash following the Inc. Facilities Claims Purchase Closing Date from the proceeds of the New DIP Facilities or Cash on hand, to the extent available up to \$10 million, with any such unpaid New Investor Fee

Claims being paid on the Effective Date, and (2) the New Investor Fee Claims incurred after the Confirmation Date through and including the Effective Date (to the extent not previously paid), shall be paid monthly from the proceeds of the New DIP Facilities or Cash on hand, subject to the New Investors and the Debtors' prior receipt of invoices and reasonable documentation in connection therewith and without the requirement to File a fee application with the Bankruptcy Court. The Confirmation Order shall provide that the New Investor Fee Claims shall be deemed Allowed Administrative Claims following the Inc. Facilities Claims Purchase Closing Date.

B. Accrued Professional Compensation Claims

1. Final Fee Applications

All final requests for payment of Claims of a Professional shall be Filed no later than forty-five (45) days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior Bankruptcy Court orders, the Allowed amounts of such Accrued Professional Compensation Claims shall be determined by the Bankruptcy Court and satisfied in accordance with an order of the Bankruptcy Court.

2. Professional Fee Escrow Account

In accordance with Section II.B.3 hereof, on the Effective Date, New LightSquared shall establish and fund the Professional Fee Escrow Account in the form of Cash in an amount equal to the aggregate Professional Fee Reserve Amount for all Professionals. The Professional Fee Escrow Account shall be maintained in trust for the Professionals. Such funds shall not be considered property of the Debtors or Reorganized Debtors. The amount of Accrued Professional Compensation Claims owing to the Professionals shall be paid in Cash to such Professionals from funds held in the Professional Fee Escrow Account when such Claims are Allowed by a Final Order. When all Allowed Accrued Professional Compensation Claims are paid in full in Cash, amounts remaining in the Professional Fee Escrow Account, if any, shall revert to New LightSquared.

3. Professional Fee Reserve Amount

To receive payment for unbilled fees and expenses incurred through the Effective Date, the Professionals shall estimate their Accrued Professional Compensation Claims prior to and as of the Confirmation Date, along with an estimate of fees and expenses to be incurred through the Effective Date, and shall deliver such estimate to the Debtors and each of the New Investors no later than five (5) days prior to the anticipated Confirmation Date; provided, that such estimate shall not be considered an admission with respect to the fees and expenses of such Professional. If a Professional does not provide an estimate, the Debtors may estimate the unbilled fees and expenses of such Professional. The total amount so estimated and agreed to by each of the New Investors and the Debtors as of the Confirmation Date shall comprise the Professional Fee Reserve Amount.

4. Post-Confirmation Date Fees and Expenses

Except as otherwise specifically provided in the Plan, on and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of, the Bankruptcy Court, and upon five (5) Business Days' advance notice to all of the New Investors, pay in Cash the reasonable legal, Professional, or other fees and expenses related to the Consummation and implementation of the Plan incurred by the Debtors on or after the Confirmation Date through the Effective Date. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 of the Bankruptcy Code or the Interim Compensation Order in seeking retention or compensation for services rendered from the Confirmation Date through the Effective Date shall terminate, and the Debtors may employ and pay any Professional in the ordinary course of business without any further notice to, or action, order, or approval of, the Bankruptcy Court, subject to the terms of the New DIP Orders. The payments contemplated by this section shall be included in all final requests for payment of Claims of a Professional as contemplated by Section II.B.1 hereof.

C. *DIP Inc. Claims*

The DIP Inc. Claims shall be Allowed and deemed to be Allowed Claims in the amount of \$122,437,327.70 as of January 15, 2015 (as increased on a per diem basis through and including the Inc. Facilities Claims Purchase Closing Date in accordance with the DIP Inc. Credit Agreement and DIP Inc. Order), plus any additional incremental funding provided by the DIP Inc. Lenders under the DIP Inc. Credit Agreement pursuant to a budget provided by the Debtors that is acceptable to the DIP Inc. Lenders together with related interest, default interest, fees, and expenses. The total amount of the Allowed DIP Inc. Claims shall be increased to include the 2% exit fee owed pursuant to the DIP Inc. Credit Agreement and DIP Inc. Order upon the repayment and/or conversion of all amounts outstanding under the DIP Inc. Facility, which amount of exit fee shall be calculated based upon the aggregate principal and interest outstanding under the DIP Inc. Facility immediately prior to the Inc. Facilities Claims Purchase Closing Date. For the avoidance of doubt, the economics of any incremental funding provided under the DIP Inc. Credit Agreement shall remain consistent with prior amendments thereto, including the accrual of interest at the default rate of 17.5%, payment of a financing fee of 3.5% in connection with each funding to be paid in kind at the time such future amendment(s) are approved by the Bankruptcy Court, the payment of a 2% exit fee upon repayment of the DIP Inc. Claims, and other terms and conditions otherwise acceptable to MAST.

In accordance with, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement, SIG shall purchase in Cash from the DIP Inc. Claims Sellers all rights, title, and interest to the JPM Acquired DIP Inc. Claims on the Inc. Facilities Claims Purchase Closing Date. On, and after giving effect to, the Inc. Facilities Claims Purchase Closing Date, the JPM Acquired DIP Inc. Claims held by SIG shall be converted into New Inc. DIP Loans on a dollar-for-dollar basis.

In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each DIP Inc. Claim that is not a JPM Acquired DIP Inc. Claim, each Holder of such Allowed DIP Inc. Claim shall receive, on the Inc. Facilities Claims Purchase Closing Date, and concurrent with SIG's purchase of the JPM Acquired DIP Inc. Claims and the Acquired Inc. Facility

Claims, Cash in an amount equal to such Allowed DIP Inc. Claims either (a) from the proceeds of the Third Party New Inc. DIP Facility or (b) as contemplated by the New Investor Commitment Documents.

D. DIP LP Claims

In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each DIP LP Claim, except to the extent that a Holder of an Allowed DIP LP Claim agrees to less favorable or other treatment, each Holder of an Allowed DIP LP Claim shall receive, on the New LP DIP Closing Date, Plan Consideration in the form of Cash from the proceeds of the New LP DIP Facility in an amount equal to such Allowed DIP LP Claim.

E. New Inc. DIP Claims

In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed New Inc. DIP Claim, and except to the extent that a Holder of an Allowed New Inc. DIP Claim agrees to less favorable or other treatment (including with respect to the New Inc. DIP Claims held by SIG), each Holder of an Allowed New Inc. DIP Claim shall receive, on the Effective Date, Plan Consideration in the form of Cash in an amount equal to its Allowed New Inc. DIP Claim; provided that, \$41 million of the New Inc. DIP Claims held by SIG shall be satisfied by converting such Claims on the Effective Date into the Reorganized LightSquared Inc. Exit Facility on a dollar-for-dollar basis with the remainder of the New Inc. DIP Claims held by SIG being satisfied with Plan Consideration in the form of Cash.

F. New LP DIP Claims

In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed New LP DIP Claim, except to the extent that a Holder of an Allowed New LP DIP Claim agrees to a less favorable or other treatment, each Holder of an Allowed New LP DIP Claim shall receive, on the Effective Date, Plan Consideration in the form of Cash in an amount equal to such Allowed New LP DIP Claims.

G. Priority Tax Claims

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable or other treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Priority Tax Claim, each Holder of an Allowed Priority Tax Claim due and payable on or prior to the Effective Date shall receive on the Effective Date or as soon thereafter as reasonably practicable: (1) Plan Consideration in the form of Cash in an amount equal to such Allowed Priority Tax Claim; (2) Plan Consideration in the form of Cash in an amount agreed to by such Holder and New LightSquared; or (3) at the option of New LightSquared, Plan Consideration in the form of Cash in an aggregate amount equal to such Allowed Priority Tax Claim payable in installment payments over a period of not more than five (5) years after the Petition Date pursuant to section 1129(a)(9)(C) of the Bankruptcy Code. To the extent any Allowed Priority Tax Claim is not due and owing on the Effective Date, the Holder of such Claim shall receive Plan Consideration in the form of Cash in accordance with

the terms of any agreement between New LightSquared and the Holder of such Claim, or as may be due and payable under applicable non-bankruptcy law or in the ordinary course of business.

H. Payment of Statutory Fees

On the Effective Date or as soon thereafter as reasonably practicable, the Reorganized Debtors shall pay all U.S. Trustee Fees that are due and owing on the Effective Date. Following the Effective Date, New LightSquared shall pay the U.S. Trustee Fees for each quarter (including any fraction thereof) until the first to occur of the Chapter 11 Cases being converted, dismissed, or closed.

**ARTICLE III.
CLASSIFICATION AND TREATMENT OF CLAIMS AND EQUITY INTERESTS**

A. Summary

The categories listed in Section III.B hereof classify Claims against, and Equity Interests in, each of the Debtors for all purposes, including voting, Confirmation, and distribution pursuant hereto and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or Equity Interest is classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Equity Interest qualifies within the description of such other Classes. A Claim or Equity Interest is also classified in a particular Class for the purpose of receiving Plan Distributions pursuant to the Plan only to the extent that such Claim or Equity Interest is an Allowed Claim or Allowed Equity Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

B. Classification and Treatment of Claims and Equity Interests

To the extent a Class contains Allowed Claims or Allowed Equity Interests with respect to a particular Debtor, the treatment provided to each Class for distribution purposes is specified below:

1. Class 1 – Inc. Other Priority Claims

- (a) *Classification:* Class 1 consists of all Inc. Other Priority Claims.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Inc. Other Priority Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Inc. Other Priority Claim agrees to any other treatment, each Holder of an Allowed Inc. Other Priority Claim against an individual Inc. Debtor shall receive Plan Consideration in the form of Cash in an amount equal to such Allowed Inc. Other Priority Claim.
- (c) *Voting:* Class 1 is Unimpaired by the Plan. Each Holder of a Class 1 Inc. Other Priority Claim is conclusively presumed to have accepted the Plan

pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 1 Inc. Other Priority Claim is entitled to vote to accept or reject the Plan.

2. Class 2 – LP Other Priority Claims

- (a) *Classification:* Class 2 consists of all LP Other Priority Claims.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed LP Other Priority Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed LP Other Priority Claim agrees to any other treatment, each Holder of an Allowed LP Other Priority Claim against an individual LP Debtor shall receive Plan Consideration in the form of Cash in an amount equal to such Allowed LP Other Priority Claim.
- (c) *Voting:* Class 2 is Unimpaired by the Plan. Each Holder of a Class 2 LP Other Priority Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 2 LP Other Priority Claim is entitled to vote to accept or reject the Plan.

3. Class 3 – Inc. Other Secured Claims

- (a) *Classification:* Class 3 consists of all Inc. Other Secured Claims.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Inc. Other Secured Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Inc. Other Secured Claim agrees to any other treatment, each Holder of an Allowed Inc. Other Secured Claim against an individual Inc. Debtor shall receive one of the following treatments, in the sole discretion of the New Investors (upon agreement of all of the New Investors) or the Reorganized Debtors, as applicable: (i) Plan Consideration in the form of Cash in an amount equal to such Allowed Inc. Other Secured Claim; (ii) delivery of the Collateral securing such Allowed Inc. Other Secured Claim and payment of interest required to be paid under section 506(b) of the Bankruptcy Code, if any; or (iii) treatment of such Allowed Inc. Other Secured Claim in any other manner such that the Allowed Inc. Other Secured Claim shall be rendered Unimpaired.
- (c) *Voting:* Class 3 is Unimpaired by the Plan. Each Holder of a Class 3 Inc. Other Secured Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 3 Inc. Other Secured Claim is entitled to vote to accept or reject the Plan.

4. Class 4 – LP Other Secured Claims

- (a) *Classification:* Class 4 consists of all LP Other Secured Claims.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed LP Other Secured Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed LP Other Secured Claim agrees to any other treatment, each Holder of an Allowed LP Other Secured Claim against an individual LP Debtor shall receive one of the following treatments, in the sole discretion of the New Investors (upon agreement of all of the New Investors) or the Reorganized Debtors, as applicable: (i) Plan Consideration in the form of Cash in an amount equal to such Allowed LP Other Secured Claim; (ii) delivery of the Collateral securing such Allowed LP Other Secured Claim and payment of interest required to be paid under section 506(b) of the Bankruptcy Code, if any; or (iii) treatment of such Allowed LP Other Secured Claim in any other manner such that the Allowed LP Other Secured Claim shall be rendered Unimpaired.
- (c) *Voting:* Class 4 is Unimpaired by the Plan. Each Holder of a Class 4 LP Other Secured Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 4 LP Other Secured Claim is entitled to vote to accept or reject the Plan.

5. Class 5 - Prepetition Inc. Facility Non-Subordinated Claims

- (a) *Classification:* Class 5 consists of all Prepetition Inc. Facility Non-Subordinated Claims.
- (b) *Allowance:* Prepetition Inc. Facility Non-Subordinated Claims shall be Allowed Claims in the aggregate amount of \$337,879,725.54 as of January 15, 2015 (and as increased on a *per diem* basis through and including the Effective Date to account for Inc. Facility Postpetition Interest allocable to the Prepetition Inc. Facility Non-Subordinated Claims accrued from January 16, 2015 through the Effective Date) for all purposes and, for the avoidance of doubt, shall include all principal, Inc. Facility Prepetition Interest, and Inc. Facility Postpetition Interest allocable to the Prepetition Inc. Facility Non-Subordinated Claims through and including the Effective Date, but shall exclude any Prepetition Inc. Facility Repayment Premium allocable to the Prepetition Inc. Facility Non-Subordinated Claims (which amount shall not be Allowed).
- (c) *Treatment:* In accordance with, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement, on the Inc. Facilities Claims Purchase Closing Date, SIG shall purchase in Cash from the Prepetition Inc. Facility Claims Sellers all rights, title, and interest to the

Acquired Inc. Facility Claims in exchange for the Acquired Inc. Facility Claims Purchase Price. In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Acquired Inc. Facility Claim and the termination of Liens securing such Claims, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Acquired Inc. Facility Claim agrees to any other treatment, each Acquired Inc. Facility Claim, which shall include all Inc. Facility Postpetition Interest allocable to the Acquired Inc. Facility Claims through and including the Effective Date, shall be converted into the Reorganized LightSquared Inc. Exit Facility on a dollar-for-dollar basis on the Effective Date.

- (d) *Voting:* Class 5 is Impaired by the Plan. Each Holder of a Class 5 Prepetition Inc. Facility Non-Subordinated Claim as of the Voting Record Date is entitled to vote to accept or reject the Plan.

6. Class 6 - Prepetition Inc. Facility Subordinated Claims

- (a) *Classification:* Class 6 consists of all Prepetition Inc. Facility Subordinated Claims.
- (b) *Allowance:* Prepetition Inc. Facility Subordinated Claims shall be Allowed Claims in the aggregate amount of \$188,903,095.98 as of December 31, 2014 (and as increased on a *per diem* basis through and including the Effective Date to account for Inc. Facility Postpetition Interest allocable to the Prepetition Inc. Facility Subordinated Claims accrued from January 1, 2015 through the Effective Date) for all purposes and, for the avoidance of doubt, shall include all principal, Inc. Facility Prepetition Interest and Inc. Facility Postpetition Interest allocable to the Prepetition Inc. Facility Subordinated Claims through and including the Effective Date, but shall exclude the Prepetition Inc. Facility Repayment Premium allocable to the Prepetition Inc. Facility Subordinated Claims (which amount shall not be Allowed).
- (c) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Prepetition Inc. Facility Subordinated Claim and the termination of Liens securing such Claims and Harbinger's contribution to New LightSquared of the Harbinger Litigations, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Prepetition Inc. Facility Subordinated Claim agrees to any other treatment, each Holder of an Allowed Prepetition Inc. Facility Subordinated Claim shall receive Plan Consideration in the form of such Holder's pro rata share of (i) New LightSquared Series A Preferred Interests having an original liquidation preference equal to the Allowed amount of the principal amount of Prepetition Inc. Facility Subordinated Claims, plus the Inc. Facility Prepetition Interest and the Inc. Facility Postpetition Interest

allocable to the Prepetition Inc. Facility Subordinated Claims as of the Effective Date, plus \$122,000,000, and (ii) 44.45% of the New LightSquared Common Interests. For the avoidance of doubt, the treatment provided to Class 6 herein shall satisfy in full any and all Claims (including, without limitation, guarantee claims and adequate protection claims) that may be asserted by the Holders of Prepetition Inc. Facility Subordinated Claims against any and all Debtors.

- (d) *Voting:* Class 6 is Impaired by the Plan. Each Holder of a Class 6 Prepetition Inc. Facility Subordinated Claim as of the Voting Record Date is entitled to vote to accept or reject the Plan.

7. Class 7A - Prepetition LP Facility Non-SPSO Claims

- (a) *Classification:* Class 7A consists of all Prepetition LP Facility Non-SPSO Claims.
- (b) *Allowance:* The Prepetition LP Facility Non-SPSO Claims against the LP Debtors shall be Allowed Claims on the Effective Date for all purposes, and, for the avoidance of doubt, shall include all LP Facility Postpetition Interest, all LP Facility Prepetition Interest, the LP Facility Repayment Premium, and the Prepetition LP Fee Claims.
- (c) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Prepetition LP Facility Non-SPSO Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Prepetition LP Facility Non-SPSO Claim agrees to any other treatment, each such Holder of an Allowed Prepetition LP Facility Non-SPSO Claim against the LP Debtors shall receive Second Lien Exit Term Loans in a principal amount equal to such Holder's Allowed Prepetition LP Facility Non-SPSO Claim as of the Effective Date; provided, that any Allowed Prepetition LP Fee Claims of Holders of Prepetition LP Facility Non-SPSO Claims (including any LP Group Fee Claim) shall be payable in Cash or in Second Lien Exit Term Loans, and at such time(s), as determined by the New Investors and either the Debtors or the Reorganized Debtors, as applicable; provided, further, that any determination by the New Investors and either the Debtors or the Reorganized Debtors, as applicable, as to the form and manner of payment of the Prepetition LP Fee Claims of Holders of Prepetition LP Facility Non-SPSO Claims shall apply equally to all such Prepetition LP Fee Claims; provided, further, that the Plan Proponents reserve the right to modify the treatment of Class 7A to provide for the payment of all Allowed Prepetition LP Facility Non-SPSO Claims in full in Cash on the Effective Date.

- (d) *Voting:* Class 7A is Impaired by the Plan. Each Holder of a Class 7A Prepetition LP Facility Non-SPSO Claim as of the Voting Record Date is entitled to vote to accept or reject the Plan.

8. Class 7B - Prepetition LP Facility SPSO Claims

- (a) *Classification:* Class 7B consists of all Prepetition LP Facility SPSO Claims.
- (b) *Allowance:* The Prepetition LP Facility SPSO Claims against the LP Debtors shall include all LP Facility Postpetition Interest, all LP Facility Prepetition Interest, the LP Facility Repayment Premium, and the Prepetition LP Fee Claims. All parties in interest shall have the right to assert all claims and defenses to the allowance of any and all Prepetition LP Facility SPSO Claims previously sought and currently subject to the Appeal, except for equitable subordination of the Prepetition LP Facility SPSO Claims; provided, however, that in the case of any Prepetition LP Fee Claims requested by SPSO, all parties in interest shall have the right to assert all claims and defenses to the allowance thereof.
- (c) *Treatment:* In full and final satisfaction and discharge of, and in exchange for, each Prepetition LP Facility SPSO Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of a Prepetition LP Facility SPSO Claim agrees to any other treatment, each such Holder of a Prepetition LP Facility SPSO Claim against the LP Debtors shall receive Plan Consideration in the form of Cash in an amount equal to such Holder's Prepetition LP Facility SPSO Claim as of the Effective Date; provided, that in the case of any Prepetition LP Fee Claims asserted by SPSO, such Cash shall only be distributed to the Holder of such Claim upon the allowance thereof.

The Cash received by the Holders of the Prepetition LP Facility SPSO Claims shall be subject to disgorgement to New LightSquared without the further approval of any Entity, to the extent that the Bankruptcy Court or any other court of competent jurisdiction, at the request of any party in interest, disallows (on the grounds set forth in Section III.B.8(b)) all or any part of the Prepetition LP Facility SPSO Claims.

- (d) *Voting:* Class 7B is Unimpaired by the Plan. Each Holder of a Class 7B Prepetition LP Facility SPSO Claim as of the Voting Record Date is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 7B Prepetition LP Facility SPSO Claim is entitled to vote to accept or reject the Plan.

9. Class 8A – Prepetition LP Facility Non-SPSO Guaranty Claims

- (a) *Classification:* Inc. Class 8A consists of all Prepetition LP Facility Non SPSO Guaranty Claims.
- (b) *Allowance:* The Prepetition LP Facility Non-SPSO Guaranty Claims shall be Allowed Claims on the Effective Date for all purposes, and for the avoidance of doubt shall include all LP Facility Postpetition Interest, all LP Facility Prepetition Interest, the LP Facility Repayment Premium, and the Prepetition LP Fee Claims.
- (c) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Prepetition LP Facility Non-SPSO Guaranty Claim, on the Effective Date, and except to the extent that a Holder of an Allowed Prepetition LP Facility Non-SPSO Guaranty Claim agrees to any other treatment, the Inc. Debtors who are New LightSquared Obligor shall each provide to the agent under the Second Lien Exit Facility guaranties of New LightSquared's obligations under the Second Lien Exit Facility, which guaranty shall be secured by the assets of such New LightSquared Obligor, and the New LightSquared Obligor will grant liens to the agent under the Second Lien Exit Facility on all other assets received by the New LightSquared Obligor from the Reorganized Inc. Entities pursuant to Section IV.B.2(c)(i) hereof.
- (d) *Voting:* Class 8A is Impaired by the Plan. Each Holder of a Class 8A Prepetition LP Facility Non-SPSO Guaranty Claim as of the Voting Record Date is entitled to vote to accept or reject the Plan. If the Holder of a Class 8A Prepetition LP Facility Non-SPSO Guaranty Claim votes to accept the Plan, such vote also shall be deemed an acceptance of the Plan with respect to Claims held by such Holder in Class 7A.

10. Class 8B –Prepetition LP Facility SPSO Guaranty Claims

- (a) *Classification:* Class 8B consists of all Prepetition LP Facility SPSO Guaranty Claims.
- (b) *Allowance:* The Prepetition LP Facility SPSO Guaranty Claims shall include all LP Facility Postpetition Interest, all LP Facility Prepetition Interest, the LP Facility Repayment Premium, and the Prepetition LP Fee Claims. All parties in interest shall have the right to assert all claims and defenses to the allowance of any and all Prepetition LP Facility SPSO Guaranty Claims previously sought and currently subject to the Appeal, except for equitable subordination of the Prepetition LP Facility SPSO Guaranty Claims; provided, however, that in the case of any Prepetition LP Fee Claims requested by SPSO, all parties in interest shall have the right to assert all claims and defenses to the allowance thereof.

- (c) *Treatment:* The Cash received by the Holders of the Prepetition LP Facility SPSO Claims shall be deemed to be in full and final satisfaction and discharge of, and in exchange for, each Prepetition LP Facility SPSO Guaranty Claim on the Effective Date.

The Cash received by the Holders of the Prepetition LP Facility SPSO Claims shall be subject to disgorgement to New LightSquared without the further approval of any Entity, to the extent that the Bankruptcy Court or any other court of competent jurisdiction, at the request of any party in interest, disallows (on the grounds set forth in Section III.B.8(b)) all or any part of the Prepetition LP Facility SPSO Claims.

- (d) *Voting:* Class 8B is Unimpaired by the Plan. Each Holder of a Class 8B Prepetition LP Facility SPSO Guaranty Claim as of the Voting Record Date is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 8B Prepetition LP Facility SPSO Guaranty Claim is entitled to vote to accept or reject the Plan.

11. Class 9 – Inc. General Unsecured Claims

- (a) *Classification:* Class 9 consists of all Inc. General Unsecured Claims.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Inc. General Unsecured Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Inc. General Unsecured Claim agrees to any other treatment, each Holder of an Allowed Inc. General Unsecured Claim against an individual Inc. Debtor shall receive Plan Consideration in the form of Cash in an amount equal to such Allowed Inc. General Unsecured Claim, including interest from the Petition Date to the Effective Date.
- (c) *Voting:* Class 9 is Unimpaired by the Plan. Each Holder of a Class 9 Inc. General Unsecured Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 9 Inc. General Unsecured Claim is entitled to vote to accept or reject the Plan.

12. Class 10 – LP General Unsecured Claims

- (a) *Classification:* Class 10 consists of all LP General Unsecured Claims.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed LP General Unsecured Claim, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed LP General Unsecured Claim

agrees to any other treatment, each Holder of an Allowed LP General Unsecured Claim against an individual LP Debtor shall receive Plan Consideration in the form of Cash in an amount equal to such Allowed LP General Unsecured Claim, including interest from the Petition Date to the Effective Date.

- (c) *Voting:* Class 10 is Unimpaired by the Plan. Each Holder of a Class 10 LP General Unsecured Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a Class 10 LP General Unsecured Claim is entitled to vote to accept or reject the Plan.

13. Class 11 – Existing LP Preferred Units

- (a) *Classification:* Class 11 consists of all Existing LP Preferred Units.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Existing LP Preferred Units, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Existing LP Preferred Units agrees to any other treatment, each Holder of an Allowed Existing LP Preferred Units shall, at the Holder's option, receive Plan Consideration in the form of either (1) New LightSquared Series A-2 Preferred Interests having a liquidation preference equal to such Holder's pro rata share of Existing LP Preferred Units Distribution Amount or (2) New LightSquared Series C Preferred Interests having a liquidation preference equal to such Holder's pro rata share of Existing LP Preferred Units Distribution Amount. Each Holder must identify their election to receive New LightSquared Series A-2 Preferred Interests or New LightSquared Series C Preferred Interests in writing to the Debtors and each of the New Investors within ten (10) Business Days after entry of the Confirmation Order. If no election is timely made by a Holder of Allowed Existing LP Preferred Units, then such Holder shall be deemed to have elected to receive New LightSquared Series C Preferred Interests. For the avoidance of doubt, any New Investor that holds Allowed Existing LP Preferred Units shall be deemed, and hereby agrees, to elect to receive New LightSquared Series C Preferred Interests solely on account of the Allowed Existing LP Preferred Units held by such New Investor as of the Distribution Record Date.
- (c) *Voting:* Class 11 is Impaired by the Plan. Each Holder of a Class 11 Existing LP Preferred Units as of the Voting Record Date is entitled to vote to accept or reject the Plan.

14. Class 12 – Existing Inc. Preferred Stock Equity Interests

- (a) *Classification:* Class 12 consists of all Existing Inc. Preferred Stock Equity Interests.

- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Existing Inc. Preferred Stock Equity Interest, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Existing Inc. Preferred Stock Equity Interest agrees to any other treatment:
 - (i) each Other Existing Inc. Preferred Equity Holder shall receive on account of its Allowed Existing Inc. Preferred Stock Equity Interest Plan Consideration in the form of such Holder's pro rata share of New LightSquared Series C Preferred Interests having an original liquidation preference equal to the outstanding liquidation preference of the Existing Inc. Preferred Stock held by such Other Existing Inc. Preferred Equity Holder as of the Effective Date (excluding any prepayment or redemption premium) in the manner set forth in Section IV.B.2(d)(iii) below; and
 - (ii) SIG shall receive 100% of the Reorganized LightSquared Inc. Common Shares issued as of the Effective Date.
- (c) *Voting:* Class 12 is Impaired by the Plan. Each Holder of a Class 12 Existing Inc. Preferred Stock Equity Interest as of the Voting Record Date is entitled to vote to accept or reject the Plan.

15. Class 13 – Existing LP Common Units Equity Interests

- (a) *Classification:* Class 13 consists of all Existing LP Common Units Equity Interests.
- (b) *Treatment:* All Existing LP Common Units Equity Interests shall be cancelled as of the Effective Date, and Holders of Existing LP Common Units Equity Interests shall not receive any distribution under the Plan on account of such Existing LP Common Units Equity Interests.
- (c) *Voting:* Class 13 is Impaired by the Plan. Each Holder of a Class 13 Existing LP Common Units Equity Interest is deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. No Holder of a Class 13 Existing LP Common Units Equity Interest is entitled to vote to accept or reject the Plan.

16. Class 14 – Existing Inc. Common Stock Equity Interests

- (a) *Classification:* Class 14 consists of all Existing Inc. Common Stock Equity Interests.
- (b) *Treatment:* All Existing Inc. Common Stock Equity Interests shall be cancelled as of the Effective Date, and Holders of Existing Inc. Common

Stock Equity Interests shall not receive any distribution under the Plan on account of such Existing Inc. Common Stock Equity Interests.

- (c) *Voting:* Class 14 is Impaired by the Plan. Each Holder of a Class 14 Existing Inc. Common Stock Equity Interest is deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. No Holder of a Class 14 Existing Inc. Common Stock Equity Interest is entitled to vote to accept or reject the Plan.

17. Class 15A – Inc. Debtor Intercompany Claims

- (a) *Classification:* Class 15A consists of all Intercompany Claims against the Inc. Debtors.
- (b) *Treatment:* Holders of Allowed Intercompany Claims against an Inc. Debtor shall not receive any distribution from Plan Consideration on account of such Intercompany Claims.
- (c) *Voting:* Class 15A is Impaired by the Plan. Each Holder of a Class 15A Inc. Debtor Intercompany Claim is conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. No Holder of a Class 15A – Inc. Debtor Intercompany Claim is entitled to vote to accept or reject the Plan.

18. Class 15B – LP Debtor Intercompany Claims

- (a) *Classification:* Class 15B consists of all Intercompany Claims against the LP Debtors.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Intercompany Claim against an LP Debtor, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Intercompany Claim against an LP Debtor agrees to any other treatment, each Allowed Intercompany Claim against an LP Debtor shall be Reinstated for the benefit of the Holder thereof; provided, that the Inc. Debtors agree that they shall not receive any recovery on account of, and shall discharge, any and all of the Intercompany Claims that they can assert against each of the LP Debtors. After the Effective Date, the Reorganized LP Debtors, in their sole discretion, shall have the right to resolve or compromise Allowed Intercompany Claims against an LP Debtor without further notice to or action, order, or approval of the Bankruptcy Court.
- (c) *Voting:* Class 15B is Unimpaired by the Plan. Each Holder of a Class 15B LP Debtor Intercompany Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of

a Class 15B LP Debtor Intercompany Claim is entitled to vote to accept or reject the Plan.

19. Class 16A – LP Debtor Intercompany Interests

- (a) *Classification:* Class 16A consists of all Intercompany Interests in an LP Debtor.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Intercompany Interest in an LP Debtor, other than Allowed Existing LP Common Units, on the Effective Date or as soon thereafter as reasonably practicable, except to the extent that a Holder of an Allowed Intercompany Interest in an LP Debtor agrees to any other treatment, each Allowed Intercompany Interest in an LP Debtor, other than Allowed Existing LP Common Units, shall be Reinstated for the benefit of the Holder thereof and treated in accordance with the Plan, as applicable.
- (c) *Voting:* Class 16A is Unimpaired by the Plan. Each Holder of a LP Debtor Class 16A Intercompany Interest is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of a LP Debtor Class 16A Intercompany Interest is entitled to vote to accept or reject the Plan.

20. Class 16B – Inc. Debtor Intercompany Interests

- (a) *Classification:* Class 16B consists of all Intercompany Interests in an Inc. Debtor.
- (b) *Treatment:* In full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Intercompany Interest in an Inc. Debtor, on the Effective Date or as soon thereafter as reasonably practicable, and except to the extent an Intercompany Interest in an Inc. Debtor is assigned or otherwise transferred pursuant to Section IV.B.2(c) hereof, each Allowed Intercompany Interest in an Inc. Debtor shall be Reinstated for the benefit of the Holder thereof and treated in accordance with the Plan, as applicable.
- (c) *Voting:* Class 16B is Unimpaired by the Plan. Each Holder of an Inc. Debtor Class 16B Intercompany Interest is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. No Holder of an Inc. Debtor Class 16B Intercompany Interest is entitled to vote to accept or reject the Plan.

C. Special Provision Governing Unimpaired Claims and Equity Interests

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' rights in respect of any Unimpaired Claims or Equity Interests, including, without limitation, all rights in respect of legal and equitable defenses to, or setoffs or recoupments against, any such Unimpaired Claims or Equity Interests.

D. Acceptance or Rejection of Plan

1. Voting Classes Under Plan

Under the Plan, Classes 5, 6, 7A, 8A, 11, and 12 are Impaired, and each Holder of a Claim or Equity Interest as of the Voting Record Date in such Classes is entitled to vote to accept or reject the Plan.

2. Presumed Acceptance Under Plan

Under the Plan, (a) Classes 1, 2, 3, 4, 7B, 8B, 9, 10, 15B, 16A, and 16B are Unimpaired, (b) the Holders of Claims in such Classes are conclusively presumed to have accepted the Plan, and (c) such Holders are not entitled to vote to accept or reject the Plan.

3. Acceptance by Impaired Classes of Claims or Equity Interests

Pursuant to section 1126(c) of the Bankruptcy Code, and except as otherwise provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Claims has accepted the Plan if the Holders of at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the Allowed Claims in such Class actually voting have voted to accept the Plan.

Pursuant to section 1126(d) of the Bankruptcy Code, and except as otherwise provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Equity Interests has accepted the Plan if the Holders of at least two-thirds (2/3) in amount of the Allowed Equity Interests in such Class actually voting have voted to accept the Plan.

4. Presumed Acceptance by Non-Voting Classes

If a Class contains Claims or Equity Interests eligible to vote and no Holders of Claims or Equity Interests eligible to vote in such Class vote to accept or reject the Plan, the Plan shall be presumed accepted by the Holders of such Claims or Equity Interests in such Class.

5. Deemed Rejection of the Plan

Under the Plan, Classes 13, 14, and 15A are Impaired, and the Holders of Claims and Equity Interests in such Classes (a) shall receive no distributions under the Plan on account of their Claims or Equity Interests, (b) are deemed to have rejected the Plan, and (c) are not entitled to vote to accept or reject the Plan, and the votes of such Holders shall not be solicited.

E. Elimination of Vacant Classes

Any Class of Claims or Equity Interests that does not contain a Holder of an Allowed Claim or Allowed Equity Interest, or a Claim or Equity Interest temporarily Allowed by the Bankruptcy Court as of the Confirmation Hearing Date, shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

F. Confirmation Pursuant to Section 1129(b) of Bankruptcy Code

The Plan Proponents will request Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any Impaired Class that is deemed to reject the Plan or votes to reject the Plan. The Plan Proponents reserve the right, with the consent of the JPM Investment Parties and, solely with respect to the Plan, the JPM Inc. Facilities Claims Purchase Agreement, the New Investor Commitment Documents, and the Second Lien Exit Credit Agreement, MAST, to revoke or withdraw the Plan or any document in the Plan Supplement, subject to and in accordance with the Plan Support Agreement and the terms of the Plan. The Plan Proponents, with the consent of MAST (to the extent provided herein and in the Plan Support Agreement), also reserve the right to alter, amend, or modify the Plan or any document in the Plan Supplement, including amending or modifying it to satisfy the requirements of section 1129(b) of the Bankruptcy Code, if necessary, subject to and in accordance with the Plan Support Agreement or, in the case of the Debtors, the terms of the Plan, as applicable. Any alternative treatment to be provided to a Holder of Claims or Equity Interests instead of the treatment expressly provided in this Article III shall require the prior consent of each New Investor and the Debtors and, prior to the Inc. Facilities Claims Purchase Closing Date and solely with respect to the treatment of the Prepetition Inc. Facility Non-Subordinated Claims, MAST.

G. Controversy Concerning Impairment

If a controversy arises as to whether any Claims or Equity Interests, or any Class of Claims or Equity Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

**ARTICLE IV.
MEANS FOR IMPLEMENTATION OF PLAN**

A. Sources of Consideration for Plan Distributions

All consideration necessary for the Disbursing Agent to make Plan Distributions shall be derived from Cash on hand and proceeds from the New DIP Facilities, the JPM Inc. Facilities Claims Purchase Agreement, the New Investor Commitment Documents (as applicable), the Working Capital Facility, the Second Lien Exit Facility, the Reorganized LightSquared Inc. Exit Facility as well as the New LightSquared Entities Shares.

B. Plan Transactions

The Confirmation Order shall be deemed to authorize, among other things, the Plan Transactions. On and after the Confirmation Date or the Effective Date, as applicable, the Plan Proponents, with the consent of each New Investor, or the Reorganized Debtors, as applicable, may take all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan and this Article IV, including: (1) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, reorganization, or dissolution containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable law; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any property, right, liability, duty, or obligation on terms consistent with the terms of the Plan; (3) the filing of appropriate certificates of incorporation, certificates of partnership, merger, amalgamation, consolidation, conversion, reconstitution, or dissolution with the appropriate governmental authorities pursuant to applicable law; and (4) all other actions that each of the New Investors or the Reorganized Debtors, as applicable, determine are necessary or appropriate.

1. Confirmation Date Plan Transactions. Certain Plan Transactions occurring prior to, on, or as soon as practicable after the Confirmation Date shall include, without limitation, the following:
 - (a) On the Inc. Facilities Claims Purchase Closing Date, the New Inc. DIP Obligors, the New Inc. DIP Lenders, and other relevant Entities shall enter into the New Inc. DIP Credit Agreement and, subject to the terms of the New Inc. DIP Credit Agreement, the New Inc. DIP Lenders shall fund the New Inc. DIP Facility (including by converting Acquired DIP Inc. Claims into New Inc. DIP Loans to the extent applicable) and the proceeds thereof shall be used (i) to indefeasibly repay the Allowed DIP Inc. Claims (other than the Acquired DIP Inc. Claims to the extent applicable) in full in Cash, and (ii) for general corporate purposes and to fund the working capital needs of the Inc. Debtors through the Effective Date. The New Inc. DIP Facility may be combined with the New LP DIP Facility, but only to the extent that the Inc. Facilities Claims Purchase Closing Date has occurred (or will occur concurrently therewith) and the Allowed DIP Inc. Claims that are not JPM Acquired DIP Inc. Claims have been indefeasibly paid in full in Cash either (i) from the proceeds of the Third Party New Inc. DIP Facility or (ii) as contemplated by the New Investor Commitment Documents.
 - (b) On the New LP DIP Closing Date, the New LP DIP Obligors, New LP DIP Lenders, and other relevant Entities shall enter into the New LP DIP Credit Agreement. The New LP DIP Facility may be combined with the New Inc. DIP Facility. On the New LP DIP Closing Date, subject to the terms of the New LP DIP Credit Agreement, the New LP DIP Lenders shall fund the New LP DIP Facility, and the proceeds thereof shall be used to indefeasibly repay in full in Cash the Allowed DIP LP Claims and for

general corporate purposes and to fund the working capital needs of the LP Debtors through the Effective Date.

- (c) Pursuant to, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement, SIG shall purchase from the DIP Inc. Claims Sellers in Cash all right, title, and interest to the JPM Acquired DIP Inc. Claims upon the Inc. Facilities Claims Purchase Closing Date. On the New Inc. DIP Closing Date, the JPM Acquired DIP Inc. Claims purchased by SIG shall be converted into New Inc. DIP Loans on a dollar-for-dollar basis, of which on the Effective Date, \$41,000,000 shall be converted into the Reorganized LightSquared Inc. Exit Facility as set forth in Section IV.B.2(d)(i) and the remainder of New Inc. DIP Claims held by SIG (including any accrued and unpaid interest thereon) shall be paid in Cash.
 - (d) To the extent applicable, pursuant to, and subject to the terms and conditions of, the New Investor Commitment Documents, Fortress and Centerbridge shall purchase from the DIP Inc. Claims Sellers in Cash all right, title, and interest to the Fortress/Centerbridge Acquired DIP Inc. Claims upon the Inc. Facilities Claims Purchase Closing Date. On the New Inc. DIP Closing Date, the Fortress/Centerbridge Acquired DIP Inc. Claims purchased by Fortress and Centerbridge shall be converted into New Inc. DIP Loans on a dollar-for-dollar basis.
 - (e) Pursuant to, and subject to the terms and conditions of, the JPM Inc. Facilities Claims Purchase Agreement, SIG shall purchase from the Prepetition Inc. Facility Claim Sellers in Cash all right, title, and interest to the Acquired Inc. Facility Claims upon the Inc. Facilities Claims Purchase Closing Date. For the avoidance of doubt, the Inc. Facility Postpetition Interest shall continue to accrue on the Acquired Inc. Facility Claims after the Inc. Facilities Claims Purchase Closing Date through the Effective Date. On the Effective Date, the Acquired Inc. Facility Claims shall be converted into the Reorganized LightSquared Inc. Exit Facility as set forth in Section IV.B.2(d)(i) below. For the avoidance of doubt, the Inc. Facilities Claims Purchase Closing Date shall coincide with the payment in full in Cash of the DIP Inc. Claims that are not Acquired DIP Inc. Claims as set forth in Section IV.B.1(a).
2. Effective Date Plan Transactions. Plan Transactions occurring on the Effective Date shall include, without limitation, the following:
- (a) LightSquared LP shall be converted to a Delaware limited liability company pursuant to applicable law.
 - (b) Fortress and Centerbridge shall fund to New LightSquared their Effective Date Investments. As consideration for such Effective Date Investments, New LightSquared shall issue: (i) to Fortress, 26.20% of New

LightSquared Common Interests and New LightSquared Series B Preferred Interests having an original liquidation preference of \$68,391,643.16; and (ii) to Centerbridge, 8.10% of New LightSquared Common Interests and New LightSquared Series B Preferred Interests having an original liquidation preference of \$21,108,531.85.

(c) Certain Transactions Between New LightSquared and Reorganized Inc. Entities.

- (i) On the Effective Date, each Reorganized Inc. Entity shall assign, contribute or otherwise transfer to New LightSquared substantially all of its assets, including all legal, equitable, and beneficial right, title, and interest thereto and therein, including, without limitation, all of its equity interests, if any, in any Reorganized Debtor (except as provided below), intellectual property, contractual rights, Retained Causes of Action, and the right to prosecute such Retained Causes of Action and receive the benefits therefrom; but excluding each Reorganized Inc. Entity's tax attributes and direct or indirect equity interests in One Dot Four Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, TMI Communications Delaware, Limited Partnership, LightSquared Investors Holdings Inc. and SkyTerra Investors LLC; and
- (ii) As consideration for the Reorganized Inc. Entities assigning, contributing or otherwise transferring their assets to New LightSquared as described in clause (i) above, on the Effective Date, New LightSquared shall (A) issue to the Reorganized Inc. Entities (1) 21.25% of the New LightSquared Common Interests, (2) New LightSquared Series C Preferred Interests having an original liquidation preference equal to (y) the outstanding liquidation preference of the Existing Inc. Preferred Stock held by the Other Existing Inc. Preferred Equity Holders as of the Effective Date (excluding any prepayment or redemption premium) plus (z) \$73,000,000 (subject to the distribution obligations set forth in Section IV.B.2(d)(iii)), (3) New LightSquared Series B Preferred Interests having an original liquidation preference of \$41,000,000 and (4) New LightSquared Series A-1 Preferred Interests having an original liquidation preference equal to the Allowed Prepetition Inc. Facility Non-Subordinated Claims held by SIG as of the Effective Date; and (B) assume all obligations with respect to, and make the Plan Distributions required to be made under the Plan with respect to Allowed Inc. Other Priority Claims, Allowed Inc. Other Secured Claims, Allowed Prepetition Inc. Facility Subordinated Claims, and Allowed Inc. General Unsecured Claims.

(d) Certain Transactions Regarding Claims Against and Equity Interests in the Inc. Debtors.

- (i) The Acquired Inc. Facility Claims (including all Inc. Facility Postpetition Interest) and \$41,000,000 of the New Inc. DIP Loans held by SIG (as a result of the conversion of its JPM Acquired DIP Inc. Claims into such New Inc. DIP Loans in accordance with Section II.C.), will be converted into the Reorganized LightSquared Inc. Exit Facility on a dollar-for-dollar basis (with the remainder of the New Inc. DIP Loans held by SIG to be repaid in full in Cash);
- (ii) Reorganized LightSquared Inc. shall issue 100% of the Reorganized LightSquared Inc. Common Shares to SIG in satisfaction of its Existing Inc. Preferred Stock Equity Interests as set forth in Section III.B.14(b)(ii) hereof;
- (iii) The Reorganized Inc. Entities shall distribute to Other Existing Inc. Preferred Equity Holders in satisfaction of their Existing Inc. Preferred Stock Equity Interests as set forth in Section III.B.14(b)(i) hereof, New LightSquared Series C Preferred Interests having an original liquidation preference equal to the outstanding liquidation preference of the Existing Inc. Preferred Stock held by the Other Existing Inc. Preferred Equity Holders as of the Effective Date (excluding any prepayment or redemption premium); and
- (iv) After giving effect to the transfer of assets contemplated by Section IV.B.2(c) above, and to the distributions of New LightSquared Series C Preferred Interests contemplated by Section IV.B.2(d)(iii) above, Reorganized Inc. Entities will, collectively, hold 21.25% of New LightSquared Common Interests, New LightSquared Series C Preferred Interests having an original liquidation preference of \$73,000,000, New LightSquared Series B Preferred Interests having an original liquidation preference of \$41,000,000 and New LightSquared Series A-1 Preferred Interests having an original liquidation preference equal to the Prepetition Inc. Facility Non-Subordinated Claims held by SIG as of the Effective Date, and will retain their tax attributes and Reorganized LightSquared Inc. will retain 100% of the equity interests in One Dot Four Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, TMI Communications Delaware, Limited Partnership, LightSquared Investors Holdings Inc. and SkyTerra Investors LLC; provided that, on the Effective Date, the Reorganized Inc. Entities shall have the option to exchange on a dollar-for-dollar basis all or a portion of their New LightSquared Series A-1 Preferred Interests into New LightSquared Series A-2 Preferred

Interests and/or additional New LightSquared Series C Preferred Interests.

3. New LightSquared Loan Facilities.

(a) New LightSquared and the other relevant Entities shall enter into the Working Capital Facility and the Second Lien Exit Facility. Confirmation of the Plan shall constitute (i) approval of the Working Capital Facility, Second Lien Exit Facility, and all transactions contemplated thereby, including any and all actions to be taken, undertakings to be made, and obligations to be incurred by the New LightSquared Obligor in connection therewith, including the payment of all fees, indemnities, and expenses provided for therein, and (ii) authorization for the New LightSquared Obligor to enter into and execute the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement and such other documents as may be required or appropriate. On the Effective Date, the Working Capital Facility and the Second Lien Exit Facility, together with any new promissory notes evidencing the obligations of the New LightSquared Obligor, and all other documents, instruments, mortgages, and agreements to be entered into, delivered, or confirmed thereunder, shall become effective, valid, binding, and enforceable in accordance with their terms, and each party thereto shall be bound thereby. The obligations incurred by the New LightSquared Obligor pursuant to the Working Capital Facility and the Second Lien Exit Facility and related documents shall be secured and paid or otherwise satisfied pursuant to, and as set forth in, the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement and related documents.

(i) Working Capital Facility. The New LightSquared Obligor, Working Capital Lenders, and other relevant Entities shall enter into the Working Capital Facility. The Working Capital Lenders shall fund the Working Capital Facility through the provision of new financing, in accordance with the Plan, Confirmation Order, and Working Capital Facility Credit Agreement, and shall provide for loans in the aggregate principal amount of up to \$1,250,000,000.

The Working Capital Facility Loans shall be secured by senior liens on all assets of the New LightSquared Obligor, and shall have market terms and conditions satisfactory to New LightSquared, each of the New Investors, and the Debtors.

New LightSquared shall use the proceeds from the Working Capital Facility for the purposes specified in the Plan, including to satisfy Allowed Administrative Claims, repay the New DIP Facilities (other than \$41 million of the New Inc. DIP Loans held

by SIG on account of the JPM Acquired DIP Inc. Claims), for general corporate purposes and working capital needs, and to make Plan Distributions.

The Working Capital Facility Loans may not be made by or assigned or otherwise transferred (including by participation) to any Prohibited Transferee and any assignment or other transfer (including by participation) to a Prohibited Transferee shall be *void ab initio*.

- (ii) Second Lien Exit Facility. The New LightSquared Obligor and the other relevant Entities shall enter into the Second Lien Exit Facility. The Second Lien Exit Facility shall be funded through (a) the provision of new financing in Cash by certain of the Second Lien Exit Term Lenders in an amount equal to the Prepetition LP Facility SPSO Claims as of the Effective Date and (b) the conversion of the Prepetition LP Facility Non-SPSO Claims as of the Effective Date into loans under the Second Lien Exit Facility in accordance with the Plan, Confirmation Order, and Second Lien Exit Credit Agreement. The Second Lien Exit Facility shall provide for loans in the aggregate principal amount of the Prepetition LP Facility Claims as of the Effective Date plus the amount of the commitment fee under the Second Lien Exit Facility Commitment Letter. Second Lien Exit Term Loans shall be secured by second liens on all assets of the New LightSquared Obligor, have a five (5) year term, bear interest at the rate of the higher of (a) 12% and (b) 300 basis points greater than the interest rate of the Working Capital Facility per annum, payable in kind, and not be callable for the first two (2) years after the Effective Date, subject in each case to the terms of the Second Lien Exit Facility Credit Agreement.

The Second Lien Exit Term Loans made pursuant to the Second Lien Exit Facility shall be made by the Holders of Prepetition LP Facility Non-SPSO Claims and certain third parties. In connection with the Second Lien Exit Facility, certain of the Second Lien Exit Term Lenders have entered into the Second Lien Exit Facility Commitment Letter, pursuant to which the Debtors have agreed to pay to the Second Lien Exit Term Lenders party thereto a commitment fee in an amount of Second Lien Exit Term Loans in accordance with the terms of such commitment letter.

No Prohibited Transferee (including SPSO Parties) shall be permitted to hold (either by assignment, participation or otherwise) any Second Lien Exit Term Loans and any assignment or other transfer (including by participation) thereof to a Prohibited Transferee (including SPSO Parties) shall be *void ab initio*.

The Second Lien Exit Credit Agreement shall also provide that, prior to a vote or other consent solicitation on any matter requiring a vote or consent by Second Lien Exit Term Lenders (or any portion thereof), the administrative agent under the Second Lien Exit Facility must receive prior to each such vote or consent solicitation a written certification from each Second Lien Exit Term Lender that no Prohibited Transferee has any direct or indirect interest (including, without limitation, pursuant to any participation or voting agreement) in such Second Lien Exit Term Lender's Second Lien Exit Term Loans (and if no such certificate is delivered by a particular Second Lien Exit Term Lender, such Second Lien Exit Term Lender's Second Lien Exit Term Loans shall be excluded from such vote or consent solicitation).

4. Reorganized LightSquared Inc. Exit Facility.

- (a) Reorganized LightSquared Inc. and SIG shall enter into the Reorganized LightSquared Inc. Exit Facility, which shall provide for loans in the aggregate principal amount equal to \$41 million of the New Inc. DIP Loans held by SIG on account of the JPM Acquired DIP Inc. Claims as of the Effective Date and the Acquired Inc. Facility Claims as of the Effective Date, and which shall be secured by liens on all assets of Reorganized LightSquared Inc. The Reorganized LightSquared Inc. Exit Facility shall be funded through the conversion of the Acquired Inc. Facility Claims and \$41 million of the New Inc. DIP Loans held by SIG into loans under the Reorganized LightSquared Inc. Exit Facility in accordance with the Plan.
- (b) Confirmation of the Plan shall constitute (i) approval of the Reorganized LightSquared Inc. Exit Facility and all transactions contemplated thereby, including any and all actions to be taken, undertakings to be made, and obligations to be incurred by Reorganized LightSquared Inc. in connection therewith, and (ii) authorization for Reorganized LightSquared Inc. to enter into and execute the Reorganized LightSquared Inc. Credit Agreement and such other documents as may be required or appropriate.
- (c) On the Effective Date, the Reorganized LightSquared Inc. Exit Facility, together with any new promissory notes evidencing the obligations of Reorganized LightSquared Inc. and all other documents, instruments, mortgages, and agreements to be entered into, delivered, or confirmed thereunder, shall become effective, valid, binding, and enforceable in accordance with their terms, and each party thereto shall be bound thereby. The obligations incurred by Reorganized LightSquared Inc. pursuant to the Reorganized LightSquared Inc. Exit Facility and related documents shall be secured and paid or otherwise satisfied pursuant to, and as set forth in, the Reorganized LightSquared Inc. Credit Agreement and related documents.

C. Issuance of New LightSquared Entities Shares; Reinstatement of Reinstated Intercompany Interests

On the Effective Date or as soon thereafter as reasonably practicable, except as otherwise provided herein, (1) New LightSquared or Reorganized LightSquared Inc., as applicable, shall (a) issue the New LightSquared Entities Shares required to be issued in accordance with the Plan and all related instruments, certificates, and other documents required to be issued or distributed pursuant to the Plan, and (2) all Intercompany Interests shall be Reinstated for the benefit of the Holders thereof and treated in accordance with the Plan, as applicable. The issuance of the New LightSquared Entities Shares and the Reinstatement of the Reinstated Intercompany Interests are authorized without the need for any further corporate action or without further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity. All of the New LightSquared Entities Shares issued (or Reinstated) pursuant to the Plan shall be duly authorized, validly issued, and, if applicable, fully paid and non-assessable.

The applicable Reorganized Debtors Governance Documents shall contain provisions necessary to (1) except as consented to by the initial holder thereof, prohibit the issuance of nonvoting equity securities as required by section 1123(a)(6) of the Bankruptcy Code, subject to further amendment of the applicable Reorganized Debtors Governance Documents as permitted by applicable law, and (2) effectuate the provisions of the Plan, in each case without any further action by the holders of New LightSquared Entities Shares or directors of the Debtors or the Reorganized Debtors.

On the Effective Date, New LightSquared shall issue the New LightSquared Series A Preferred Interests, the New LightSquared Series B Preferred Interests and the New LightSquared Series C Preferred Interests, the respective terms and rights of which shall be set forth in the New LightSquared Interest Holders Agreement.

D. Section 1145 and Other Exemptions

The offering, issuance, and distribution of the securities contemplated by the Plan and any and all agreements incorporated herein, including the New LightSquared Entities Shares, shall be exempt from, among other things, the registration and prospectus delivery requirements of section 5 of the Securities Act, and any other applicable state and federal law requiring registration or delivery of a prospectus prior to the offering, issuance, distribution, or sale of securities, pursuant to section 1145 of the Bankruptcy Code or pursuant to another applicable exemption from registration requirements of the Securities Act. In addition, any securities contemplated by the Plan and any and all agreements incorporated therein, including the New LightSquared Entities Shares, shall be subject to (1) if issued pursuant to section 1145 of the Bankruptcy Code, the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act, (2) compliance with any rules and regulations of the Securities and Exchange Commission, if any, applicable at the time of any future transfer of such securities or instruments, (3) the restrictions, if any, on the transferability of such securities and instruments, including those set forth in the Reorganized Debtors Governance Documents, and (4) applicable regulatory approval, if any.

E. Listing of New LightSquared Entities Shares; Reporting Obligations

Except as may be determined in accordance with the Reorganized Debtors Governance Documents, the Reorganized Debtors shall not be (1) obligated to list the New LightSquared Entities Shares on a national securities exchange, (2) reporting companies under the Securities Exchange Act, (3) required to file reports with the Securities and Exchange Commission or any other Entity or party, or (4) required to file monthly operating reports, or any other type of report, with the Bankruptcy Court after the Effective Date. In order to prevent the Reorganized Debtors from becoming subject to the reporting requirements of the Securities Exchange Act, except in connection with a public offering, the Reorganized Debtors Governance Documents may impose certain trading restrictions, and the New LightSquared Entities Shares shall be subject to certain transfer and other restrictions pursuant to the Reorganized Debtors Governance Documents.

F. New LightSquared Interest Holders Agreement

On the Effective Date, New LightSquared shall enter into and deliver the New LightSquared Interest Holders Agreement.

Confirmation of the Plan shall constitute (1) approval of the New LightSquared Interest Holders Agreement and all transactions contemplated thereby, including any and all actions to be taken, undertakings to be made, and obligations to be incurred by New LightSquared, and (2) authorization for New LightSquared to enter into and execute the New LightSquared Interest Holders Agreement and such other documents as may be required or appropriate. On the Effective Date, the New LightSquared Interest Holders Agreement, together with all other documents, instruments, and agreements to be entered into, delivered, or confirmed thereunder, shall become effective, valid, binding, and enforceable in accordance with their terms, and each party thereto shall be bound thereby. The obligations incurred by New LightSquared pursuant to the New LightSquared Interest Holders Agreement and related documents shall be satisfied pursuant to, and as set forth in, the New LightSquared Interest Holders Agreement and related documents.

The New LightSquared Interest Holders Agreement shall provide that, among other things, Harbinger shall have, in accordance with the terms set forth in the Plan Support Agreement, a call option to purchase from Reorganized LightSquared Inc. three percent (3%) of the New LightSquared Common Interests. The New LightSquared Interest Holders Agreement shall also provide that after redemption in full of all New LightSquared Preferred Interests but prior to any distributions on account of the New LightSquared Common Interests, Harbinger shall receive an additional allocation on account of (1) the issuance of additional New LightSquared Preferred Interests as compared with the amount contemplated in the Plan Support Agreement, (2) the addition of the two (2)-year no call provision with respect to the Second Lien Exit Term Loans, and (3) the commitment fee on the first \$400,000,000 of the new financing referenced in Section IV.B.3(a)(ii) of the Plan all as provided in greater detail in the New LightSquared Interest Holders Agreement.

If each of the New Investors and the Debtors determine, on a Holder by Holder basis, that it is necessary or advisable from a regulatory approval standpoint, certain potential holders of

New LightSquared Interests shall be issued warrants to acquire such New LightSquared Interests in lieu of direct ownership of New LightSquared Interests.

The New LightSquared Board shall be comprised of seven (7) members, which shall include: two (2) members appointed by Fortress; one (1) member appointed by Reorganized LightSquared Inc.; one (1) member appointed by Centerbridge; one (1) independent member; the Chief Executive Officer of New LightSquared; and the Chairman of the New LightSquared Board. The New LightSquared Board shall not include any Harbinger employees, affiliates or representatives. If agreed to by each of the New Investors, the New LightSquared Board can be expanded in size. In addition, New LightSquared shall have a separate advisory committee of the New LightSquared Board, with five (5) members, one (1) of which shall be appointed by Reorganized LightSquared Inc., two (2) of which shall be appointed by Fortress, one (1) of which shall be appointed by Centerbridge, and one (1) of which shall be appointed as provided in the New LightSquared Interest Holders Agreement.

G. Indemnification Provisions in Reorganized Debtors Governance Documents

Except as provided in the Plan Supplement and except as may be agreed to by SIG with respect to the Reorganized Debtors Governance Documents of the Reorganized Inc. Entities, as of the Effective Date, the Reorganized Debtors Governance Documents shall provide for the indemnification, defense, reimbursement, exculpation, and limitation of liability of, and advancement of fees and expenses to, the Reorganized Debtors' then current directors, officers, employees, or agents (and such directors, officers, employees, or agents that held such positions as of the Confirmation Date) at least to the same extent as the organizational documents of each of the respective Debtors on the Petition Date, against any claims or Causes of Action whether direct or derivative, liquidated or unliquidated, fixed or contingent, disputed or undisputed, matured or unmatured, known or unknown, foreseen or unforeseen, or asserted or unasserted, and none of the Reorganized Debtors, other than the Reorganized Inc. Entities, shall amend or restate the Reorganized Debtors Governance Documents before or after the Effective Date to terminate or materially adversely affect any of the Reorganized Debtors' obligations to provide such indemnification rights or such directors', officers', employees', or agents' indemnification rights.

H. Management Incentive Plan

On or as soon as practicable following the Consummation of the Plan, the New LightSquared Board shall adopt a Management Incentive Plan in accordance with the terms of the New LightSquared Interest Holders Agreement and subject to the approval of each of the New Investors.

I. Corporate Governance

As shall be set forth in the Reorganized Debtors Governance Documents, the Reorganized Debtors Boards shall consist of a number of members and be appointed in a manner, subject to applicable law, to be agreed upon by each of the New Investors (including as specified in Section IV.F) or otherwise provided in the Reorganized Debtors Governance Documents. In accordance with section 1129(a)(5) of the Bankruptcy Code, the Debtors shall

disclose the following at, or prior to, the Confirmation Hearing: (1) the identities and affiliations of any Person proposed to serve as a member of the Reorganized Debtors Boards or officer of the Reorganized Debtors and (2) the nature of compensation for any officer employed or retained by the Reorganized Debtors who is an “insider” under section 101(31) of the Bankruptcy Code.

J. Vesting of Assets in Reorganized Debtors

Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated therein, on the Effective Date, notwithstanding any prohibition of assignability under applicable non-bankruptcy law and in accordance with section 1141 of the Bankruptcy Code, all property in each Estate, all Retained Causes of Action, and any property acquired by any of the Debtors pursuant to the Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, or other encumbrances (except for (1) any Liens granted to secure the Working Capital Facility and any rights of any of the parties under the Working Capital Facility Credit Agreement or any related documents, (2) any Liens granted to secure the Second Lien Exit Facility and any rights of any of the parties under the Second Lien Exit Credit Agreement or any related documents, (3) any Liens granted to secure the Reorganized LightSquared Inc. Exit Facility and any rights of any of the parties under the Reorganized LightSquared Inc. Credit Agreement or any related documents, and (4) any rights of any of the parties under any of Reorganized Debtors Governance Documents) without further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity.

On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Equity Interests, or Retained Causes of Action without further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

EXCEPT AS OTHERWISE PROVIDED IN THE PLAN, AFTER THE EFFECTIVE DATE, NO REORGANIZED DEBTOR AND NO AFFILIATE OF ANY SUCH REORGANIZED DEBTOR SHALL HAVE, OR BE CONSTRUED TO HAVE OR MAINTAIN, ANY LIABILITY, CLAIM, OR OBLIGATION THAT IS BASED IN WHOLE OR IN PART ON ANY ACT, OMISSION, TRANSACTION, EVENT, OR OTHER OCCURRENCE OR THING OCCURRING OR IN EXISTENCE ON OR PRIOR TO THE EFFECTIVE DATE OF THE PLAN (INCLUDING, WITHOUT LIMITATION, ANY LIABILITY, CLAIM, OR OBLIGATION ARISING UNDER APPLICABLE NON-BANKRUPTCY LAW AS A SUCCESSOR TO LIGHTSQUARED INC., LIGHTSQUARED LP, OR ANY OTHER DEBTOR) AND NO SUCH LIABILITY, CLAIM, OR OBLIGATION FOR ANY ACTS SHALL ATTACH TO ANY OF THE REORGANIZED DEBTORS OR ANY OF THEIR AFFILIATES.

K. Cancellation of Securities and Agreements

On the Effective Date (or the New DIP Closing Date with respect to the DIP Inc. Facility and the DIP LP Facility), except as otherwise specifically provided for in the Plan, including with respect to the Acquired Inc. Facility Claims and JPM Acquired DIP Inc. Claims: (1) the

obligations of the Debtors under the DIP Facilities, the Prepetition Loan Documents, the Existing Shares, and any other Certificate, share, note, bond, indenture, purchase right, option, warrant, or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of, or ownership interest in, the Debtors giving rise to any Claim or Equity Interest (except such Certificates, Equity Interests, notes, or other instruments or documents evidencing indebtedness or obligations of the Debtors that may be Reinstated pursuant to the Plan), shall be cancelled solely as to the Debtors, and the Reorganized Debtors shall not have any continuing obligations thereunder; and (2) the obligations of the Debtors pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the shares, Certificates, notes, bonds, indentures, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of the Debtors (except such agreements, Certificates, notes, or other instruments evidencing indebtedness or obligations of the Debtors that are specifically Reinstated pursuant to the Plan) shall be released and discharged; provided, however, that any agreement that governs the rights of the Holder of a Claim or Equity Interest shall continue in effect solely for the purposes of allowing such Holders to receive Plan Distributions under the Plan; provided, further, that (1) the preceding proviso shall not affect the discharge of Claims or Equity Interests pursuant to the Bankruptcy Code, the Confirmation Order, the Confirmation Recognition Order, or the Plan or result in any expense or liability to the Reorganized Debtors and (2) the terms and provisions of the Plan shall modify any existing contract or agreement that would in any way be inconsistent with distributions under the Plan.

On the Confirmation Date, but subject to the Effective Date, (1) the obligations of the Debtors Stalking Horse Agreement and the Bid Procedures Order shall be cancelled as to the Debtors, and the Reorganized Debtors shall not have any continuing obligations thereunder and (2) the obligations of the Debtors pursuant, relating, or pertaining to the Stalking Horse Agreement or the Bid Procedures Order to pay any LBAC Break-Up Fee or Expense Reimbursement, to the extent payable in accordance with the terms thereof, shall be released and discharged. For the avoidance of doubt, no party shall be entitled to, or receive (nor shall any reserve be required on account of), any LBAC Break-Up Fee or Expense Reimbursement.

L. Corporate Existence

Except as otherwise provided in the Plan or as contemplated by the Plan Transactions, each Debtor shall continue to exist after the Effective Date as a separate corporate Entity, limited liability company, unlimited liability company, partnership, or other form, as applicable, with all the powers of a corporation, limited liability company, unlimited liability company, partnership, or other form, as applicable, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other formation documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or other formation documents) are amended by the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan without further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court (to the extent permitted by Canadian law), or any other Entity.

M. Corporate Action

Upon the Effective Date, all actions contemplated by the Plan shall be deemed authorized, approved, and, to the extent taken prior to the Effective Date, ratified without any requirement for further action by Holders of Claims or Equity Interests, directors, managers, or officers of the Debtors, the Reorganized Debtors, or any other Entity or Person, including, without limitation, the following: (1) execution of, and entry into, the Working Capital Facility Credit Agreement, the Second Lien Exit Credit Agreement, the Reorganized LightSquared Inc. Credit Agreement, the Exit Intercreditor Agreement, the Reorganized Debtors Governance Documents, the Management Incentive Plan, and commitment letters and such other documents as may be required or appropriate with respect to the foregoing; (2) consummation of the reorganization and restructuring transactions contemplated by the Plan and performance of all actions and transactions contemplated thereby; (3) rejection, assumption, or assumption and assignment, as applicable, of Executory Contracts and Unexpired Leases; (4) selection of the managers and officers for the Reorganized Debtors; (5) the issuance, reinstatement, and distribution of the New LightSquared Entities Shares; and (6) all other acts or actions contemplated or reasonably necessary or appropriate to promptly consummate the transactions contemplated by the Plan (whether to occur before, on, or after the Effective Date). All matters specifically provided for in the Plan involving the company structure of the Debtors, and any company action required by the Debtors in connection therewith, shall be deemed to have occurred on, and shall be in effect as of, the Effective Date, without any requirement of further action by the security holders, directors, managers, authorized persons, or officers of the Debtors.

On or, as applicable, prior to the Effective Date, the appropriate officers, managers, or authorized person of the Debtors (including, any president, vice-president, chief executive officer, treasurer, general counsel, or chief financial officer thereof) shall be authorized and directed to issue, enter, execute, and deliver the agreements, documents, securities, certificates of incorporation, certificates of formation, bylaws, operating agreements, and instruments contemplated by the Plan (or necessary or desirable to effect the transactions contemplated by the Plan) in the name, and on behalf, of the Debtors, including, as appropriate: (1) the Working Capital Facility Credit Agreement (2) the Second Lien Exit Credit Agreement; (3) the Reorganized LightSquared Inc. Credit Agreement; (4) the Exit Intercreditor Agreement; (5) the Reorganized Debtors Governance Documents; (6) the Management Incentive Plan; and (7) any and all other agreements, documents, securities, and instruments related to the foregoing. The authorizations and approvals contemplated by this Section IV.M shall be effective notwithstanding any requirements under non-bankruptcy law.

N. Effectuating Documents; Further Transactions

On and after the Effective Date, the Reorganized Debtors and the officers and members of the boards of directors or managers thereof, are authorized to and may issue, execute, deliver, file, or record such contracts, securities, instruments, releases, and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan and the securities issued pursuant to the Plan in the name, and on behalf, of the Reorganized Debtors, without further notice to or action, order, or approval of the Bankruptcy Court, the Canadian Court, or any other Entity.

O. Exemption from Certain Taxes and Fees

Pursuant to section 1146(a) of the Bankruptcy Code, any transfer from a Debtor to a Reorganized Debtor or to any Entity pursuant to, in contemplation of, or in connection with the Plan or pursuant to (1) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the Reorganized Debtors, (2) the creation, modification, consolidation, or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means, (3) the making, assignment, or recording of any lease or sublease, or (4) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles, or similar tax, mortgage tax, real estate transfer tax, sales or use tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, FCC filing or recording fee, Industry Canada filing or recording fee, or other similar tax or governmental assessment, and the appropriate state or local governmental officials or agents shall forego the collection of any such tax or governmental assessment and to accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

P. Preservation, Transfer, and Waiver of Rights of Action

In accordance with section 1123(b) of the Bankruptcy Code, but subject to Article VIII hereof, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including any Retained Causes of Actions that may be described in the Plan Supplement, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the Reorganized Debtors, as applicable, shall not pursue any and all available Causes of Action against them. The Debtors or the Reorganized Debtors, as applicable, expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan. Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Bankruptcy Court order, the Reorganized Debtors expressly reserve all Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the Confirmation or Consummation. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in New LightSquared.

The Cash received by the Holders of the Prepetition LP Facility SPSO Claims and Prepetition LP Facility SPSO Guaranty Claims shall be subject to disgorgement to New LightSquared without the further approval of any Entity, to the extent that the Bankruptcy Court or any other court of competent jurisdiction, at the request of any party in interest, disallows (on

the grounds set forth in Sections III.B.8(b) and III.B.10(b)) all or any part of the Prepetition LP Facility SPSO Claims or the Prepetition LP Facility SPSO Guaranty Claims. For the avoidance of doubt, the Prepetition LP Facility SPSO Claims, Prepetition LP Facility SPSO Guaranty Claims, and any Cash received on account thereof shall be subject to any equitable or legal remedy previously sought and currently subject to the Appeal, other than equitable subordination of the Prepetition LP Facility SPSO Claims and the Prepetition LP Facility SPSO Guaranty Claims.

Upon the Effective Date of the Plan, Harbinger shall irrevocably assign to New LightSquared all Harbinger Litigations, and the New Investors shall irrevocably assign to New LightSquared any and all of their rights to commence any New Actions. New LightSquared will receive all Retained Causes of Action Proceeds, which, for the avoidance of doubt, shall include any and all proceeds from any of the Harbinger Litigations and New Actions.

Q. Assumption of D&O Liability Insurance Policies

To the extent that the D&O Liability Insurance Policies are considered to be Executory Contracts, then, notwithstanding anything in the Plan to the contrary, the Debtors shall be deemed to have assumed all of the Debtors' unexpired D&O Liability Insurance Policies pursuant to section 365(a) of the Bankruptcy Code effective as of the Effective Date; provided that, all D&O Liability Insurance Policies to which a Reorganized Inc. Entity would be a counterparty or obligor shall be assigned to New LightSquared on the Effective Date and no Reorganized Inc. Entity shall have any liability or obligations with respect to any D&O Liability Insurance Policies. Entry of the Confirmation Order shall constitute, subject to the occurrence of the Effective Date, the Bankruptcy Court's approval of the Debtors' foregoing assumption of each of the unexpired D&O Liability Insurance Policies. Notwithstanding anything to the contrary contained in the Plan, but without limiting the proviso in the first sentence of this paragraph, Confirmation of the Plan shall not discharge, impair, or otherwise modify any indemnity obligations assumed by the foregoing assumption of the D&O Liability Insurance Policies, and each such indemnity obligation shall be deemed and treated as an Executory Contract that has been assumed by the Debtors under the Plan as to which no Proof of Claim need be filed.

In addition, but subject to the proviso in the first sentence of the first paragraph in this Section IV.Q, after the Effective Date, none of the Reorganized Debtors shall terminate or otherwise reduce the coverage under any D&O Liability Insurance Policies (including any "tail policy") in effect on the Petition Date, with respect to conduct occurring prior thereto, and all directors and officers of the Debtors who served in such capacity at any time prior to the Effective Date shall be entitled to the full benefits of any such policy for the full term of such policy regardless of whether such directors and officers remain in such positions after the Effective Date. As of the Effective Date, New LightSquared shall purchase and maintain continuing director and officer insurance coverage for a tail period of six (6) years.

R. Employee and Retiree Benefits

Except as otherwise provided in the Plan, on and after the Effective Date, New LightSquared shall assume and continue to perform the Debtors' obligations to: (1) honor, in the

ordinary course of business, any contracts, agreements, policies, programs, and plans, in each case, to the extent disclosed in the Disclosure Statement or the First Day Pleadings, for, among other things, compensation and wages (including equity based and bonus compensation), health care benefits, disability benefits, deferred compensation benefits, travel benefits, savings, severance or termination benefits, retirement benefits, welfare benefits, workers' compensation insurance, and accidental death and dismemberment insurance for the directors, officers, and current and former employees of any of the Debtors who served in such capacity at any time; and (2) honor, in the ordinary course of business, Claims of current and former employees employed as of the Effective Date for accrued vacation time arising prior to the Petition Date; provided, however, that the Debtors' or Reorganized Debtors' performance of any employment agreement shall not entitle any Person or Entity to any benefit or alleged entitlement under any policy, program, or plan that has expired or been terminated before the Effective Date, or restore, reinstate, or revive any such benefit or alleged entitlement under any such policy, program, or plan. In addition, as of the Effective Date, (1) Equity Interests granted to an existing employee of the Debtors pursuant to any equity plan maintained by the Debtors or under any existing employment agreement of the Debtors, and any such applicable equity plan, shall be (a) fully vested and (b) cancelled and terminated and (2) Holders of such Equity Interests shall be treated in accordance with Class 12 in Section III.B.14 hereof; provided, that the applicable Reorganized Debtors Boards shall maintain the discretion to execute and implement agreements or plans that grant current and former employees of the applicable Reorganized Debtors awards of stock options, equity appreciation rights, restricted equity, phantom equity, or any other Cash or performance-based awards as the Reorganized Debtors Boards deem appropriate.

Nothing in the Plan shall limit, diminish, or otherwise alter the Reorganized Debtors' defenses, claims, Causes of Action, or other rights with respect to any such contracts, agreements, policies, programs, and plans. Notwithstanding the foregoing, pursuant to section 1129(a)(13) of the Bankruptcy Code, on and after the Effective Date, all retiree benefits (as that term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid to the extent required by applicable law.

ARTICLE V.

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption and Rejection of Executory Contracts and Unexpired Leases

1. Rejection of Executory Contracts and Unexpired Leases

Except as otherwise provided herein (including Section IV.R hereof), each Executory Contract and Unexpired Lease shall be deemed automatically rejected pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date, unless any such Executory Contract or Unexpired Lease (a) is listed on the Schedule of Assumed Agreements in the Plan Supplement, (b) has been previously assumed, assumed and assigned, or rejected by the Debtors by Final Order of the Bankruptcy Court or has been assumed, assumed and assigned, or rejected by the Debtors by order of the Bankruptcy Court as of the Effective Date, which order becomes a Final Order after the Effective Date, (c) is the subject of a motion to assume, assume and assign, or reject pending as of the Effective Date, (d) is an Intercompany Contract, or (e) is otherwise assumed, or assumed and assigned, pursuant to the terms herein.

The Confirmation Order shall constitute an order of the Bankruptcy Court approving such rejections pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date. Non-Debtor parties to Executory Contracts or Unexpired Leases that are rejected as of the Effective Date shall have the right to assert a Claim on account of the rejection of such Executory Contracts or Unexpired Leases, including under section 502(g) of the Bankruptcy Code; provided, however, that the non-Debtor parties must comply with Section V.B hereof.

2. Assumption of Executory Contracts and Unexpired Leases

In connection with the Confirmation and Consummation of the Plan, the New Investors (upon agreement of all of the New Investors) and the Debtors shall designate the Executory Contracts and Unexpired Leases to be assumed, or assumed and assigned, pursuant to, and in accordance with, the Plan, which designated Executory Contracts and Unexpired Leases will be listed on the Schedule of Assumed Agreements in the Plan Supplement. On the Effective Date, the Debtors shall assume, or assume and assign, all of the Executory Contracts and Unexpired Leases listed on the Schedule of Assumed Agreements in the Plan Supplement; provided, that all assumed Executory Contracts and Unexpired Leases to which a Reorganized Inc. Entity would be a counterparty or obligor shall be assigned to New LightSquared on the Effective Date and no Reorganized Inc. Entity shall have any liability or obligations with respect to any such Executory Contracts and Unexpired Leases.

With respect to each Executory Contract and Unexpired Lease listed on the Schedule of Assumed Agreements in the Plan Supplement, the Debtors shall have designated a proposed amount of the Cure Costs, and the assumption, or assumption and assignment, of such Executory Contract and Unexpired Lease may be conditioned upon the disposition of all issues with respect to such Cure Costs. The Confirmation Order shall constitute an order of the Bankruptcy Court approving any such assumptions, or assumptions and assignments, pursuant to sections 365(a) and 1123 of the Bankruptcy Code.

Any and all Proofs of Claim based upon Executory Contracts or Unexpired Leases that have been assumed, or assumed and assigned, in the Chapter 11 Cases, including hereunder, except Proofs of Claim asserting Cure Costs pursuant to the order approving such assumption, or assumption and assignment, including the Confirmation Order, shall be deemed disallowed and expunged from the Claims Register as of the Effective Date without any further notice to, or action, order, or approval of, the Bankruptcy Court.

B. Claims Based on Rejection of Executory Contracts or Unexpired Leases

Notwithstanding anything in the Claims Bar Date Order to the contrary, if the rejection of an Executory Contract or Unexpired Lease, including pursuant hereto, gives rise to a Claim by the non-Debtor party or parties to such contract or lease, such Claim shall be forever barred and shall not be enforceable against the Debtors, their respective successors, or their respective property unless a Proof of Claim is Filed and served on the Reorganized Debtors no later than thirty (30) days after the Effective Date. All Allowed Claims arising from the rejection of the Inc. Debtors' Executory Contracts and Unexpired Leases shall be classified as Inc. General Unsecured Claims and shall be treated in accordance with Class 9 in Section III.B.11 hereof, and all Allowed Claims arising from the rejection of the LP Debtors' Executory Contracts and

Unexpired Leases shall be classified as LP General Unsecured Claims and shall be treated in accordance with Class 10 in Section III.B.12 hereof.

C. Cure of Defaults for Executory Contracts and Unexpired Leases Assumed Pursuant to Plan

With respect to any Executory Contract or Unexpired Lease to be assumed, or assumed and assigned, pursuant hereto, all Cure Costs shall be satisfied as Administrative Claims of the applicable Debtors' Estates at the option of the New Investors (upon agreement of all of the New Investors) and the Debtors or the Reorganized Debtors (as applicable) (1) by payment of the Cure Costs with Plan Consideration in the form of Cash on the Effective Date or as soon thereafter as reasonably practicable or (2) on such other terms as the parties to each such Executory Contract or Unexpired Lease may otherwise agree without further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity, provided that no Reorganized Inc. Entity shall have any obligation with respect to such Cure Costs.

In accordance with the Bid Procedures Order, on November 22, 2013, the Debtors Filed with the Bankruptcy Court and served upon all counterparties to such Executory Contracts and Unexpired Leases, a notice regarding any potential assumption, or assumption and assignment, of their Executory Contracts and Unexpired Leases and the proposed Cure Costs in connection therewith, which notice (1) listed the applicable Cure Costs, if any, (2) described the procedures for filing objections to the proposed assumption, assumption and assignment, or Cure Costs, and (3) explained the process by which related disputes shall be resolved by the Bankruptcy Court. Any objection by a counterparty to an Executory Contract or Unexpired Lease to any potential assumption, assumption and assignment, or related Cure Costs must have been Filed, served, and actually received by (1) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005 (Attn: Matthew S. Barr, Esq., Steven Z. Szanzer, Esq., and Karen Gartenberg, Esq.), counsel to the Debtors, and (2) any other notice parties identified on the notice no later than 4:00 p.m. (prevailing Eastern time) on November 29, 2013; provided, however, that any objection by a counterparty to an Executory Contract or Unexpired Lease solely to the Reorganized Debtors' financial wherewithal must be Filed, served, and actually received by the appropriate notice parties no later than February 25, 2015 at 11:59 p.m. (prevailing Eastern time). Any counterparty to an Executory Contract or Unexpired Lease that failed to timely object to the proposed assumption, assumption and assignment, or Cure Costs shall be deemed to have assented to such assumption, assumption and assignment, or Cure Costs, as applicable. For the avoidance of doubt, if there is any discrepancy between the Schedule of Assumed Agreements and the notice referenced above in this paragraph, the Schedule of Assumed Agreements shall govern and any objection on account of such discrepancy shall also be filed by no later than February 25, 2015 at 11:59 p.m. (prevailing Eastern time).

In the event of a dispute regarding (1) the amount of any Cure Costs, (2) the ability of the Reorganized Debtors to provide adequate assurance of future performance (within the meaning of section 365 of the Bankruptcy Code) under such Executory Contract or Unexpired Lease to be assumed, or assumed and assigned, or (3) any other matter pertaining to assumption, or assumption and assignment, of such Executory Contract or Unexpired Lease, the payment of any Cure Costs shall be made following the entry of a Final Order resolving the dispute and

approving the assumption, or assumption and assignment, of such Executory Contract or Unexpired Lease; provided, however, that the New Investors (upon agreement of all of the New Investors) and the Debtors or New LightSquared, as applicable, may settle any dispute regarding the amount of any Cure Costs without further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity; provided, further, that notwithstanding anything to the contrary herein, prior to the Effective Date, the Debtors (with the consent of each of the New Investors) reserve the right to reject any Executory Contract or Unexpired Lease; provided, further, that the Bankruptcy Court shall adjudicate and decide any unresolved disputes relating to the assumption of Executory Contracts and Unexpired Leases, including, without limitation, disputed issues relating to Cure Costs, financial wherewithal, or adequate assurance of future performance, at a hearing scheduled for a date and time set forth in the Confirmation Order.

Assumption, or assumption and assignment, of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed, or assumed and assigned, Executory Contract or Unexpired Lease at any time prior to the effective date of assumption, or assumption and assignment.

D. Pre-existing Obligations to Debtors Under Executory Contracts and Unexpired Leases

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of pre-existing obligations owed to the Debtors under such contracts or leases. In particular, notwithstanding any non-bankruptcy law to the contrary, each of the New Investors and the Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased by the Debtors or New LightSquared, as applicable, contracting from non-Debtor counterparties to rejected Executory Contracts or Unexpired Leases.

E. Intercompany Contracts, Contracts, and Leases Entered into After Petition Date, Assumed Executory Contracts, and Unexpired Leases

Any (1) Intercompany Contracts, (2) contracts and leases entered into after the Petition Date by any Debtor to the extent not rejected prior to the Effective Date, and (3) any Executory Contracts and Unexpired Leases assumed, or assumed and assigned, by any Debtor and not rejected prior to the Effective Date, may be performed by the applicable Reorganized Debtor in the ordinary course of business. Any such contracts and leases described in the foregoing clauses (1) through (3) to which a Reorganized Inc. Entity or any of its subsidiaries is a counterparty or obligor shall be assigned to New LightSquared and, upon such assignment, no Reorganized Inc. Entity shall retain any obligations or liabilities thereunder.

F. Modifications, Amendments, Supplements, Restatements, or Other Agreements

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed, or assumed and assigned, shall include all modifications, amendments, supplements,

restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or is rejected under the Plan.

Modifications, amendments, supplements, and restatements to Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

G. Postpetition Contracts and Leases

Each Reorganized Debtor shall perform its obligations under each contract and lease entered into by the respective Debtor or applicable Reorganized Debtor after the Petition Date to the extent not rejected prior to the Effective Date, including any Executory Contract and Unexpired Lease assumed by such Debtor or Reorganized Debtor, in each case, in accordance with, and subject to, the then applicable terms; provided that each Reorganized Inc. Entity shall assign such obligations to New LightSquared on the Effective Date. Accordingly, such contracts and leases to the extent not rejected prior to the Effective Date (including any assumed Executory Contracts or Unexpired Leases) shall survive, and remain unaffected by, entry of the Confirmation Order.

H. Reservation of Rights

Neither the exclusion nor inclusion of any contract or lease by the New Investors on any exhibit to the Plan Supplement, nor anything contained in the Plan, shall constitute an admission by any of the New Investors that any such contract or lease is or is not, in fact, an Executory Contract or Unexpired Lease or that the Debtors, or their respective Affiliates, have any liability thereunder.

The Debtors and New LightSquared, with the consent of each New Investor, reserve the right to alter, amend, modify, or supplement the Schedule of Assumed Agreements until and including the Effective Date or as otherwise provided by Bankruptcy Court order; provided, however, that if there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption, assumption and assignment, or with respect to asserted Cure Costs, then the New Investors and the Reorganized Debtors shall have thirty (30) days following the entry of a Final Order resolving such dispute to amend the decision to assume, or assume and assign, such Executory Contract or Unexpired Lease.

I. Nonoccurrence of Effective Date

In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any consensual request to extend the deadline for assuming, assuming and assigning, or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code.

**ARTICLE VI.
PROVISIONS GOVERNING DISTRIBUTIONS**

A. Distribution Record Date

As of the close of business on the Distribution Record Date, the various transfer registers for each of the Classes of Claims or Equity Interests as maintained by the Debtors, the DIP Inc. Lenders, the DIP LP Lenders, and the New DIP Lenders, the Prepetition Lenders, or their respective agents, shall be deemed closed, and there shall be no further changes in the record Holders of any of the Claims or Equity Interests. Except as otherwise provided in the Plan (including with respect to the Acquired Inc. Facility Claims and the Acquired DIP Inc. Claims), the Debtors and the Reorganized Debtors, as applicable, shall have no obligation to recognize any transfer of the Claims or Equity Interests occurring on or after the Distribution Record Date. Except as otherwise provided in the Plan (including with respect to the Acquired Inc. Facility Claims and the Acquired DIP Inc. Claims), the Debtors and the Reorganized Debtors, as applicable, shall be entitled to recognize and deal for all purposes hereunder only with those record Holders stated on the transfer ledgers as of the close of business on the Distribution Record Date, to the extent applicable.

B. Timing and Calculation of Amounts To Be Distributed

Unless otherwise provided in the Plan, including with respect to distributions contemplated hereunder to Holders of DIP Inc. Claims and DIP LP Claims on the New DIP Closing Date and/or the Inc. Facilities Claims Purchase Closing Date, as applicable, on the Effective Date or as soon thereafter as reasonably practicable (or if a Claim or an Equity Interest is not Allowed on the Effective Date, on the date that such a Claim or an Equity Interest is Allowed, or as soon thereafter as reasonably practicable), each Holder of an Allowed Claim or an Allowed Equity Interest shall receive the full amount of the Plan Distribution that such Holder is entitled to pursuant to the Plan; provided, however, that Allowed Administrative Claims with respect to liabilities incurred by the Debtors in the ordinary course of business during the Chapter 11 Cases, or assumed by the Debtors on or prior to the Effective Date, shall be paid or performed in the ordinary course of business in accordance with the terms and conditions of any controlling agreements, course of dealing, course of business, or industry practice.

Upon the Consummation of the Plan, the New LightSquared Entities Shares shall be deemed to be issued to (and the Reinstated Intercompany Interests shall be deemed to be Reinstated for the benefit of), as of the Effective Date, the eligible Holders of Allowed Claims or Allowed Equity Interests, and the other eligible Entities hereunder, as applicable, without the need for further action by any Debtor, Disbursing Agent, Reorganized Debtor, or any other Entity, including, without limitation, the issuance or delivery of any certificate evidencing any such debts, securities, shares, units, or interests, as applicable. Except as otherwise provided herein, the eligible Holders of Allowed Claims and Allowed Equity Interests, and the other eligible Entities hereunder entitled to receive Plan Distributions pursuant to the terms of the Plan shall not be entitled to interest, dividends, or accruals on such Plan Distributions, regardless of whether such Plan Distributions are delivered on or at any time after the Effective Date.

The Disbursing Agent is authorized to make periodic Plan Distributions on account of Allowed Claims and Allowed Equity Interests and, if such periodic Plan Distributions are made, the Disbursing Agent shall reserve any applicable Plan Consideration from Plan Distributions to applicable Holders equal to the Plan Distributions to which Holders of Disputed Claims or Disputed Equity Interests would be entitled if such Disputed Claims or Disputed Equity Interests become Allowed.

C. Disbursing Agent

All Plan Distributions shall be made by New LightSquared as Disbursing Agent, or such other Entity designated by the New Investors (upon agreement of all of the New Investors) or New LightSquared, as applicable, as Disbursing Agent, including Reorganized LightSquared Inc. to the extent set forth in Section IV.B.2(d). A Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court. Additionally, in the event that a Disbursing Agent is so otherwise ordered, all costs and expenses of procuring any such bond or surety shall be as agreed by and between all of the New Investors or the Reorganized Debtors, as applicable, and such Disbursing Agent.

Except as otherwise provided herein, Plan Distributions of Plan Consideration under the Plan shall be made by the Debtors or the Reorganized Debtors, as applicable, to the Disbursing Agent for the benefit of the Holders of Allowed Claims or Allowed Equity Interests, and the other eligible Entities hereunder, as applicable. All Plan Distributions by the Disbursing Agent shall be at the discretion of the Debtors or the Reorganized Debtors, as applicable, and the Disbursing Agent shall not have any liability to any Entity for Plan Distributions made by them under the Plan.

D. Rights and Powers of Disbursing Agent

1. Powers of Disbursing Agent

The Disbursing Agent shall be empowered to: (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all Plan Distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions hereof without any further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity.

2. Expenses Incurred On or After Effective Date

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes), and any reasonable compensation and expense reimbursement claims (including reasonable attorneys' fees and expenses) made by the Disbursing Agent, shall be paid in Cash by New LightSquared.

E. Plan Distributions on Account of Claims and Equity Interests Allowed After Effective Date

1. Payments and Plan Distributions on Disputed Claims and Disputed Equity Interests

Plan Distributions made after the Effective Date to Holders of Claims or Equity Interests that are not Allowed as of the Effective Date, but which later become Allowed Claims or Allowed Equity Interests, shall be deemed to have been made on the Effective Date.

2. Special Rules for Plan Distributions to Holders of Disputed Claims and Disputed Equity Interests

Notwithstanding any provision otherwise in the Plan and except as otherwise agreed to by the relevant parties and all of the New Investors, (a) no partial payments and no partial Plan Distributions shall be made with respect to a Disputed Claim or Disputed Equity Interest until all such disputes in connection with such Disputed Claim or Disputed Equity Interest, respectively, have been resolved by settlement or Final Order, and (b) any Entity that holds both (i) an Allowed Claim or an Allowed Equity Interest and (ii) a Disputed Claim or a Disputed Equity Interest shall not receive any Plan Distribution on the Allowed Claim or Allowed Equity Interest unless and until all objections to the Disputed Claim or Disputed Equity Interest, respectively, have been resolved by settlement or Final Order; provided, however, that, for all purposes, the foregoing shall not apply to the Prepetition LP Facility SPSO Claims or the Prepetition LP Facility SPSO Guaranty Claims, which Claims shall not be treated as Disputed Claims and shall, on the Effective Date, receive their distributions in accordance with, and subject to, the terms and conditions of Sections III.B.8 and 10 hereof.

F. Delivery of Plan Distributions and Undeliverable or Unclaimed Plan Distributions

1. Delivery of Plan Distributions in General

Except as otherwise provided herein, the Disbursing Agent shall make Plan Distributions to Holders of Allowed Claims and Allowed Equity Interests at the address for each such Holder as indicated on the Debtors' or the Reorganized Debtors' records as of the date of any such Plan Distribution; provided, however, that the manner of such Plan Distributions shall be determined at the discretion of the New Investors (upon agreement of all of the New Investors) or New LightSquared; provided, further, that the address for each Holder of an Allowed Claim shall be deemed to be the address set forth in any Proof of Claim Filed by that Holder. Any payment in Cash to be made pursuant to the Plan shall be made at the election of the Disbursing Agent by check or by wire transfer.

Each Plan Distribution referred to in Article VI hereof shall be governed by the terms and conditions set forth herein applicable to such Plan Distribution and by the terms and conditions of the instruments evidencing or relating to such Plan Distribution, if any, which terms and conditions shall bind each Entity receiving such Plan Distribution.

2. Delivery of Plan Distributions to Holders of Allowed DIP Inc. Claims

The Plan Distributions provided for Allowed DIP Inc. Claims (other than the Acquired DIP Inc. Claims) pursuant to Section II.C hereof shall be made to the DIP Inc. Agent or MAST, as directed by MAST, by the Debtors or the New Inc. DIP Lenders, on behalf of the Debtors, or the New Investors pursuant to the New Investor Commitment Documents, as applicable, on the Inc. Facilities Claims Purchase Closing Date.

3. Delivery of Plan Distributions to Holders of Allowed DIP LP Claims

The Plan Distributions provided for Allowed DIP LP Claims pursuant to Section II.D hereof shall be made to the DIP LP Lenders by the Debtors or the New LP DIP Lenders, on behalf of the Debtors, on the New LP DIP Closing Date.

4. Delivery of Plan Distributions to Holders of Allowed New DIP Claims

The Plan Distributions provided for Allowed New DIP Claims pursuant to Sections II.E and F hereof shall be made to the New Inc. DIP Agent and New LP DIP Agent, as applicable. To the extent possible, the Reorganized Debtors and the Disbursing Agent shall provide that the applicable Plan Consideration is eligible to be distributed to the New DIP Lenders at the direction of the New Inc. DIP Agent and New LP DIP Agent, as applicable.

5. Delivery of Plan Distributions to Holders of Allowed Prepetition LP Facility Claims or Allowed Prepetition Inc. Facility Claims

Other than as provided by the JPM Inc. Facilities Claims Purchase Agreement, the Plan Distributions provided for Allowed Prepetition Inc. Facility Claims and Allowed Prepetition LP Facility Claims in Sections III.B.5, III.B.6, III.B.7, III.B.8, III.B.9, and III.B.10 hereof shall be made to applicable Holders of Allowed Prepetition Inc. Facility Claims and Allowed Prepetition LP Facility Claims by the Debtors or the Disbursing Agent, as applicable.

6. Minimum Plan Distributions

Notwithstanding anything herein to the contrary, the Disbursing Agent shall not be required to make Plan Distributions or payments of Cash of less than the amount of \$100 and shall not be required to make partial Plan Distributions or payments of fractions of dollars. Whenever any payment or Plan Distributions of a fraction of a dollar under the Plan would otherwise be called for, the actual payment or Plan Distribution shall reflect a rounding of such fraction to the nearest whole dollar, with half dollars or less being rounded down. The Disbursing Agent shall not be required to make partial or fractional Plan Distributions of New LightSquared Entities Shares and such fractions shall be deemed to be zero.

7. Undeliverable Plan Distributions and Unclaimed Property

In the event that any Plan Distribution to any Holder is returned as undeliverable, no Plan Distribution to such Holder shall be made unless and until the Disbursing Agent has determined the then current address of such Holder, at which time such Plan Distribution shall be made to such Holder without interest; provided, however, that such Plan Distribution shall be deemed

unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of one (1) year from the Effective Date. After such date, all unclaimed property or interests in property shall revert to New LightSquared (notwithstanding any applicable federal or state escheat, abandoned, or unclaimed property laws to the contrary), and the Claim of any Holder to such property or Equity Interest in such property shall be discharged and forever barred.

G. Compliance with Tax Requirements/Allocations

In connection with the Plan, to the extent applicable, the Reorganized Debtors and the Disbursing Agent shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all Plan Distributions pursuant hereto shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors and the Disbursing Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the Plan Distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding Plan Distributions pending receipt of information necessary to facilitate such Plan Distributions, or establishing any other mechanisms they believe are reasonable and appropriate. The Reorganized Debtors reserve the right to allocate all Plan Distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, Liens, and encumbrances.

Plan Distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent that the consideration exceeds the principal amount of the Allowed Claims, to any portion of such Allowed Claims for accrued but unpaid interest.

H. Setoffs

Each Debtor, or such Entity's designee as instructed by such Debtor, may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Allowed Claim (other than an Allowed Prepetition LP Facility Non-SPSO Claim, an Allowed Prepetition Inc. Facility Claim, an Allowed DIP LP Claim, or an Allowed DIP Inc. Claim) or any Allowed Equity Interest (other than an Allowed Existing Inc. Preferred Stock or Allowed Existing LP Preferred Units), and the Plan Distributions on account of such Allowed Claim or Allowed Equity Interest, any and all claims, rights, and Causes of Action that a Debtor or its successors may hold against the Holder of such Allowed Claim or Allowed Equity Interest after the Effective Date; provided, however, that neither the failure to effect a setoff or recoupment nor the allowance of any Claim or Equity Interest (other than an Allowed Prepetition LP Facility Non-SPSO Claim, an Allowed Prepetition Inc. Facility Claim, an Allowed DIP LP Claim, an Allowed DIP Inc. Claim, Allowed Existing Inc. Preferred Stock, or Allowed Existing LP Preferred Units) hereunder shall constitute a waiver or release by a Debtor or its successor of any and all claims, rights, and Causes of Action that a Debtor or its successor may possess against such Holder.

I. Recoupment

In no event shall any Holder of Claims against, or Equity Interests in, the Debtors be entitled to recoup any such Claim or Equity Interest against any claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors on or before the Confirmation Date, notwithstanding any indication in any Proof of Claim or proof of Equity Interest or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

J. Claims Paid or Payable by Third Parties

1. Claims Paid by Third Parties

The Debtors or the Reorganized Debtors, as applicable, shall reduce in full a Claim, and such Claim shall be disallowed without a Claims objection having to be Filed and without any further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity, to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not a Debtor or Reorganized Debtor or the Disbursing Agent; provided, that the foregoing shall not apply with respect to Claims purchased pursuant to the JPM Inc. Facilities Claims Purchase Agreement or the Fortress/Centerbridge DIP Inc. Claims Purchase Agreement, to the extent applicable, which Claims so purchased shall be deemed satisfied upon Consummation of the Plan. Subject to the last sentence of this paragraph, to the extent a Holder of a Claim receives a Plan Distribution on account of such Claim and receives payment from an Entity that is not a Debtor or a Reorganized Debtor or the Disbursing Agent on account of such Claim, such Holder shall, within two (2) weeks of receipt thereof, repay or return the Plan Distribution to the applicable Reorganized Debtor or the Disbursing Agent, to the extent that the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such Plan Distribution under the Plan. The failure of such Holder to timely repay or return such Plan Distribution shall result in the Holder owing the applicable Reorganized Debtor annualized interest at the Federal Judgment Rate on such amount owed for each calendar day after the two (2)-week grace period specified above until the amount is repaid.

2. Claims Payable by Third Parties

No Plan Distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy. To the extent that one or more of the Debtors' insurers agrees to satisfy in full a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, such Claim may be expunged without a Claims objection having to be Filed and without further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity.

3. Preservation of Insurance Rights

Pursuant to section 524(e) of the Bankruptcy Code, nothing in the Plan shall release or discharge any insurer from any obligations to any Person under applicable law or any policy of insurance under which any of the Debtors is an insured or a beneficiary, nor shall anything contained herein constitute or be deemed a waiver by any of the Debtors' insurers of any defenses, including coverage defenses, held by such insurers.

**ARTICLE VII.
PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED,
AND DISPUTED CLAIMS AND DISPUTED EQUITY INTERESTS**

A. Allowance of Claims and Equity Interests

After the Effective Date, the Reorganized Debtors shall have and retain any and all rights and defenses that the Debtors had with respect to any Claim or Equity Interest immediately prior to the Effective Date, including the Causes of Action referenced in Section IV.P hereof. Except as expressly provided herein, no Claim or Equity Interest shall become Allowed unless and until such Claim or Equity Interest is deemed Allowed under Section I.A.8 hereof or the Bankruptcy Code.

In accordance with Sections III.B.8 and 10 hereof, the Prepetition LP Facility SPSO Claims and the Prepetition LP Facility SPSO Guaranty Claims in such Classes shall remain subject to all claims that may be brought by any party in interest against, and all and any defenses to the allowance of, such Claims, as previously sought and currently subject to the Appeal, except for equitable subordination of the Prepetition LP Facility SPSO Claims and Prepetition LP Facility SPSO Guaranty Claims; provided, however, that in the case of any Prepetition LP Fee Claims requested by SPSO, all parties in interest shall have the right to assert all claims and defenses to the allowance thereof. In no event shall the Prepetition LP Facility SPSO Claims or the Prepetition LP Facility SPSO Guaranty Claims be deemed to be Disputed Claims or subject to those procedures applicable to Disputed Claims as set forth in this Article VII.

B. Claims and Equity Interests Administration Responsibilities

Except as otherwise provided in the Plan, after the Effective Date, New LightSquared shall have the sole and exclusive authority to (1) File, withdraw, or litigate to judgment, objections to Claims or Equity Interests, (2) settle or compromise any Disputed Claim or Disputed Equity Interest without any further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity, and (3) administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity.

New LightSquared shall maintain the Disputed Claims and Equity Interests Reserve on account of the Disputed Claims. The Disputed Claims and Equity Interests Reserve may be adjusted from time to time, and funds previously held in such reserve on account of Disputed Claims or Disputed Equity Interests that have subsequently become disallowed Claims or

disallowed Equity Interests shall be released from such reserve and used to fund the other reserves and Plan Distributions, or for general corporate purposes and working capital needs.

C. Estimation of Claims or Equity Interests

Before the Effective Date, the Plan Proponents, and after the Effective Date, New LightSquared, may at any time request that the Bankruptcy Court estimate (1) any Disputed Claim or Disputed Equity Interest pursuant to applicable law and (2) any contingent or unliquidated Claim or Equity Interest pursuant to applicable law, including, without limitation, section 502(c) of the Bankruptcy Code, for any reason, regardless of whether any Entity previously has objected to such Claim or Equity Interest or whether the Bankruptcy Court has ruled on any such objection.

The Bankruptcy Court shall retain jurisdiction to estimate any Claim or Equity Interest, any group of Claims or Equity Interests, or any Class of Claims or Equity Interests, at any time during litigation concerning any objection, including, without limitation, during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any Disputed Claim or Disputed Equity Interest, that estimated amount shall constitute either (1) the Allowed amount of such Disputed Claim or Disputed Equity Interest, (2) a maximum limitation on such Disputed Claim or Disputed Equity Interest, or (3) in the event such Disputed Claim or Disputed Equity Interest is estimated in connection with the estimation of other Claims or Equity Interests within the same Class, a maximum limitation on the aggregate amount of Allowed Claims or Equity Interests on account of such Disputed Claims or Disputed Equity Interests so estimated, in each case, for all purposes under the Plan (including for purposes of Plan Distributions); provided, however, that the Plan Proponents or New LightSquared, as applicable, may elect to pursue supplemental proceedings to object to any ultimate allowance of any Disputed Claim or Disputed Equity Interest and any ultimate Plan Distributions on such Claim or Equity Interest. Notwithstanding any provision in the Plan to the contrary, a Claim or Equity Interest that has been disallowed or expunged from the Claims Register or stock transfer ledger or similar register of the applicable Debtor, as applicable, but that is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars unless otherwise ordered by the Bankruptcy Court. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any Holder of a Claim or Equity Interest that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such Holder has Filed a motion requesting the right to seek such reconsideration on or before twenty-one (21) days after the date on which such Claim or Equity Interest is estimated.

All of the aforementioned Claims or Equity Interests and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims or Equity Interests may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

D. Expungement or Adjustment to Claims or Equity Interests Without Objection

Any Claim or Equity Interest that has been paid, satisfied, superseded, or compromised in full by a particular Debtor may be expunged on the Claims Register or stock transfer ledger or

similar register of such Debtor, as applicable, by the Reorganized Debtors, and any Claim or Equity Interest that has been amended may be adjusted on the Claims Register by the Reorganized Debtors, in both cases without a Claims or Equity Interests objection having to be Filed and without any further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity. Additionally, any Claim or Equity Interest that is duplicative or redundant with another Claim or Equity Interest against the same Debtor may be adjusted or expunged on the Claims Register or stock transfer ledger or similar register of the applicable Debtor, as applicable, by the Reorganized Debtors without a Claims or Equity Interests objection having to be Filed and without any further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity.

E. No Interest

Unless otherwise (1) specifically provided for in the Plan or the Confirmation Order, (2) agreed to by the New Investors (upon agreement of all of the New Investors) or the Reorganized Debtors, as applicable, (3) provided for in a postpetition agreement in writing between all of the New Investors or the Reorganized Debtors, as applicable, and a Holder of a Claim, or (4) allowed under applicable bankruptcy and non-bankruptcy law, postpetition interest shall not accrue or be paid on Claims, and no Holder of a Claim shall be entitled to interest accruing on or after the Petition Date on any Claim or right. Additionally, and without limiting the foregoing, and except as otherwise set forth in the Plan, interest shall not accrue or be paid on any Disputed Claim with respect to the period from the Effective Date to the date a final Plan Distribution is made on account of such Disputed Claim, if and when such Disputed Claim becomes an Allowed Claim.

F. Deadline To File Objections to Claims or Equity Interests

Any objections to Claims or Equity Interests shall be Filed no later than the Claims and Equity Interests Objection Bar Date, as may be extended from time to time upon the consent of the Debtors and each of the New Investors.

G. Disallowance of Claims or Equity Interests

Any Claims or Equity Interests held by Entities from which property is recoverable under sections 542, 543, 550, or 553 of the Bankruptcy Code, or that are transferees of transfers avoidable under sections 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code or otherwise, shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims or Equity Interests may not receive any Plan Distributions on account of such Claims or Equity Interests until such time as such Causes of Action against that Entity have been settled or a Final Order with respect thereto has been entered and all sums or property due, if any, to the Debtors from that Entity have been turned over or paid.

EXCEPT AS PROVIDED HEREIN OR OTHERWISE AGREED, ANY AND ALL PROOFS OF CLAIM FILED AFTER THE APPLICABLE CLAIMS BAR DATE SHALL BE DEEMED DISALLOWED AND EXPUNGED AS OF THE EFFECTIVE DATE WITHOUT ANY FURTHER NOTICE TO, OR ACTION, ORDER, OR APPROVAL OF, THE BANKRUPTCY COURT, THE CANADIAN COURT, OR ANY OTHER ENTITY, AND

HOLDERS OF SUCH CLAIMS MAY NOT RECEIVE ANY PLAN DISTRIBUTIONS ON ACCOUNT OF SUCH CLAIMS, UNLESS ON OR BEFORE THE CONFIRMATION HEARING SUCH LATE CLAIM HAS BEEN DEEMED TIMELY FILED BY A FINAL ORDER.

H. Amendments to Claims

On or after the later of the Effective Date or the applicable deadline set by the Bankruptcy Court, a Claim may not be Filed or amended without the prior authorization of the Bankruptcy Court or New LightSquared, and any such new or amended Claim Filed shall be deemed disallowed in full and expunged without any further notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity.

ARTICLE VIII.

SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS

A. Discharge of Claims and Termination of Equity Interests

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan, the Plan Distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Reorganized Debtors in accordance with Section III.B.17 and Section III.B.18 hereof), Equity Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Equity Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Equity Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims or Equity Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability to the extent such Claims or Equity Interests relate to services performed by current or former employees of the Debtors prior to the Effective Date and that arise from a termination of employment or a termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case, whether or not (1) a Proof of Claim or proof of Equity Interest based upon such debt, right, or Equity Interest is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (2) a Claim or Equity Interest based upon such debt, right, or Equity Interest is Allowed pursuant to section 502 of the Bankruptcy Code, or (3) the Holder of such a Claim or Equity Interest has accepted the Plan. Any default by the Debtors or their Affiliates with respect to any Claim or Equity Interest that existed immediately prior to or on account of the filing of the Chapter 11 Cases shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Equity Interests subject to the occurrence of the Effective Date.

B. Subordinated Claims

The allowance, classification, and treatment of all Allowed Claims and Allowed Equity Interests and the respective Plan Distributions and treatments under the Plan shall give effect to the relative priority and rights of the Claims and Equity Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Plan Proponents, with the consent of each of the New Investors, reserve the right to reclassify any Allowed Claim or Equity Interest in accordance with any contractual, legal, or equitable subordination relating thereto. For the avoidance of doubt, the Prepetition Inc. Facility Lender Subordination Agreement shall be enforceable as a subordination agreement under section 510(a) of the Bankruptcy Code.

C. Compromise and Settlement of Claims and Controversies

Pursuant to sections 363 and 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the Plan Distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good faith compromise of all Claims, Equity Interests, Causes of Action, and controversies resolved pursuant to the Plan and relating to any contractual, legal, and subordination rights that a Holder of a Claim or Equity Interest may have with respect to any Allowed Claim or Equity Interest, or any Plan Distributions to be made on account of such an Allowed Claim or Equity Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Equity Interests, Causes of Action, and controversies, as well as a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of the Debtors, their Estates, and Holders of Claims or Equity Interests and is fair, equitable, and reasonable. Plan Distributions made to Holders of Allowed Claims or Equity Interests are intended to be final. In accordance with the provisions of the Plan, pursuant to sections 363 and 1123 of the Bankruptcy Code and Bankruptcy Rule 9019(a), without any further notice to or action, order, or approval of the Bankruptcy Court, the Canadian Court, or any other Entity, after the Effective Date, New LightSquared may compromise and settle Claims against, or Equity Interests in, the Debtors, and Causes of Action against other Entities; provided that, any settlement with respect to Claims against, or Equity Interests in, or any Causes of Action against any Reorganized Inc. Entity shall require the prior approval of Reorganized LightSquared Inc. In addition, and for the avoidance of doubt, entry of the Confirmation Order shall also operate to settle all claims and causes of action alleged in the Standing Motion against the Prepetition Inc. Agent and the Prepetition Inc. Lenders in respect of the Prepetition Inc. Facility Subordinated Claims, and the Standing Motion, to the extent not previously withdrawn with prejudice, shall be deemed withdrawn with prejudice upon the occurrence of the Inc. Facilities Claims Purchase Closing Date.

D. Releases by Debtors

Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan, for good and valuable consideration, including the service of the Released Parties to facilitate the expeditious reorganization of the Debtors and the implementation of the restructuring transactions contemplated by the Plan, on and after

the Effective Date, the Released Parties are deemed released and discharged by the Debtors, the Reorganized Debtors, and the Estates from any and all claims, interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative claims asserted on behalf of the Debtors or the Estates, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, that the Debtors, the Reorganized Debtors, the Estates, or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Equity Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the CCAA Proceeding, the prepetition or postpetition purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors, the Prepetition Facilities, the DIP Facilities, the Working Capital Facility, the Second Lien Exit Facility, the Exit Intercreditor Agreement, the New LightSquared Entities Shares, the Reorganized LightSquared Inc. Exit Facility, as applicable, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims or Equity Interests prior to or in the Chapter 11 Cases and/or the CCAA Proceeding, the negotiation, formulation, or preparation of the Plan and the Disclosure Statement, or related agreements (including the Plan Support Agreement), instruments, or other documents, any of the Debtors' regulatory efforts (including, without limitation, change of control applications) upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct (including fraud) or gross negligence. Notwithstanding anything contained herein to the contrary, the foregoing release does not release any obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Working Capital Facility Credit Agreement, Second Lien Exit Credit Agreement, Reorganized LightSquared Inc. Credit Agreement, Exit Intercreditor Agreement, Reorganized Debtors Governance Documents, and the Plan Supplement) executed to implement the Plan.

E. Exculpation

Except as otherwise specifically provided in the Plan, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any claim, obligation, Cause of Action, or liability for any act taken or omitted to be taken in connection with, or related to, formulating, negotiating, preparing, disseminating, implementing, administering, confirming, or effecting the Confirmation or Consummation of the Plan, the Disclosure Statement, the Plan Documents, or any contract, instrument, release, or other agreement, or document created or entered into in connection with the Plan (including the Plan Support Agreement), any act taken or omitted to be taken in connection with, or related to, any of the Debtors' regulatory efforts (including, without limitation change of control applications), the negotiation of Cure Costs, the amendment, assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases, or any other prepetition or postpetition act taken or omitted to be taken in

connection with, or in contemplation of, the restructuring of the Debtors, the approval of the Disclosure Statement, or Confirmation or Consummation of the Plan, except for (1) willful misconduct (including fraud) or gross negligence and/or (2) the rights of any Entity to enforce the Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered under, or in connection with, the Plan, or assumed pursuant to the Plan, or assumed pursuant to a Final Order, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon Confirmation of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the distributions of the Securities pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

F. Third-Party Releases by Holders of Claims or Equity Interests

Except as otherwise specifically provided in the Plan, on and after the Effective Date, to the fullest extent permissible under applicable law, (1) each Released Party, (2) each present and former Holder of a Claim or Equity Interest, and (3) each of the foregoing Entities' respective predecessors, successors and assigns, and current and former shareholders, affiliates, subsidiaries, members (including ex-officio members), officers, directors, principals, managers, trustees, employees, partners, attorneys, financial advisors, accountants, investment bankers, investment advisors, actuaries, professionals, consultants, agents, and representatives (in each case, in his, her, or its capacity as such) (each of the foregoing parties in (1), (2), and (3), a "Releasing Party") shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged the Released Parties from any and all claims, interests, obligations, rights, suits, damages, Claims, Equity Interests, Causes of Action, remedies, and liabilities whatsoever, including any derivative claims asserted on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, that each Releasing Party would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Chapter 11 Cases, the CCAA Proceeding, the prepetition or postpetition purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors, the Prepetition Facilities, the DIP Facilities, the Working Capital Facility, the Second Lien Exit Facility, the Exit Intercreditor Agreement, the New LightSquared Entities Shares, the Reorganized LightSquared Inc. Exit Facility, as applicable, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims or Equity Interests prior to or in the Chapter 11 Cases and/or the CCAA Proceeding, the negotiation, formulation, or preparation of the Plan and the Disclosure Statement, or related agreements, instruments, or other documents, any act taken or omitted to be taken in connection with, or related to, any of the Debtors' regulatory efforts (including, without limitation change of control

applications), the negotiation of Cure Costs, the amendment, assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases, upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes willful misconduct (including fraud) or gross negligence; provided, however, that each present and former Holder of a Claim or Equity Interest voting to reject the Plan may reject the third-party release provided in this Section VIII.F by checking the box on the applicable Ballot indicating that such Holder opts not to grant such third-party release.

Notwithstanding anything contained herein to the contrary, the third-party release herein does not release any obligations of any party under the Plan or any document, instrument, or agreement (including those set forth in the Working Capital Facility Credit Agreement, Second Lien Exit Credit Agreement, Reorganized LightSquared Inc. Credit Agreement, Exit Intercreditor Agreement, Reorganized Debtors Governance Documents, and the Plan Supplement) executed to implement the Plan.

G. Injunctions

Except as otherwise expressly provided in the Plan, or for obligations issued pursuant to the Plan, all Entities who have held, hold, or may hold Claims or Equity Interests that have been released pursuant to Section VIII.D hereof or Section VIII.F hereof, discharged pursuant to Section VIII.A hereof, or are subject to exculpation pursuant to Section VIII.E hereof are permanently enjoined, from and after the Effective Date, from taking any of the following actions against the Debtors or the Reorganized Debtors: (1) commencing or continuing in any manner any action or other proceeding of any kind on account of, in connection with, or with respect to any such Claims or Equity Interests; (2) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of, in connection with, or with respect to any such Claims or Equity Interests; (3) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or estates of such Entities on account of, in connection with, or with respect to any such Claims or Equity Interests; (4) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property or Estates of such Entities on account of, in connection with, or with respect to any such Claims or Equity Interests unless such Holder has Filed a motion requesting the right to perform such setoff on or before the Confirmation Date, and notwithstanding an indication in a Proof of Claim or proof of Equity Interest or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to section 553 of the Bankruptcy Code or otherwise; and (5) commencing or continuing in any manner any action or other proceeding of any kind on account of, in connection with, or with respect to any such Claims or Equity Interests released or settled pursuant to the Plan. Nothing in the Plan or Confirmation Order shall preclude any Entity from pursuing an action against one or more of the Debtors in a nominal capacity to recover insurance proceeds so long as the Debtors or Reorganized Debtors, as applicable, and any such Entity agree in writing that such Entity shall (1) waive all Claims against the Debtors, the Reorganized Debtors, and the Estates

related to such action and (2) enforce any judgment on account of such Claim solely against applicable insurance proceeds, if any.

H. Release of Liens

Except as otherwise provided in the Plan, or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, (1) on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and (2) in the case of a Secured Claim, upon satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, settled, discharged, and compromised and all rights, titles, and interests of any Holder of such mortgages, deeds of trust, Liens, pledge, or other security interests against any property of the Estates shall revert to the Reorganized Debtors and their successors and assigns. The Reorganized Debtors shall be authorized to file any necessary or desirable documents to evidence such release in the name of such Holder of a Secured Claim.

**ARTICLE IX.
CONDITIONS PRECEDENT TO CONFIRMATION DATE AND EFFECTIVE DATE
OF PLAN**

A. Conditions Precedent to Confirmation Date

It shall be a condition to the Confirmation Date of the Plan that the following conditions shall have been satisfied (prior to, or in conjunction with, entry of the Confirmation Order) or waived pursuant to the provisions of Section IX.C hereof:

1. Except as otherwise agreed by each of the New Investors, the FCC shall not have:
(a) denied any Material Regulatory Request in writing on material substantive grounds; (b) denied any Material Regulatory Request in writing on any other grounds without affording the applicant or petitioner an opportunity to submit a substantively similar request without prejudice; or (c) otherwise taken action so as to preclude a reasonable prospect of satisfying any FCC Objective.
2. The Bankruptcy Court shall have entered the Confirmation Order.
3. The Bankruptcy Court shall have entered the Disclosure Statement Order and the Canadian Court shall have entered the Disclosure Statement Recognition Order.
4. The Plan Support Agreement shall be in full force and effect.
5. The New DIP Orders shall have been entered contemporaneously with the Confirmation Order.
6. The Standing Motion Stipulation Order shall have been entered by the Bankruptcy Court.

7. The JPM Inc. Facilities Claims Purchase Agreement shall have been executed and be in full force and effect.
8. The New Investor Commitment Documents shall have been executed and be in full force and effect.
9. The Prepetition Inc. Fee Claims and DIP Inc. Fee Claims shall have been paid in full in Cash
10. The Debtors shall have received (a) binding commitments with respect to the Effective Date Investments, (b) a highly confident letter with respect to the Working Capital Facility, in each case, on terms and conditions satisfactory to each of the New Investors and the Debtors, and (c) binding commitments with respect to the Cash portion of the Second Lien Exit Facility.
11. The New Investor Break-Up Fee and the commitment fee under the Second Lien Exit Facility Commitment Letter shall each have been approved by the Bankruptcy Court.

B. Conditions Precedent to Effective Date

It shall be a condition to the Effective Date of the Plan that the following conditions shall have been satisfied or waived (upon agreement of each of the New Investors and the Debtors) pursuant to the provisions of Section IX.C hereof:

1. The Confirmation Order shall have become a Final Order.
2. The transactions contemplated by the JPM Inc. Facilities Claims Purchase Agreement shall have been consummated.
3. The New DIP Orders (a) shall have been entered and (b) shall have become Final Orders.
4. The New DIP Recognition Order shall have become a Final Order.
5. The New DIP Facilities shall have been funded, and there shall not be any default under the New DIP Credit Agreements or the New DIP Orders with respect to which the New DIP Agents or New DIP Lenders are exercising any rights and remedies against the collateral under such New DIP Facilities.
6. The Plan Documents, to the extent applicable to the transactions to be consummated pursuant to the Confirmation Order, shall have been executed and delivered, and any conditions (other than the occurrence of the Effective Date or certification that the Effective Date has occurred) contained therein shall have been satisfied or waived in accordance therewith, including, but not limited to:
 - (a) the Working Capital Facility Credit Agreement and any related documents, in forms and substance satisfactory to New LightSquared,

- each of the New Investors, and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof, and the incurrence of obligations pursuant to the Working Capital Facility Credit Agreement shall have occurred;
- (b) the Second Lien Exit Credit Agreement and any related documents, in forms and substance satisfactory to each of the New Investors and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof, the incurrence of obligations pursuant to the Second Lien Exit Credit Agreement, and the funding of all New Money Lender Commitments (as such term is defined in the Second Lien Exit Credit Agreement) shall have occurred;
 - (c) the Reorganized LightSquared Inc. Exit Facility and any related documents, in forms and substance satisfactory to each of the New Investors and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, and the incurrence of obligations pursuant to the Reorganized LightSquared Inc. Exit Facility shall have occurred;
 - (d) the New LightSquared Interest Holders Agreement, in form and substance satisfactory to each of the New Investors and the Debtors, shall have been executed and delivered by all of the Entities that are parties thereto, and all conditions precedent to the consummation thereof shall have been waived or satisfied in accordance with the terms thereof; and
 - (e) the Debtors shall have sufficient Cash on hand to fund the Professional Fee Reserve and the Disputed Claims and Equity Interests Reserve.
7. The Canadian Court shall have entered the Confirmation Recognition Order and such order shall have become a Final Order.
 8. All necessary actions, documents, certificates, and agreements necessary to implement the Plan shall have been effected or executed and delivered to the required parties and, to the extent required, Filed with the applicable governmental units in accordance with applicable laws.
 9. Except as otherwise agreed by each of the New Investors, the FCC shall not have:
 - (a) denied any Material Regulatory Request in writing on material substantive grounds; (b) denied any Material Regulatory Request in writing on any other grounds without affording the applicant or petitioner an opportunity to submit a substantively similar request without prejudice; or (c) otherwise taken action so as to preclude a reasonable prospect of satisfying any FCC Objective.

10. The FCC, Industry Canada, and other applicable governmental authorities shall have granted any necessary consents and approvals required for the Debtors to emerge from chapter 11 pursuant to the Plan (including, without limitation and to the extent applicable, consents to the assignment of the Debtors' licenses and/or the transfer of control of the Debtors, as well as customary approvals and authorizations related thereto) and any statutory waiting periods shall have expired (including under the *Hart-Scott-Rodino Antitrust Improvements Act of 1976 and the Competition Act (Canada)*).
11. The Plan Support Agreement shall be in full force and effect.
12. The Debtors shall have paid in full in Cash all New Investor Fee Claims.
13. The Harbinger Litigations shall have been assigned to New LightSquared.
14. The identity of the Chairman of the New LightSquared Board shall be reasonably acceptable to each of the New Investors.

C. Waiver of Conditions

The conditions to the Confirmation Date and/or the Effective Date of the Plan set forth in this Article IX may be waived by the agreement of each of the New Investors and the Debtors, without notice to, or action, order, or approval of, the Bankruptcy Court, the Canadian Court, or any other Entity; provided, that if the Inc. Facilities Claims Purchase Closing Date and payment in full in Cash of the DIP Inc. Claims has not yet occurred, the conditions to Confirmation set forth in Section IX.A may not be waived without the consent of MAST, other than Sections IX.A.1, IX.A.10, and IX.A.11.

**ARTICLE X.
MODIFICATION, REVOCATION, OR WITHDRAWAL OF PLAN**

A. Modification and Amendments

Except as otherwise specifically provided in the Plan, the Plan Proponents (in accordance with the Plan Support Agreement, as applicable, and the terms of this Article X), reserve the right with the written consent of each Plan Proponent to modify the Plan as to material terms and seek Confirmation consistent with the Bankruptcy Code; provided, however, that the Plan may not be modified or amended with respect to (1) a MAST Term or (2) Articles I, II, II.A, II.C, III, IV.A, IV.B.1, VI (solely as to such terms that pertain to MAST or the Prepetition Inc. Agent), VII, IX.A, IX.C, X, XI (solely as to such terms that pertain to MAST or the Prepetition Inc. Agent), and XII hereof, without the prior written consent of MAST and the Prepetition Inc. Agent, which consent, in the case of clause (2), immediately above and when unrelated to a MAST Term, shall not be unreasonably withheld or delayed. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, and those restrictions on modifications set forth in the Plan and in the Plan Support Agreement, the Plan Proponents other than the Debtors (in accordance with the Plan Support Agreement or the terms of this Section X.A), expressly reserve the right to alter, amend, or modify materially the

Plan with respect to any Debtor, one or more times, after Confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court or Canadian Court to so alter, amend, or modify the Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement, the Confirmation Order, or the Confirmation Recognition Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. Any such modification or supplement shall be considered a modification of the Plan and shall be made in accordance with this Section X.A.

B. Effect of Confirmation on Modifications

Entry of a Confirmation Order or Confirmation Recognition Order shall mean that all modifications or amendments to the Plan since the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

C. Revocation or Withdrawal of Plan

The Plan Proponents, with the consent of each Plan Proponent, MAST, and the Prepetition Inc. Agent, in accordance with the Plan Support Agreement (or, in the case of the Debtors, the terms of this Section X.C), reserve the right to revoke or withdraw the Plan prior to the Confirmation Date and to file subsequent chapter 11 plans. The Debtors reserve their right to withdraw support for the Plan at any time if it is determined that pursuing the Plan would be inconsistent with the exercise of their fiduciary duties; provided, however, that such withdrawal is without prejudice to the right of the other Plan Proponents to continue to seek confirmation and consummation of the Plan. If the Plan Proponents collectively revoke or withdraw the Plan, or if the Confirmation or Consummation does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claims or Equity Interests or Class of Claims or Equity Interests), assumption, assumption and assignment, or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void in all respects (provided, however, that the foregoing shall not apply to (x) the Standing Motion Stipulation and the withdrawal of the Standing Motion as to the Prepetition Inc. Facility Non-Subordinated Claims or (y) the JPM Inc. Facilities Claims Purchase Agreement or the New Investor Commitment Documents to the extent that the Inc. Facilities Claims Purchase Closing Date has occurred); and (3) nothing contained in the Plan or the Disclosure Statement shall (a) constitute a waiver or release of any Claims or Equity Interests in any respect, (b) prejudice in any manner the rights of the Debtors or any other Entity in any respect, or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Entity in any respect.

D. Validity of Certain Plan Transactions If Effective Date Does Not Occur

If, for any reason, the Plan is Confirmed, but the Effective Date does not occur, any and all post-Confirmation Date and pre-Effective Date Plan Transactions that were authorized by the Bankruptcy Court, whether as part of the New DIP Facilities, the purchases pursuant to the JPM Inc. Facilities Claims Purchase Agreement, the New Investor Commitment Documents, the Plan,

or otherwise, and any distributions made from proceeds of the New DIP Facilities, shall be deemed valid, in full force and effect, and not subject to revocation or reversal.

**ARTICLE XI.
RETENTION OF JURISDICTION**

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain jurisdiction over all matters arising out of, or relating to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including jurisdiction to:

1. Allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Equity Interest, including the resolution of any request for payment of any Administrative Claim, of any request for the payment or Plan Distribution on account of Claims entitled to priority pursuant to section 507 of the Bankruptcy Code, and of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Equity Interests;
2. Decide and resolve all matters relating to the granting and denying, in whole or in part, of any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;
3. Resolve any matters relating to the following: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including Cure Costs pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed, or assumed and assigned; (c) the Reorganized Debtors amending, modifying, or supplementing, after the Effective Date, pursuant to Article V hereof, any Executory Contracts or Unexpired Leases to the list of Executory Contracts and Unexpired Leases to be assumed, or assumed and assigned; and (d) any dispute regarding whether a contract or lease is or was executory or unexpired;
4. Ensure that Plan Distributions to Holders of Allowed Claims and Allowed Equity Interests are accomplished pursuant to the provisions of the Plan;
5. Adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;
6. Adjudicate, decide, or resolve any and all matters related to Causes of Action;

7. Adjudicate, decide, or resolve all matters related to the Standing Motion Stipulation and Standing Motion Stipulation Order;
8. Adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;
9. Enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan or the Disclosure Statement;
10. To hear and determine any matters relating to, arising out of, or in connection with the implementation of the Working Capital Facility, the Second Lien Exit Facility, the Reorganized LightSquared Inc. Exit Facility, the Exit Intercreditor Agreement, the Reorganized Debtors Governance Documents, the Second Lien Exit Facility Commitment Letter, or any ancillary or related agreements thereto;
11. Resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the Consummation, interpretation, or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;
12. Issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with the Consummation or enforcement of the Plan, including the releases set forth therein;
13. Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the releases, injunctions, and other provisions contained in Article VIII hereof and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;
14. Hear and determine all disputes involving the existence, nature, or scope of the Debtors' discharge, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date;
15. Resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of Plan Distributions and the recovery of additional amounts owed by the Holder of a Claim or Equity Interest for amounts not timely repaid pursuant to Section VI.J hereof;
16. Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

17. Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, indenture, or other agreement or document created in connection with the Plan or the Disclosure Statement;
18. Enter an order or final decree concluding or closing the Chapter 11 Cases;
19. Adjudicate any and all disputes arising from or relating to Plan Distributions under the Plan or any transactions contemplated therein;
20. Adjudicate any and all disputes arising from or relating to the JPM Inc. Facilities Claims Purchase Agreement.
21. Adjudicate any and all disputes arising from, or relating to, the New Investor Commitment Documents.
22. Consider any modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;
23. Hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;
24. Enforce all orders previously entered by the Bankruptcy Court; and
25. Hear any other matter not inconsistent with the Bankruptcy Code.

**ARTICLE XII.
MISCELLANEOUS PROVISIONS**

A. Immediate Binding Effect

Subject to Section IX.B hereof, and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan, the Plan Supplement, the Confirmation Order, and the Confirmation Recognition Order shall be immediately effective and enforceable and deemed binding upon the Debtors, the Reorganized Debtors, and any and all Holders of Claims or Equity Interests (irrespective of whether such Claims or Equity Interests are deemed to have accepted the Plan), all Entities that are parties, or are subject, to the settlements, compromises, releases, discharges, and injunctions described in the Plan, each Entity acquiring or receiving property under the Plan, and any and all non-Debtor parties to Executory Contracts or Unexpired Leases with the Debtors. All Claims and debts shall be as fixed, adjusted, or compromised, as applicable, pursuant to the Plan regardless of whether any Holder of a Claim or debt has voted on the Plan. For the avoidance of doubt, upon entry of the Confirmation Order the JPM Inc. Facilities Claims Purchase Agreement, and the New Investor Commitment Documents shall remain binding, subject to the terms thereof, regardless of whether the Effective Date occurs.

B. Additional Documents

On or before the Effective Date, the Plan Proponents may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors, the New Investors or the Reorganized Debtors, as applicable, and all Holders of Claims or Equity Interests receiving Plan Distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or appropriate to effectuate the provisions and intent of the Plan.

C. Reservation of Rights

Except as expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court shall have entered the Confirmation Order. None of the Filing of the Plan, any statement or provision contained in the Plan, or the taking of any action by any Debtor, any Plan Proponent, or any Plan Support Party with respect to the Plan or the Disclosure Statement, shall be or shall be deemed to be an admission or waiver of any rights of any Debtor with respect to the Holders of Claims or Equity Interests prior to the Effective Date.

D. Successors and Assigns

Except as expressly set forth in the Plan, the rights, benefits, and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign, affiliate, officer, director, agent, representative, attorney, beneficiary, or guardian, if any, of each Entity.

E. Service of Documents

After the Effective Date, any pleading, notice, or other document required by the Plan to be served on or delivered to:

the Debtors or the Reorganized Debtors, shall be served on:

LightSquared Inc.
Attn: General Counsel
10802 Parkridge Boulevard
Reston, VA 20191

Milbank, Tweed, Hadley & McCloy LLP
Matthew S. Barr
Steven Z. Szanzer
Karen Gartenberg
One Chase Manhattan Plaza
New York, NY 10005

the Special Committee, shall be served on:

Kirkland & Ellis LLP
Paul M. Basta
Joshua A. Sussberg
601 Lexington Avenue
New York, NY 10022

Fortress, shall be served on:

Fortress Credit Opportunities Advisors LLC 1345 Avenue of the Americas New York, NY 10105 Kristopher M. Hansen	Stroock & Stroock & Lavan LLP Frank A. Merola Jayme T. Goldstein 180 Maiden Lane New York, NY 10038
--	---

JPM Investment Parties, shall be served on:

JPMorgan Chase & Co. Patrick Daniello 383 Madison Ave. New York, NY 10179	Simpson Thacher & Bartlett LLP Sandeep Qusba Elisha D. Graff 425 Lexington Avenue New York, NY 10017
--	--

Harbinger, shall be served on:

Kasowitz, Benson, Torres & Friedman
LLP
David M. Friedman
Adam L. Shiff
1633 Broadway
New York, NY 10019

Centerbridge, shall be served on:

Centerbridge Partners, L.P. Vivek Melwani Jared Hendricks 375 Park Avenue, 12th Floor New York, NY 10152	Fried, Frank, Harris, Shriver & Jacobson LLP Brad Eric Scheler Peter B. Siroka Aaron S. Rothman One New York Plaza New York, NY 10004
--	--

MAST, the Prepetition Inc. Agent and/or the DIP Inc. Agent shall be served on:

MAST Capital Management, LLC Peter Reed Adam Kleinman The John Hancock Tower 200 Clarendon Street, Floor 51 Boston, MA 02116	Akin Gump Strauss Hauer & Feld LLP Philip C. Dublin Meredith A. Lahaie One Bryant Park New York, NY 10036
---	---

After the Effective Date, the Reorganized Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have Filed a renewed request to receive documents pursuant to Bankruptcy Rule 2002.

F. Term of Injunctions or Stays

Unless otherwise provided in the Plan, the Confirmation Order, or the Confirmation Recognition Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court or the Canadian Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan, the Confirmation Order, or the Confirmation Recognition Order), shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan, the Confirmation Order, or the Confirmation Recognition Order shall remain in full force and effect in accordance with their terms.

G. Plan Supplement

All exhibits and documents included in the Plan Supplement are incorporated into, and are a part of, the Plan as if set forth in full in the Plan, and any reference to the Plan shall mean the Plan and the Plan Supplement. Upon its Filing, the Plan Supplement may be inspected in the office of the clerk of the Bankruptcy Court or its designee during normal business hours, at the Bankruptcy Court's website at www.nysb.uscourts.gov, and at the website of the Claims and Solicitation Agent at <http://www.kccllc.net/lightsquared>. The documents contained in the Plan Supplement are an integral part of the Plan and shall be deemed approved by the Bankruptcy Court pursuant to the Confirmation Order.

H. Entire Agreement

Except as otherwise indicated, the Plan and the Plan Supplement (which, for the avoidance of doubt, shall not include the New DIP Order) supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

I. Non-severability of Plan Provisions

If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall be deemed to provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is (1) valid and enforceable pursuant to its terms, (2) integral to the Plan and may not be deleted or modified without the consent of the Debtors, the New Investors and, to the extent

otherwise set forth herein or in the Plan Support Agreement, MAST, and (3) non-severable and mutually dependent.

J. Votes Solicited in Good Faith

Upon entry of the Confirmation Order, the Plan Proponents shall be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code, and pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and each of their respective Affiliates, subsidiaries, members, principals, shareholders, officers, directors, employees, representatives, agents, financial advisors, attorneys, accountants, investment bankers, consultants, and other professionals shall be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of Securities offered and sold under the Plan, and, therefore, shall have no liability for the violation of any applicable law, rule, or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale, or purchase of the Securities offered and sold under the Plan.

K. Waiver or Estoppel

Each Holder of a Claim or an Equity Interest shall be deemed to have waived any right to assert any argument, including the right to argue that its Claim or Equity Interest should be Allowed in a certain amount, in a certain priority, Secured, or not subordinated by virtue of an agreement made with the Debtors or their counsel or any other Entity, if such agreement was not disclosed in the Plan, the Disclosure Statement, or papers Filed with the Bankruptcy Court prior to the Confirmation Date.

L. Conflicts

Except as set forth in the Plan, to the extent that any provision of the Disclosure Statement, the Plan Supplement, or any other order (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements, or amendments to any of the foregoing), conflicts with or is in any way inconsistent with any provision of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit or non-document portion of the Plan shall govern and control.

New York, New York
Dated: March 26, 2015

**LIGHTSQUARED INC.,
LIGHTSQUARED LP, AND THE OTHER
DEBTORS IN THE CHAPTER 11 CASES**

/s/ Douglas Smith

Douglas Smith

Chief Executive Officer, President, and
Chairman of the Board of LightSquared Inc.

New York, New York
Dated: March 26, 2015

**CENTERBRIDGE PARTNERS, L.P., ON
BEHALF OF CERTAIN OF ITS AFFILIATED
FUNDS**

By: /s/ Jared S. Hendricks

Name: Jared S. Hendricks

Title: Authorized Signatory

New York, New York
Dated: March 26, 2015

**FORTRESS CREDIT OPPORTUNITIES
ADVISORS LLC, ON BEHALF OF CERTAIN
FUNDS AND/OR ACCOUNTS MANAGED BY
IT AND ITS AFFILIATES**

By: /s/ Constantine M. Dakolias

Name: Constantine M. Dakolias

Title: President

New York, New York
Dated: March 26, 2015

HARBINGER CAPITAL PARTNERS LLC

By: /s/ Philip A. Falcone
Name: Philip A. Falcone
Title: Chief Executive Officer

HGW HOLDING COMPANY, L.P.

By: /s/ Philip A. Falcone
Name: Philip A. Falcone
Title: Chief Executive Officer

BLUE LINE DZM CORP.

By: /s/ Keith M. Hladek
Name: Keith M. Hladek
Title: Authorized Signatory

HCP SP INC.

By: /s/ Philip A. Falcone
Name: Philip A. Falcone
Title: President

Exhibit B

Election Form

**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

ELECTION FORM FOR EXISTING LP PREFERRED UNITS (CLASS 11)

You are receiving this election form (the “Election Form”) because you are a holder of Existing LP Preferred Units as described in the *Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, dated March 26, 2015 [Docket No. 2265] (as amended, supplemented, or modified from time in accordance with the terms thereof, the “Plan”).

Please read and follow the enclosed instructions carefully before completing the Election Form. If you have any questions about the contents of the Election Form or the related instructions, please contact counsel to LightSquared, Milbank, Tweed, Hadley & M^cCloy LLP, One Chase Manhattan Plaza, New York, NY 10005-1413, Attn: Matthew S. Barr, Esq., Steven Z. Szanzer, Esq., and Karen Gartenberg, Esq. at (212) 530-5000. Capitalized terms used in this Election Form or the related instructions but not otherwise defined herein have the meanings given to them in the Plan.

PLAN DISTRIBUTION

Pursuant to the Plan, each holder of Existing LP Preferred Units has the option to receive, on account of its Existing LP Preferred Units, Plan Consideration in the form of either (1) New LightSquared Series A-2 Preferred Interests having a liquidation preference equal to such holder’s pro rata share of the Existing LP Preferred Units Distribution Amount or (2) New LightSquared Series C Preferred Interests having a liquidation preference equal to such holder’s pro rata share of the Existing LP Preferred Units Distribution Amount. Any holder of Existing LP Preferred Units that wishes to receive New LightSquared Series A-2 Preferred Interests rather than New LightSquared Series C Preferred Interests must timely make the election to do so (the “Election”). **If you do not timely make the Election, you will receive New LightSquared Series C Preferred Interests having a liquidation preference equal to your pro rata share of the Existing LP Preferred Units Distribution Amount.**

¹ The debtors in these Chapter 11 Cases (collectively, “LightSquared” or the “Debtors”), 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.

The terms of the New LightSquared Series A-2 Preferred Interests and New LightSquared Series C Preferred Interests are set forth in the New LightSquared Interest Holders Agreement on file with the Bankruptcy Court.

TIMING OF THE ELECTION

The timing for the Election is separate from voting on the Plan. As we have previously informed you, the deadline to vote on the Plan was February 9, 2015, at 4 p.m. (prevailing Pacific time). The option to make the Election remains open after the voting deadline. To make the Election, this Election Form must be completed, signed, and timely received by LightSquared and each of the New Investors **by April 10, 2015, at 5 p.m. (prevailing Eastern time)** (the "Election Deadline"). If your Election Form is not received by LightSquared and each of the New Investors by the Election Deadline, you shall be deemed to have elected to receive New LightSquared Series C Preferred Interests.

**INFORMATION AND INSTRUCTIONS
FOR COMPLETING THE ELECTION FORM**

In Item 1 of the Election Form, please indicate (a) the number of Existing LP Preferred Units that you own or hold and (b) by checking one of the boxes provided therein, either your acceptance or rejection of the Election. If you choose to accept the Election, you agree to receive New LightSquared Series A-2 Preferred Interests. If you decline the Election, submit your Election Form without any box in Item 1 checked, or fail to timely submit your Election Form, you shall be deemed to have elected to receive New LightSquared Series C Preferred Interests.

Complete the Election Form by providing all of the information requested. Please deliver your Election Form by first class mail, hand delivery, overnight courier to:

the Debtors:

LightSquared Inc.
Attn: General Counsel
10802 Parkridge Boulevard
Reston, VA 20191

Milbank, Tweed, Hadley & McCloy LLP
Matthew S. Barr
Steven Z. Szanzer
Karen Gartenberg
One Chase Manhattan Plaza
New York, NY 10005

With a copy to counsel for each of the New Investors at:

Stroock & Stroock & Lavan LLP
Kristopher Hansen
Jayme T. Goldstein
180 Maiden Lane
New York, NY 10038

Simpson Thacher & Bartlett LLP
Sandeep Qusba
Elisha D. Graff
425 Lexington Avenue
New York, NY 10017

Kasowitz, Benson, Torres & Friedman LLP
David M. Friedman
Adam L. Shiff
1633 Broadway
New York, NY 10019

Fried, Frank, Harris, Shriver & Jacobson LLP
Brad Eric Scheler
Peter B. Siroka
Aaron S. Rothman
One New York Plaza
New York, NY 10004

The method of delivery of Election Forms to be sent to LightSquared and the New Investors is at the election and risk of each holder of Existing LP Preferred Units, but, except as otherwise provided herein, such delivery shall be deemed made only when the executed Election Form is actually received by LightSquared and each of the New Investors.

PLEASE COMPLETE, SIGN, AND DATE THE ELECTION FORM AND RETURN IT PROMPTLY.

The Election Form is not a letter of transmittal and may not be used for any purpose other than making the Election. Accordingly, you should not surrender instruments or certificates representing or evidencing your Equity Interests, and neither LightSquared nor the New Investors shall accept delivery of such instruments or certificates surrendered together with an Election Form.

All Elections are final and may not be withdrawn or revoked without the consent of LightSquared and each of the New Investors. If multiple Election Forms are received by LightSquared and the New Investors from the same holder of Existing LP Preferred Units with respect to the same Existing LP Preferred Units prior to the Election Deadline, the first dated valid Election Form received by LightSquared shall supersede and override any subsequently dated Election Form.

Holders of Existing LP Preferred Units must make the Election for all of their Existing LP Preferred Units. Accordingly, an Election Form that makes the Election for only a portion of such holder's Existing LP Preferred Units shall not be deemed a valid Election.

Unless otherwise ordered by the Bankruptcy Court, all questions as to the validity, form, and eligibility (including time of receipt) of Elections shall be determined by LightSquared and the New Investors, which determination shall be final and binding.

A person signing an Election Form in its capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation, or otherwise acting in a fiduciary or representative capacity must indicate such capacity when signing and, if required or requested by the applicable holder of Existing LP Preferred Units or its agent, LightSquared, any of the New Investors, or the Bankruptcy Court, must submit proper evidence to the requesting party demonstrating its authority to so act on behalf of such holder of Existing LP Preferred Units.

Any defects or irregularities in connection with deliveries of Election Forms must be cured prior to the Election Deadline or such Elections shall not be deemed made; provided, however, that LightSquared and the New Investors, subject to contrary order of the Bankruptcy Court, may waive any defects or irregularities as to any particular Election at any time, either before or after the Election Deadline.

Neither LightSquared, any of the New Investors, nor any other entity shall (a) be under any duty to provide notification of defects or irregularities with respect to delivered Election Forms or (b) incur any liability for failure to provide such notification.

Subject to any contrary order of the Bankruptcy Court, LightSquared and the New Investors reserve the right to reject any and all Elections not in proper form.

The following shall render Elections invalid: (a) any Election Form that is illegible or contains insufficient information to permit the identification of the holder of the Existing LP Preferred Units; (b) any Election Form that contains the Election by a party that does not hold Existing LP Preferred Units that is entitled to make the Election under the Plan; (c) any unsigned Election Form; or (d) any Election Form not marked to accept or reject the Election or any Election Form marked both to accept and reject the Election.

ELECTION FORM

**PLEASE READ THE ATTACHED ELECTION INFORMATION
AND INSTRUCTIONS BEFORE COMPLETING THE ELECTION FORM**

**PLEASE PROVIDE ALL OF THE REQUESTED INFORMATION AND COMPLETE ALL
OF THE APPLICABLE ITEMS BELOW. IF THE ELECTION FORM IS NOT SIGNED ON
THE APPROPRIATE LINES, THIS ELECTION FORM WILL NOT BE VALID.**

Item 1. Election. The undersigned, the record holder of Existing LP Preferred Units in connection with the following number of units _____, makes the following choice with respect to the Election (check **one** box):

- Accepts** the Election. **Declines** the Election.

NOTE: Check the box to **ACCEPT** if you choose to receive New LightSquared Series A-2 Preferred Interests. If you check the box to **DECLINE**, submit your Election Form without any box in Item 1 checked, or fail to timely submit your Election Form, you shall be deemed to have elected to receive New LightSquared Series C Preferred Interests.

Item 2. Certification and Acknowledgment. By signing this Election Form, the undersigned certifies to the Bankruptcy Court, LightSquared, and the New Investors under the penalty of perjury that either (a) such person or entity is the holder, as of the Distribution Record Date, of the Existing LP Preferred Units for which the Election is being made or (b) such person or entity is an authorized signatory for a person or entity which is the holder, as of the Distribution Record Date, of the Existing LP Preferred Units for which the Election is being made. The undersigned acknowledges that if the Election is made, the holder of Existing LP Preferred Units will receive New LightSquared Series A-2 Preferred Interests on account of its Existing LP Preferred Units and will not receive New LightSquared Series C Preferred Interests.

Name of Holder

Signature

If by Authorized Agent, Name and Title

Name of Institution

Street Address

City, State, Zip Code

Telephone Number

Email Address

Date Completed

Please check here if the above address is a change of address that you would like reflected in the Master Service List for the Chapter 11 Cases.

PLEASE MAKE SURE YOU HAVE PROVIDED ALL OF THE INFORMATION REQUESTED BY THIS ELECTION FORM AND COMPLETED ALL OF THE APPLICABLE ITEMS. YOU SHOULD READ AND FOLLOW THE ENCLOSED INSTRUCTIONS CAREFULLY BEFORE COMPLETING THIS ELECTION FORM. YOU MAY WISH TO SEEK LEGAL ADVICE CONCERNING THE ELECTION. PLEASE COMPLETE, SIGN, AND DATE THIS ELECTION FORM AND RETURN IT PROMPTLY, SO AS TO BE RECEIVED BY LIGHTSQUARED AND EACH OF THE NEW INVESTORS NO LATER THAN 5:00 P.M. (PREVAILING EASTERN TIME) ON April 10, 2015, OR YOUR ELECTION SHALL NOT BE DEEMED MADE.

Exhibit "C" to the Affidavit of Elizabeth Creary,
sworn before me this 5th day of June, 2015.



Commissioner for Taking Affidavits, etc.

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

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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"), at the direction of the special committee of the boards of directors (the "Special Committee") for LightSquared Inc. and LightSquared GP Inc., and on behalf of the Plan Proponents,² for entry of an order (the "Order"), pursuant to sections 105(a) and 363(b) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (as amended, the "Bankruptcy Code"), authorizing LightSquared to (a) enter into, effective as of May 13, 2015, and perform under (i) an engagement letter (substantially in the form attached to this Motion as Exhibit A, the "Engagement Letter")³ with Credit Suisse Securities (USA) LLC ("Credit Suisse"), Jefferies Finance LLC ("Jefferies"), and Morgan Stanley Senior Funding, Inc. ("Morgan Stanley" and, collectively with Credit Suisse and Jefferies, the "Lead Arrangers"), (b) pay certain fees and expenses associated with the Engagement Letter and Working Capital Facility (as defined below), and (c) provide related indemnities. In support of this Motion, LightSquared respectfully states as follows:

Preliminary Statement

1. On March 27, 2015, the Court confirmed the *Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 2276-1] (the "Plan") and set LightSquared on its path to emerge from chapter 11. See Order Confirming Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code [Docket No. 2276]

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan or the Engagement Letter (each, as defined below), as applicable.

³ The Engagement Letter contains proprietary and confidential information relating to fees that the Lead Arrangers intend to charge LightSquared in connection with its obligations thereunder. LightSquared is filing simultaneously herewith a motion pursuant to section 107 of the Bankruptcy Code seeking authority to file the Engagement Letter under seal (*i.e.*, with only confidential information redacted). Pursuant to such motion, the fully unredacted Engagement Letter will only be available to the United States Trustee for the Southern District of New York and counsel subject to the *Stipulation and Agreed Order Establishing Procedures for the Protection of Confidential Information* [Docket No. 437].

(the “Confirmation Order”). Key to such emergence is the raising of a first lien exit credit facility (the “Working Capital Facility”), the proceeds of which will be used, among other things, to repay obligations under LightSquared’s current DIP facility⁴ and other administrative claims, to make Plan Distributions, and to fund New LightSquared’s working capital needs.

2. With the Confirmation Order in hand, LightSquared and its advisors, in consultation with the New Investors, began analyzing market conditions to determine the optimal timing for LightSquared to raise the Working Capital Facility. Over the course of extensive market testing, LightSquared received a significant level of interest from potential arrangers and lenders to arrange and fund the financing. After substantial, good faith, and arm’s-length negotiations, LightSquared decided to engage the Lead Arrangers – three preeminent financial institutions and market leaders – to arrange the Working Capital Facility pursuant to the terms of the Engagement Letter.⁵

3. Importantly for LightSquared, the Engagement Letter is structured such that the amount of the Lead Arrangers’ fees depends in part on the yield of the Working Capital Facility – the higher the cost of borrowing to LightSquared, the lower the fees paid to the Lead Arrangers. Thus, capitalizing on current market conditions, the Lead Arrangers have begun marketing the Working Capital Facility to include an interest rate of 7.75% above LIBOR (subject to a LIBOR floor of 1.00% and 3.0% of original issue discount), along with other terms substantially set forth in Exhibit A to the Engagement Letter (the “Term Sheet”).

4. Moreover, the Engagement Letter provides that the full amount of the Working Capital Facility (i.e., \$1.75 billion) be arranged now and funded in one draw on the

⁴ Certain of the New DIP Lenders have indicated a willingness to convert on a dollar-for-dollar basis their obligations under the DIP facility to obligations under the Working Capital Facility.

⁵ Pursuant to the Engagement Letter, LightSquared will also engage Credit Suisse as administrative agent under the Working Capital Facility.

Effective Date. As this Court is aware, the Plan contemplated a Working Capital Facility in the initial amount of \$1.25 billion, with an “accordion” feature that would allow LightSquared to borrow up to an additional \$500 million over time. However, LightSquared believes that the Lead Arrangers will be able to secure such first lien financing on the best available terms and, in light of current market conditions and the flexibility provided in the relevant plan supplement documents,⁶ LightSquared has concluded that it is in the best interests of its estates to seek to raise the full \$1.75 billion of the Working Capital Facility now.

5. Accordingly, LightSquared seeks authority to enter into, effective as of May 13, 2015, the Engagement Letter, which contemplates payment of certain fees and expenses and the provision of certain customary indemnities, in addition to what has already been authorized under the Confirmation Order (as will be discussed in further detail below). For the reasons set forth herein, LightSquared respectfully submits that entry into the Engagement Letter is necessary, appropriate, in the best interests of all stakeholders, and should be approved.

Jurisdiction

6. This 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).

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

8. The statutory bases for the relief requested herein are sections 105(a) and 363(b) of the Bankruptcy Code.

⁶ Section 6.01(k) of the Second Lien Exit Credit Agreement provides that if LightSquared chooses to raise the \$500 million under the Working Capital Facility it may do so at the time that the Working Capital Facility closes, thereby giving LightSquared access to the full \$1.75 billion at one time. See Second Lien Exit Credit Agreement § 6.01(k) [Docket No. 2238] (“subject to the Intercreditor Agreement, Indebtedness arising under Senior Lien Loan Documents (including any incremental loans thereunder) and Permitted Refinancings thereof in an aggregate principal amount not to exceed (i) \$1,250,000,000, less any principal prepayments thereof, plus the amount of any accreted or capitalized paid-in-kind interest thereon, *plus* (ii) (A) \$500,000,000, plus the amount of any accreted or capitalized paid-in-kind interest thereon, *less* (B) any Indebtedness incurred pursuant to Section 6.01(f)(i).”

Background

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

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

11. On March 27, 2015, the Court entered the Confirmation Order.

Background to Motion

12. In consideration of the time and resources that have been and will be expended by the Lead Arrangers in arranging, structuring, and syndicating the Working Capital Facility, the Engagement Letter sets forth, in part, that LightSquared will provide certain fees, expenses and indemnities. To the extent that such fees, expenses, and indemnities are payable by the Reorganized Debtors upon or after the closing of the Working Capital Facility, their payment is already authorized pursuant to the Confirmation Order.⁷ (See Confirmation Order, ¶ 10.) However, the Engagement Letter also contemplates certain fees, expenses, and customary indemnities potentially earned prior to the Effective Date and payable as administrative expense claims, including the following:⁸

- (a) LightSquared will provide a right of first refusal to the Lead Arrangers to arrange any debt financing in the event that, within six months after the date on which it countersigns the Engagement Letter, LightSquared determines to proceed with an alternate transaction whereby any Plan

⁷ For example, the Arrangement Fee, which is the principal fee due to the Lead Arrangers as consideration for their work under the Engagement Letter, will not become payable until the closing of the Working Capital Facility on the Effective Date.

⁸ The summary of the Engagement Letter is only included herein for descriptive purposes. To the extent any conflict exists with the terms of the Engagement Letter, the terms of the Engagement Letter shall control.

Proponent acquires a substantial portion of the equity interests or assets of LightSquared or any of its affiliates and the Working Capital Facility is not entered into. If LightSquared uses a source other than the Lead Arrangers to arrange or provide debt financing in connection with such alternate transaction (notwithstanding a willingness of the Lead Arrangers to take to market the Working Capital Facility or such alternate transaction financing), LightSquared will pay the Lead Arrangers an Alternative Transaction Fee.⁹

- (b) LightSquared will reimburse the Lead Arrangers, within 30 days of written demand together with detailed supporting documentation, for all reasonable and documented out-of-pocket expenses (including due diligence expenses, syndication expenses, travel expenses, and reasonable fees, charges, and disbursements of one primary counsel to the Lead Arrangers (and (i) appropriate local counsel in applicable jurisdictions, to the extent reasonably necessary, but limited to one local counsel in each such jurisdiction, (ii) one regulatory and other specialist counsel in each specialty (which may include FCC counsel), and (iii) solely in the case of a conflict of interest, not more than one additional counsel in each relevant jurisdiction to each group of affected Lead Arrangers similarly situated)) incurred in connection with the Working Capital Facility and any related documentation (including the Engagement Letter and the definitive financing documentation) or, the administration, amendment, modification, waiver, or enforcement thereof.
- (c) LightSquared will indemnify and hold harmless the Lead Arrangers, their respective affiliates, and their respective officers, directors, employees, advisors, and agents and other representatives (each, an "Indemnified Person") from and against any and all losses, claims, damages, costs, expenses, and liabilities to which any such Indemnified Person may become subject arising out of or in connection with the Engagement Letter, the Working Capital Facility, the use of the proceeds thereof or any related transaction, or any claim, litigation, investigation, or proceeding (each, a "Proceeding") relating to any of the foregoing, regardless of whether any Indemnified Person is a party thereto, whether or not such Proceedings are brought by LightSquared, its respective equity holders, affiliates, creditors, or any other person, and reimburse each Indemnified Person within 30 days of written demand together with detailed supporting documentation for any reasonable and documented out-of-pocket legal or other expenses incurred in connection with investigating or defending any of the foregoing; provided that the foregoing indemnity will not, as to any Indemnified Person, apply to (i) losses, claims, damages, liabilities, or related expenses to the extent they are found by a final, non-appealable judgment of a court of competent jurisdiction to arise from (A) the bad

⁹ LightSquared will provide evidence of the terms of the Working Capital Facility through proffered testimony to the extent necessary.

faith, willful misconduct, or gross negligence of such Indemnified Person or (1) any of its controlled affiliates or any of the officers, directors, or employees of any of the foregoing, in each case who are involved in the Transactions, or (2) any advisors or agents of such Indemnified Person acting at the direction of such Indemnified Person, (B) a material breach of the Engagement Letter by such Indemnified Person, or (C) disputes between and among Indemnified Persons to the extent such disputes do not arise from any act or omission of LightSquared or any of its affiliates or advisors or representatives (other than claims against an Indemnified Person acting in its capacity as an agent or arranger or similar role in connection with the Working Capital Facility) or (ii) any settlement entered into by such Indemnified Person without LightSquared's written consent (such consent not to be unreasonably withheld, delayed, or conditioned); provided, however, that the foregoing indemnity will apply to any such settlement in the event such Indemnified Person shall have requested that LightSquared reimburse it for legal or other expenses incurred by it in connection with investigating, responding to, or defending any proceeding in accordance with the Engagement Letter and LightSquared shall not have reimbursed such Indemnified Person within 30 days of such request. No party to the Engagement Letter shall be liable for (i) any damages arising from the use by others of information or other materials obtained through electronic, telecommunications, or other information transmission systems except to the extent such damages resulted primarily and directly from the bad faith, gross negligence, willful misconduct, or material breach of its obligations under the Engagement Letter of such Indemnified Person (as determined by a court of competent jurisdiction in a final and non-appealable judgment) or (ii) any lost profits, special, indirect, consequential, or punitive damages in connection with the Working Capital Facility.¹⁰

- (d) The Engagement Letter also contemplates that the Lead Arrangers may market the Working Capital Facility on terms that include payment of fees and expenses for the benefit of lenders under the Working Capital Facility, including the ticking Commitment Fee described in the Term Sheet. Such Commitment Fee is to be earned by each lender upon the later of (i) the date on which commitments are allocated by the Lead Arrangers and the lenders have provided commitments in writing in form and substance reasonably satisfactory to the Company and (ii) the date of the Court's

¹⁰ This Court has previously approved similar indemnities in connection with other financing letters during these Chapter 11 Cases. *See Order, Pursuant to 11 U.S.C. §§ 105(a) and 363, Authorizing LightSquared To (A) Enter Into and Perform Under Engagement Letter Related to Exit Financing Arrangements, (B) Pay Fees and Expenses in Connection Therewith, and (C) Provide Related Indemnities* [Docket No. 667]; *Order Authorizing LightSquared To (A) Enter Into and Perform Under Engagement Letter and (B) Provide Related Indemnities* [Docket No. 1236]; *Order, Pursuant to 11 U.S.C. §§ 105(a) and 363, Authorizing LightSquared To (A) Enter Into and Perform Under Letters Related to \$1,515,000,000 Second Lien Exit Financing Arrangements, (B) Pay Fees and Expenses in Connection Therewith, and (C) Provide Related Indemnities* [Docket No. 2273].

entry of the Order (*i.e.*, prior to the closing of the Working Capital Facility on the Effective Date) and will become due and payable on the earlier of (A) the closing of the Working Capital Facility, (B) the termination of the commitments, and (C) December 15, 2015. In addition, the Term Sheet establishes that LightSquared will provide customary expenses and indemnities.

Relief Requested

13. LightSquared respectfully requests that, pursuant to sections 105(a) and 363(b) of the Bankruptcy Code, the Court enter the Order authorizing LightSquared to (a) enter into, effective as of May 13, 2015, and perform under the Engagement Letter, (b) pay fees and expenses associated therewith and with the Working Capital Facility, and (c) provide related indemnities, in each case to the extent such relief has not already been approved pursuant to the Confirmation Order.

Basis for Relief

14. LightSquared is seeking authority to enter into, effective as of May 13, 2015, and perform under the Engagement Letter, pay fees and reimburse of expenses associated therewith and with the Working Capital Facility, and provide related indemnities under sections 105(a) and 363 of the Bankruptcy Code. Section 105(a) of the Bankruptcy Code provides, in relevant part, that “[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). In addition, section 363(b)(1) of the Bankruptcy Code provides, in relevant part, that a debtor “after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1).

15. A debtor in possession’s decision to use, sell, or lease assets outside the ordinary course of business must be based upon its sound business judgment. See Official Comm. of Unsecured Creditors of LTV Aerospace and Def. Co. v. The LTV Corp. (In re

Chateaugay Corp.), 973 F.2d 141, 143 (2d Cir. 1992) (holding that judge determining section 363(b) application must find from evidence presented good business reason to grant such application); see also Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.), 722 F.2d 1063, 1071 (2d Cir. 1983) (same); In re Global Crossing Ltd., 295 B.R. 726, 743 (Bankr. S.D.N.Y. 2003) (same); In re Ionosphere Clubs, Inc., 100 B.R. 670, 675 (Bankr. S.D.N.Y. 1989) (noting that standard for determining section 363(b) motion is “good business reason”).

16. The business judgment rule is satisfied where “the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the company.” Official Comm. of Subordinated Bondholders v. Integrated Res., Inc. (In re Integrated Res., Inc.), 147 B.R. 650, 656 (S.D.N.Y. 1992) (quoting Smith v. Van Gorkom, 488 A.2d 858, 872 (Del. 1985)), appeal dismissed, 3 F.3d 49 (2d Cir. 1993). In fact, “[w]here the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to the debtor’s conduct.” Comm. of Asbestos-Related Litigants and/or Creditors v. Johns-Manville Corp. (In re Johns-Manville Corp.), 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986). Courts in this district consistently and appropriately have been reluctant to interfere with corporate decisions absent a showing of bad faith, self-interest, or gross negligence and have upheld such decisions as long as they are attributable to any “rational business purpose.” Integrated Res., 147 B.R. at 656.

17. Debtors in large chapter 11 cases commonly seek and obtain approval to enter into exit financing arrangements. See, e.g., In re Eastman Kodak Company, No. 12-10202 (Bankr. S.D.N.Y. March 8, 2013); In re LCI Holding Co., No. 12-13319 (Bankr. D. Del. May 21, 2013); In re NewPage Corp., No. 11-12804 (Bankr. D. Del. Nov. 6, 2012); In re The Great Atl.

& Pac. Tea Co., No. 10-24549 (Bankr. S.D.N.Y. Jan. 27, 2012); In re Lyondell Chem. Co., No. 09-10023 (Bankr. S.D.N.Y. March 24, 2010); In re Delta Air Lines, No. 05-17923 (Bankr. S.D.N.Y. Apr. 17, 2007); accord In re Owens Corning, No. 00-3837 (Bankr. D. Del. July 20, 2006); In re Pliant Corp., No. 06-10001 (Bankr. D. Del. May 9, 2006); In re Meridian Auto Sys.-Composites Operations, Inc., No. 05-11168 (Bankr. D. Del. June 14, 2006); In re New World Pasta Co., No. 04-2817 (Bankr. M.D. Pa. Sept. 23, 2005); In re Adelpia Commc'ns Corp., No. 02-41729 (Bankr. S.D.N.Y. June 28, 2004).

18. Since the Plan was confirmed, LightSquared and the Special Committee have remained focused on the steps necessary to bring about the Effective Date and facilitate LightSquared's emergence from bankruptcy. LightSquared has placed particular emphasis on securing exit financing that is on the best possible terms and maximizes value in light of current market conditions. Following substantial market testing and analysis by LightSquared and its advisors, LightSquared believes that such goals can best be obtained through engagement of the Lead Arrangers to arrange, structure, and syndicate the Working Capital Facility. Moreover, LightSquared believes that the fees, expenses, and indemnities set forth in, or otherwise contemplated by, the Engagement Letter are appropriate under the circumstances and ultimately justified in light of the advantageous terms on which LightSquared expects the Working Capital Facility to be funded.

19. LightSquared submits that it has negotiated the terms of the Engagement Letter with the Lead Arrangers at arm's length and in good faith. Given the size and value-maximizing potential of the Engagement, LightSquared further submits that its anticipated entry into and performance under the Engagement Letter, the payment of the fees, the reimbursement of expenses, and the provision of indemnities in connection therewith represent a sound exercise

of its business judgment and are for a valid business purpose – allowing LightSquared to effectuate the Plan in accordance with this Court’s Confirmation Order and emerge from chapter 11 expeditiously.

20. Accordingly, LightSquared submits that its entry into and performance under the Engagement Letter and the related payment of fees, reimbursement of expenses, and provision of indemnities should be authorized pursuant to sections 105(a) and 363(b) of the Bankruptcy Code.

Waiver of Bankruptcy Rule 6004(h)

21. To implement the foregoing successfully, LightSquared respectfully requests a waiver of the fourteen (14)-day stay of an order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h). Pursuant to Bankruptcy Rule 6004(h), “[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.” Fed. R. Bankr. P. 6004(h). LightSquared requires prompt approval of the Engagement Letter so that the Lead Arrangers can commence their work thereunder expeditiously. Accordingly, LightSquared submits that ample cause exists to justify a waiver of the 14-day stay imposed by Bankruptcy Rule 6004(h), to the extent it applies.

Motion Practice

22. 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. As such, LightSquared submits that this Motion satisfies Rule 9013-1(a) of the Local Bankruptcy Rules for the Southern District of New York.

Notice

23. 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 United States Trustee for the Southern District of New York, (b) the entities listed on the Consolidated List of Creditors Holding the 20 Largest Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d), (c) counsel to the Special Committee, (d) counsel to the Prepetition Agents, (e) counsel to the Existing DIP Lenders,¹¹ (f) counsel to the ad hoc secured group of Prepetition LP Lenders, (g) counsel to Harbinger Capital Partners, LLC, (h) the Internal Revenue Service, (i) the United States Attorney for the Southern District of New York, (j) the Federal Communications Commission, (k) Industry Canada, (l) counsel to the New Investors, (m) counsel to the Lead Arrangers, and (n) parties in interest who have filed a notice of appearance in these Chapter 11 Cases pursuant to Bankruptcy Rule 2002. LightSquared respectfully submits that no other or further notice is required or necessary.

¹¹ For the avoidance of doubt, LightSquared views White & Case LLP, Brown Rudnick LLP, and Simpson Thacher & Bartlett LLP as the only counsel for the Existing DIP Lenders.

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

New York, New York
Dated: May 19, 2015

/s/ Matthew S. Barr
Matthew S. Barr
Andrew M. Leblanc
Karen Gartenberg
David G.L. Schiff
MILBANK, TWEED, HADLEY & M^CCLOY LLP
1 Chase Manhattan Plaza
New York, NY 10005-1413
(212) 530-5000

Counsel to Debtors and Debtors in Possession

Exhibit A

Engagement Letter

CONFIDENTIAL

**CREDIT SUISSE SECURITIES
(USA) LLC**
Eleven Madison Avenue
New York, NY 10010

JEFFERIES FINANCE LLC
520 Madison Avenue
New York, NY 10022

**MORGAN STANLEY
SENIOR FUNDING, INC.**
1585 Broadway
New York, New York 10036

As of May 13, 2015

LightSquared LP.
10802 Parkridge Boulevard
Reston, VA 20191

Engagement Letter

Ladies and Gentlemen:

You have advised Credit Suisse Securities (USA) LLC ("CS Securities" and, together with its affiliates, "Credit Suisse"), Jefferies Finance LLC ("Jefferies Finance") and Morgan Stanley Senior Funding, Inc. ("MSSF", and Credit Suisse and Jefferies Finance and MSSF, collectively, "we" or "us") that LightSquared Inc., a Delaware corporation and certain of its affiliates (including LightSquared LP (as reorganized under and pursuant to the Plan, including its conversion into a limited liability company on the Closing Date, the "Company"), the Company, One Dot Six Corp. and their respective subsidiaries, the "LightSquared Entities") have proposed a reorganization (the "Reorganization") of LightSquared Inc. and certain of its affiliates pursuant to the Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code, dated March 26, 2015 (as amended, supplemented or modified from time to time in accordance with the terms thereof, the "Plan") to be consummated in the their currently pending cases (the "Bankruptcy Cases") under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") and that the Bankruptcy Court has authorized consummation of the Reorganization by confirming the Plan pursuant to its Order Confirming Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code (the "Confirmation Order") entered in the Bankruptcy Cases on March 27, 2015. You have advised us that the Company is seeking a first lien senior secured term loan exit facility of \$1,750,000,000 (the "Exit Facility") for the Company and certain of its affiliates to fund the Company's and certain of its affiliates' emergence from their respective Bankruptcy Cases pursuant to the Plan.

Capitalized terms used but not defined herein are used with the meanings assigned to them on Exhibit A attached hereto (the "Term Sheet" and, together with this letter, collectively, the "Engagement Letter"). As used herein, (a) "Transactions" means, collectively, the entering into and funding of the Exit Facility and the Second Lien Facility (as hereinafter defined), and the consummation of the Plan and all other related transactions, including the payment of fees and expenses in connection therewith, (b) "Closing Date" means the date on which the funding under the Exit Facility occurs and (c) "Court Order" means the order of the Bankruptcy Court authorizing the entry by the Company into this Engagement Letter in form and substance satisfactory to the Lead Arrangers.

On the date of the Court Order, the Company shall execute and deliver the signature page attached hereto as Exhibit B (the date of such execution and delivery, the "Accession Date"). This Engagement Letter shall become effective as of the date first written above on the Accession Date.

1. Engagement.

You hereby appoint CS Securities, Jefferies Finance and MSSF to act, and each of CS Securities, Jefferies Finance and MSSF hereby agrees to act (or designate one or more of its affiliates to act), as joint lead arrangers and joint bookrunners to structure, arrange and syndicate the Exit Facility (acting in such capacities the "Lead Arrangers"). The Lead Arrangers (or such designated affiliates), in such capacities, will perform the duties and exercise the authority customarily performed and exercised by them in such roles. You agree that no additional agents, co-agents or arrangers will be appointed, no other titles will be awarded and no compensation will be paid in connection with the Exit Facility (except as contemplated by this Engagement Letter) without our and your prior written approval, and you hereby confirm that all prior engagements to provide debt financing for the Reorganization have expired or been terminated (other than the engagement with Jefferies Finance to provide the Second Lien Facility). CS Securities shall have "left side" placement in all offering or marketing materials used in connection with the Exit Facility and will have the roles and responsibilities customarily associated with such name placement. It is understood and agreed that this Engagement Letter is not an express or an implied commitment or offer by, and there shall be no obligation of, the Lead Arrangers to provide any financing or to provide or underwrite or participate in any loans or other financing in connection with the Exit Facility or pursuant to this Engagement Letter. The Lead Arrangers intend to sound the market to determine the availability and market clearing terms of the Exit Facility, upon the terms and subject to the conditions set forth or referred to in this Engagement Letter during the period commencing on the date hereof until the earlier of (i) the Closing Date, (ii) the termination of this Engagement Letter by you or us upon five days' written notice to the other and (iii) 45 days after the date hereof if not executed by the Company (such period, the "Engagement Period"). From the date hereof until 60 days after the Accession Date, the Company will not solicit, initiate, or enter into any definitive agreement with any other bank, investment bank, financial institution, person or entity in respect of any offering, placement, arrangement or syndication of any debt securities or bank financing (other than the debt and equity financings contemplated by the Plan as confirmed by the Confirmation Order, excluding in each case any replacement of the Exit Facility contemplated by this Engagement Letter), by or on behalf of the Company or any other LightSquared Entities, without the consent of the Lead Arrangers.

2. Syndication

During the Engagement Period, we will use commercially reasonable efforts to syndicate the Exit Facility to a group of lenders identified by us in consultation with you (the "Lenders"); provided, that it is understood that the Lead Arrangers will not syndicate to any Disqualified Company (as defined in the Term Sheet) and you agree to use commercially reasonable efforts to assist the Lead Arrangers in completing a syndication until the earlier of (x) the Closing Date and (y) termination of the Engagement Period. Such assistance shall include (a) your using commercially reasonable efforts to ensure that the syndication efforts benefit materially from your and your subsidiaries' and affiliates' existing lending and commercial relationships, (b) the Company's facilitating direct contact between senior management and advisors of the Company and its affiliates and the proposed Lenders, (c) assistance by the Company in the preparation by the Lead Arrangers of a customary Confidential Information Memorandum for the Exit Facility (the "Confidential Information Memorandum"), and other lender presentations and customary marketing materials (such materials, collectively, "Information Materials") to be used in connection with the syndication and (d) the hosting by the Company, with the Lead Arrangers, of one or more meetings of prospective Lenders at reasonable times and locations to be mutually agreed.

At the request of the Lead Arrangers, the Company agrees to assist in the preparation by the Lead Arrangers of a version of the Confidential Information Memorandum or other Information Materials (each, a "Public Version") consisting exclusively of information with respect to the LightSquared Entities that is either publicly available or that is not material non-public information (within the meaning of United States federal securities laws) with respect to the LightSquared Entities, or any of its or their respective securities for purposes of United States federal and state securities laws (such information,

“Non-MNPI”). The Company further agrees that such Public Versions, together with any other information prepared by the Company or any other LightSquared Entities or their respective representatives will, at the request of the Lead Arrangers, be identified by the Company conspicuously marked as either (a) “Public” (collectively, the “Public Information”), which at a minimum means that the word “Public” will appear prominently on the first page of any such information, or (b) containing information that is not suitable for prospective Lenders who have advised us that they wish to receive only Non-MNPI (the “Public Side Lenders”), and the Company shall be deemed to have authorized the Public Side Lenders to treat such Public Versions and such marked information as containing only Non-MNPI. The Company acknowledges and agrees that, in addition to Public Information and unless the Company promptly notifies us otherwise after being provided a reasonable amount of time to review such documentation, (a) drafts and final definitive documentation with respect to the Exit Facility, (b) administrative materials prepared by the Lead Arrangers for prospective Lenders (such as a lender meeting invitation, allocations and funding and closing memoranda) and (c) notifications of changes in the terms of the Exit Facility may be distributed to Public Side Lenders. You represent and warrant that none of the information heretofore provided to the Lead Arrangers is MNPI and that you will identify any information you may provide in the future, if it is MNPI, as such, and we shall be entitled to assume no such information is MNPI unless you specifically inform us otherwise. The Company acknowledges that public-side employees and representatives of the Lead Arrangers who are publishing debt analysts may participate in any meetings held pursuant to clause (d) of the first paragraph in this Section 3; provided that such analysts shall not publish any information obtained from such meetings (i) until the syndication of the Exit Facility has been completed upon the making of allocations by the Lead Arrangers and the Lead Arrangers freeing the Exit Facility to trade or (ii) in violation of any confidentiality agreement between the Company and the relevant Lead Arranger. It is understood that in connection with the Company’s assistance described above, the Company will provide customary authorization letters to the Lead Arrangers authorizing the distribution of the Information Materials to prospective Lenders (and, in the case of any Public Version, a representation that such Information Materials include only Non-MNPI).

The Lead Arrangers will, in consultation with the Company, manage all aspects of the syndication, including decisions as to the selection of institutions to be approached and when they will be approached, each of which institutions shall not be Disqualified Companies, when their commitments will be accepted, which institutions will participate, the allocations of the commitments among the Lenders (in each case in consultation with the Company) and the amount and distribution of fees among the Lenders. To assist the Lead Arrangers in their syndication efforts, the Company agrees to prepare and provide to the Lead Arrangers all information with respect to the Borrower and the Transactions to which the Company has access, including all financial information and projections and forward looking information (collectively, the “Projections”), as we may reasonably request in connection with the arrangement and syndication of the Exit Facility.

3. Information

The Company hereby represents and covenants that (a) all written information other than the Projections and information of a general economic or industry specific nature (the “Information”) that has been or will be made available to us by or on behalf of the Company or any of its representatives in connection with the Transactions, when taken as a whole, is or will be, when furnished, complete and correct in all material respects and does not or will not, when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made (after giving effect to all supplements and updates thereto) and (b) the Projections that have been or will be made available to us by or on behalf of the Company or any of its representatives have been or will be prepared in good faith based upon assumptions that the Company believed to be reasonable at the time made and at the time such Projections are made available to us; it being recognized that such Projections are subject to significant uncertainties and contingencies, many of which are beyond the Company’s

control, are not to be viewed as facts or a guarantee of performance and that actual results during the period or periods covered by any such Projections may differ significantly from the projected results, and that no assurance can be given that the projected results will be realized. The Company agrees that if at any time prior to the later of the Closing Date, any of the representations in the preceding sentence would be incorrect in any material respect if the Information or Projections were being furnished, and such representations were being made, at such time, then the Company will promptly supplement, or cause to be supplemented, the Information or Projections so that such representations will be correct in all material respects under those circumstances. The Company understands that in arranging and syndicating the Exit Facility we may use and rely on the Information and Projections without independent verification thereof.

4. Fees

As consideration for the Lead Arrangers' agreement to perform the services described herein, the Company agrees to pay or cause to be paid the nonrefundable arrangement fees to the Lead Arrangers in an amount equal to (i) the New Money Fee Percentage (as set forth in the table below) of the aggregate principal amount of loans to be funded under the Exit Facility in excess of the DIP Lender Commitments (such amount, the "New Money") and (ii) [REDACTED] of the aggregate principal amount of loans to be funded under the Exit Facility by Existing DIP Lenders (whether such loans are rolled under the DIP Facility or constitute new money commitments by such Existing DIP Lenders, such amount (to be determined on and as of the date on which the commitments under the Exit Facility are allocated) for purposes of calculating the arrangement fee, in no event greater than [REDACTED] the "DIP Lender Commitments") ((i) and (ii) together, the "Arrangement Fee"). The Arrangement Fee shall be payable on the Closing Date [REDACTED] to CS, Jefferies Finance and MSSF respectively. As used herein, "Existing DIP Lenders" means Lenders who are lenders (or whose affiliate is a lender) under the DIP Facility.

Yield to Worst ("YTW") as of the Closing Date	New Money Fee Percentage
YTW [REDACTED]	[REDACTED]
[REDACTED] YTW [REDACTED]	[REDACTED]
YTW [REDACTED]	[REDACTED]

"Yield to Worst", for purposes of the calculation above, shall mean the yield, whether in the form of interest rate, margin, original issue discount, upfront fees, a LIBOR or Base Rate floor, call protection, or otherwise, in each case, incurred or payable by the Borrower generally to all Lenders but excluding (x) Commitment Fees, (y) Arrangement Fees payable to any Lead Arranger (or its affiliates) and (z) any other fees not paid or payable generally to all Lenders in the primary syndication of the Exit Facility, and in each case assuming a five year maturity of the Exit Facility.

The Company understands that it may be necessary for the Company to pay participation or upfront fees ("Upfront Fees"), which may take the form of original issue discount, to the Lenders (including the Lead Arrangers or their affiliates in their capacities as Lenders) in connection with the syndication of the Exit Facility. The aggregate amount of the Upfront Fees and the allocation thereof among the Lenders (including the Lead Arrangers or their affiliates in their capacities as Lenders) shall be as determined by the Lead Arrangers in consultation with you to be advisable to ensure the successful syndication of the Exit Facility, and the entire amount of the Upfront Fees shall be payable by the Company in addition to the Arrangement Fee. In any of the Lead Arrangers or their affiliates become a Lender, in no event shall the Upfront Fees payable to any other Lender (as a percentage of the commitments of such Lender) exceed the Upfront Fees payable to such Lead Arranger or its affiliate (as a

percentage of the commitments, if any, of such Lead Arranger or its affiliate). For avoidance of doubt no Upfront Fees shall be payable unless the Closing Date occurs.

In its capacity as administrative agent in respect of the Exit Facility, CS Securities (or its designated affiliate) will be paid an annual administration fee (the "Administration Fee") in the amount of [REDACTED] for each year of the Exit Facility. The annual Administration Fee shall be earned by, and payable to, the administrative agent in quarterly installments in advance, with the first installment payable on the Closing Date for the first fiscal quarter to occur after the Closing Date and with each subsequent installment payable on the first business day of each fiscal quarter for so long as the Exit Facility is in effect (and pro-rated for any partial period). Such annual Administration Fee will be in addition to reimbursement of Credit Suisse's reasonable and documented out-of-pocket expenses as provided in this Engagement Letter.

The Company agrees that, once paid, each of the fees (including any portion thereof) described in this Section 4 shall be fully earned and shall not be refundable under any circumstances and, shall not be subject to reduction by way of setoff or counterclaim and shall be in addition to any other fees payable to the Lead Arrangers pursuant to any other agreement other than as specifically set forth herein. All fees shall be payable in U.S. dollars in immediately available funds to us for our respective accounts or as directed by us, free and clear of and without deduction for any and all present or future applicable taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto (with appropriate gross-up for withholding taxes) and shall not be subject to counterclaim or setoff for, or be otherwise affected by, any claim or dispute the Company may have. All fees payable hereunder shall be in addition to reimbursement of our reasonable and documented out-of-pocket expenses as provided in the definitive documentation for the Exit Facility.

All claims for any fees hereunder (to the extent earned, due and payable and excluding the Arrangement Fee but including, for the avoidance doubt, fees payable under Section 5 below and Commitment Fees due to the Lenders (including the Lead Arrangers or their affiliates in their capacity as Lenders)), costs, expenses and indemnities hereunder shall be entitled to priority as administrative expense claims under Sections 503(b)(1) and 507(a)(2) of the Bankruptcy Code, whether or not the Exit Facility is consummated, and shall not be disgorged or voided.

5. Alternate Transaction

The Company agrees that, if at any time within six months following the Accession Date (the "Tail Period"), the Company determines to proceed within the Tail Period with any transaction whereby any Plan Proponent (as defined in the Plan) acquires a substantial portion of the equity interests or assets of the Company or any of its affiliates and the Exit Facility is not entered into (any such transaction, an "Alternate Transaction"), the Company will appoint an affiliate of CS Securities as sole administrative agent, and the Lead Arrangers as joint lead arrangers and joint bookrunners (or equivalent roles for any non-bank financing) (on terms acceptable to the Lead Arrangers and the Company) for any debt financing relating to such Alternate Transaction ("Alternate Transaction Financing") unless the Lead Arrangers do not agree to take such Alternate Transaction Financing to market (on terms acceptable to the Lead Arrangers and the Company). If, in connection with the consummation of any Alternate Transaction, a financing source other than the Lead Arrangers arrange or provide debt financing to the Company (notwithstanding a willingness on the part of the Lead Arrangers to take to market the Exit Facility or such Alternate Transaction Financing) within the Tail Period, the Company agrees to pay to the Lead Arrangers immediately upon the consummation of such Alternate Transaction an amount equal to [REDACTED] of the Arrangement Fee (assuming that [REDACTED] of the Exit Facility had been committed as New Money and the New Money Fee Percentage is [REDACTED] and [REDACTED] of the Exit Facility consisted of DIP Lender Commitments with the fee percentage of [REDACTED]) less any arrangement fees actually paid to the Lead Arrangers pursuant to such Alternate Transaction (an "Alternative Transaction Fee"); provided that the Alternative Transaction Fee shall be reduced on a pro rata basis if the aggregate principal amount of

the Alternate Transaction Financing is less than \$1,750,000,000; provided that no Alternative Transaction Fee will be payable to any Lead Arranger if such Lead Arranger terminated its engagement hereunder for any reason other than a breach by the Company of its obligations hereunder.

6. Indemnification and Expenses

The Company agrees (a) to indemnify and hold harmless the Lead Arrangers, their respective affiliates and their respective officers, directors, employees, advisors, and agents and other representatives (each, an "Indemnified Person") from and against any and all losses, claims, damages, costs, expenses and liabilities to which any such Indemnified Person may become subject arising out of or in connection with this Engagement Letter, the Exit Facility, the use of the proceeds thereof or any related transaction or any claim, litigation, investigation or proceeding (each, a "Proceeding") relating to any of the foregoing, regardless of whether any Indemnified Person is a party thereto, whether or not such Proceedings are brought by the Company, its equity holders, affiliates, creditors or any other person, and to reimburse each Indemnified Person within 30 days of written demand together with detailed supporting documentation for any reasonable and documented out-of-pocket legal or other expenses incurred in connection with investigating or defending any of the foregoing; provided that the foregoing indemnity will not, as to any Indemnified Person, apply to (A) losses, claims, damages, liabilities or related expenses to the extent they are found by a final, non-appealable judgment of a court of competent jurisdiction to arise from (i) the bad faith, willful misconduct or gross negligence of such Indemnified Person or (x) any of its controlled affiliates or any of the officers, directors, employees of any of the foregoing, in each case who are involved in the Transactions, or (y) any advisors or agents of such Indemnified Person acting at the direction of such Indemnified Person, (ii) a material breach of this Engagement Letter by such Indemnified Person or (iii) disputes between and among Indemnified Persons to the extent such disputes do not arise from any act or omission of you or any of your affiliates or advisors or representatives (other than claims against an Indemnified Person acting in its capacity as an agent or arranger or similar role in connection with the Exit Facility) or (B) any settlement entered into by such Indemnified Person without your written consent (such consent not to be unreasonably withheld, delayed or conditioned); *provided, however*, that the foregoing indemnity will apply to any such settlement in the event such Indemnified Person shall have requested that you reimburse it for legal or other expenses incurred by it in connection with investigating, responding to or defending any proceeding in accordance with this Engagement Letter and you shall not have reimbursed such Indemnified Person within 30 days of such request), and (b) to reimburse the Lead Arrangers within 30 days of written demand together with detailed supporting documentation for all reasonable and documented out-of-pocket expenses (including due diligence expenses, syndication expenses, travel expenses, and reasonable fees, charges and disbursements of one primary counsel to the Lead Arrangers (and (i) appropriate local counsel in applicable jurisdictions, to the extent reasonably necessary, but limited to one local counsel in each such jurisdiction, (ii) one regulatory and other specialist counsel in each specialty (which may include FCC counsel) and (iii) solely in the case of a conflict of interest, not more than one additional counsel in each relevant jurisdiction and specialty to each group of affected Lead Arrangers similarly situated)) incurred in connection with the Exit Facility and any related documentation (including this Engagement Letter and the definitive financing documentation) or, the administration, amendment, modification, waiver or enforcement thereof. No party hereto shall be liable for (i) any damages arising from the use by others of Information or other materials obtained through electronic, telecommunications or other information transmission systems except to the extent such damages resulted primarily and directly from the bad faith, gross negligence, willful misconduct or material breach of its obligations under this Engagement Letter of such Indemnified Person (as determined by a court of competent jurisdiction in a final and non-appealable judgment) or (ii) any lost profits, special, indirect, consequential or punitive damages in connection with the Exit Facility.

7. Sharing of Information, Absence of Fiduciary Relationship, Affiliate Activities.

You acknowledge that the Lead Arrangers are a full service securities firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In

the ordinary course of business, the Lead Arrangers may provide investment banking and other financial services to, and/or acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of, you and other companies with which you may have commercial or other relationships. With respect to any securities and/or financial instruments so held by the Lead Arrangers or any of their customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion and in accordance with applicable law. CS Securities, Jefferies Finance and MSSF will not furnish confidential information obtained from you by virtue of the transactions contemplated hereby to other companies. You also acknowledge that the Lead Arrangers and their respective affiliates have no obligation to use in connection with the transactions contemplated hereby, or to furnish to you, confidential information obtained from other companies or persons.

You further acknowledge and agree that (a) the Lead Arrangers will have no fiduciary, advisory or agency relationship between you and the Lead Arrangers is intended to be or has been created in respect of any of the transactions contemplated by this Engagement Letter, irrespective of whether the Lead Arrangers have advised or are advising you on other matters, (b) the Lead Arrangers, on the one hand, and you, on the other hand, have an arm's length business relationship that does not directly or indirectly give rise to, nor do you rely on, any fiduciary duty to you or your affiliates on the part of the Lead Arrangers, (c) you are capable of evaluating and understanding, and you understand and accept, the terms, risks and conditions of the transactions contemplated by this Engagement Letter, (d) you have been advised that the Lead Arrangers are engaged in a broad range of transactions that may involve interests that differ from your interests and that the Lead Arrangers have no obligation to disclose such interests and transactions to you, (e) you have consulted your own legal, accounting, regulatory and tax advisors to the extent you have deemed appropriate, (f) each Lead Arranger has been, is, and will be acting solely as a principal and, except as otherwise expressly agreed in writing by it and the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for you, any of your affiliates or any other person or entity and (g) none of the Lead Arrangers has any obligation to you or your affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein or in any other express writing executed and delivered by such Lead Arranger and you or any such affiliate.

You waive, to the fullest extent permitted by law, any claims you may have against the Lead Arrangers for breach of fiduciary duty or alleged breach of fiduciary duty in respect of the Exit Facility and agree that the Lead Arrangers shall have no liability (whether direct or indirect) to you in respect of such a fiduciary duty claim or to any person asserting such a fiduciary duty claim on behalf of or in right of you, including your stockholders, employees or creditors, in each case solely in respect of the Exit Facility.

8. Confidentiality

This Engagement Letter is delivered to you on the understanding that neither this Engagement Letter nor any of its terms or substance shall be disclosed by you to any other person (including, without limitation, other potential providers or arrangers of financing) without the prior written consent of the Lead Arrangers except (a) to you and your officers, directors, members, partners, stockholders, employees, affiliates, attorneys, accountants, agents and advisors, and then only on a confidential and "need-to-know" basis in connection with the transactions contemplated hereby, (b) as may be required with respect to or necessary in connection with any legal, judicial or administrative proceeding or as otherwise required by applicable law or regulation or as requested by a governmental authority (in which case you agree to the extent permitted by law, to inform us promptly in advance thereof), (c) upon notice to the Lead Arrangers, this Engagement Letter and the existence and contents hereof (but not Section 4 hereof or the contents thereof other than the existence thereof and the contents thereof as part of projections, pro forma information and a generic disclosure of aggregate sources and uses to the extent customary in marketing materials and other required filings) may be disclosed in connection with any public filing requirement, (d) the Term Sheet and the existence of this Engagement Letter may be

disclosed to potential Lenders and to any rating agency in connection with the Exit Facility. Your obligations under this paragraph shall remain in effect until two years from the Accession Date. Notwithstanding anything to the contrary in the foregoing, the Company shall be permitted to file the contents of Section 4 hereof with the Bankruptcy Court under seal (i.e. in redacted form) and provide an unredacted copy of the provisions of such Section 4 to the Bankruptcy Court, the Office of the United States Trustee and counsel subject to the *Stipulation and Agreed Order Establishing Procedures for the Protection of Confidential Information* [Docket No. 437] (the "Protective Order Parties") so long as the disclosure to such Protective Order Parties is on a confidential "professionals only" basis.

The Lead Arrangers shall use all nonpublic information received by them in connection with the Transactions and the related transactions solely for the purposes of providing the services that are the subject of this Engagement Letter and shall treat confidentially all such information with the same degree of care as we treat our own confidential information; provided, however, that nothing herein shall prevent any Lead Arranger from disclosing any such information (a) to rating agencies, (b) to any Lenders or participants or prospective Lenders or participants (excluding Disqualified Companies and subject to any other restrictions on such potential Lenders or participants), (c) in any legal, judicial, administrative proceeding or other compulsory process or as required by applicable law or regulations (in which case such Lead Arranger shall promptly notify you, in advance, to the extent permitted by law), (d) upon the request or demand of any regulatory authority having jurisdiction over such Lead Arranger or its affiliates, (e) to the employees, legal counsel, independent auditors, professionals and other experts or agents of such Lead Arranger (collectively, "Representatives") who have a "need to know" and are informed of the confidential nature of such information and are or have been advised of their obligation to keep information of this type confidential, (f) to any of its respective affiliates (provided that any such affiliate is advised of its obligation to retain such information as confidential, and such Lead Arranger shall be responsible for its affiliates' compliance with this paragraph) solely in connection with the Transactions, (g) to the extent any such information becomes publicly available other than by reason of disclosure by such Lead Arranger, its affiliates or Representatives in breach of this Engagement Letter or any other agreement with you and (h) for purposes of establishing a "due diligence" defense; provided that the disclosure of any such information to any Lenders or prospective Lenders or participants or prospective participants referred to above shall be made subject to the acknowledgment and acceptance by such Lender or prospective Lender or participant or prospective participant that such information is being disseminated on a confidential basis in accordance with the standard syndication processes of such Lead Arranger or customary market standards for dissemination of such type of information. Each Lead Arranger shall be responsible for all breaches of these confidentiality obligations by any of the Representatives of such Lead Arranger who do not have a legal obligation to keep such information confidential and receive such information pursuant to clause (e) above. The obligations of the Lead Arrangers under this paragraph shall automatically terminate on the earlier of (i) two years following the Accession Date and (ii) the Closing Date, at which point any confidentiality undertaking in the definitive documentation of the Exit Facility shall supersede the provisions of this paragraph.

9. Miscellaneous

This Engagement Letter may not be assigned by you without the prior written consent of each Lead Arranger (and any purported assignment without any such consent shall be null and void ab initio), is intended to be solely for the benefit of the parties hereto and the Indemnified Persons and is not intended to and does not confer any benefits upon, or create any rights in favor of, any person other than the parties hereto and the Indemnified Persons to the extent expressly set forth herein. The Lead Arrangers reserve the right to employ the services of their affiliates in providing services contemplated hereby and to allocate, in whole or in part, to their affiliates certain fees payable to the Lead Arrangers in such manner as the Lead Arrangers and their affiliates may agree in their sole discretion.

This Engagement Letter may not be amended or waived except by an instrument in writing signed by the Company and each Lead Arranger. This Engagement Letter may be executed in any

number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement.

This Engagement Letter embodies the entire agreement and understanding among CS Securities, Jefferies Finance, MSSF and the Company with respect to the specific matters set forth above and supersedes all prior agreements and understandings relating to the subject matter hereof; provided, that nothing in this Engagement Letter shall supersede, modify or affect the rights of Jefferies Finance under that certain commitment letter, dated March 17, 2015, between Jefferies Finance and the Company and the related fee letter referenced therein.

Except as provided herein with respect to the Indemnified Persons, the provisions contained herein are solely for the benefit of the parties hereto, and this Engagement Letter is not intended to, and does not, confer on any person other than the parties hereto any rights or remedies hereunder.

Delivery of an executed signature page of this Engagement Letter by facsimile transmission or other electronic imaging means shall be effective as delivery of a manually executed counterpart hereof. This Engagement Letter shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflicts of law that would require the application of the law of another jurisdiction.

Each of the parties hereto hereby irrevocably and unconditionally submit to the exclusive jurisdiction of any state or Federal court sitting in the Borough of Manhattan in the City of New York over any suit, action or proceeding arising out of or relating to the Transactions or the other transactions contemplated hereby, this Engagement Letter or the performance of services hereunder. Each party hereto agrees that service of any process, summons, notice or document by registered mail addressed to such party shall be effective service of process for any suit, action or proceeding brought in any such court. Each party hereto hereby irrevocably and unconditionally waives any objection to the laying of venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding has been brought in any inconvenient forum. Each party hereby irrevocably waives trial by jury in any suit, action, proceeding, claim or counterclaim brought by or on behalf of any party related to or arising out of the Transactions, this Engagement Letter or the performance of services hereunder.

After the closing of the Transaction and at each Lead Arranger's expense, each Lead Arranger may (i) after consultation with the Borrower, place advertisements in periodicals and on the Internet as it may choose and (ii) on a confidential basis, circulate promotional materials in the form of a "tombstone" or "case study" (and, in each case, otherwise describe the names of any of you or your affiliates and any other information about the Transaction, including the amount, type and closing date of the Exit Facility).

The compensation, reimbursement, indemnification, confidentiality (except to the extent provided therein), conflict waiver, no fiduciary duty, jurisdiction, governing law and waiver of jury trial provisions contained herein shall remain in full force and effect regardless of whether definitive financing documentation shall be executed and delivered and notwithstanding the termination of this Engagement Letter; provided that such indemnification and reimbursement provisions shall, to the extent covered thereby, be superseded in each case by the applicable provisions contained in the definitive documentation for the Exit Facility upon the Closing Date and thereafter shall have no further force and effect.

You acknowledge that pursuant to the requirements of the USA PATRIOT Act (the "Act"), Title III of Pub. L. 107-56 (signed into law October 26, 2001), the Lead Arrangers are required to obtain, verify and record information that identifies the Company and each Guarantor, which information includes such person's name and address and other information that will allow the Lead Arrangers to identify such person in accordance with the Act.

[Signature Page Follows]

Very truly yours,

CREDIT SUISSE SECURITIES (USA) LLC

By: 

Name: Marc Warm

Title: Managing Director

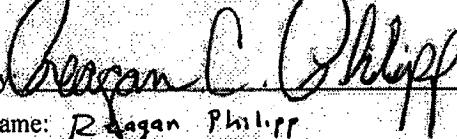
JEFFERIES FINANCE LLC

By:  _____

Name: Brian Buoye

Title: Managing Director

MORGAN STANLEY SENIOR FUNDING, INC.

By 

Name: Reagan Philipp

Title: Authorized Signatory

Accepted and Agreed:

LIGHTSQUARED LP

By:

Name:

Title:

CONFIDENTIAL

EXHIBIT A

LIGHTSQUARED LP.
\$1,750,000,000 EXIT SENIOR SECURED TERM LOAN FACILITY

Summary of Principal Terms and Conditions

This Summary of Principal Terms and Conditions (this "Term Sheet") is for discussion purposes only and does not include descriptions of all of the terms, conditions and other provisions that are to be contained in the documentation relating to the transactions described below. This document is delivered to you with the understanding that neither it nor its substance shall be disclosed to any third party. Further, the Term Loan Documents (as defined below) are not fully negotiated; these terms are subject to change.

I. Transactions and Parties

Borrower: LightSquared LP (as reorganized under and pursuant to the Plan (as defined below), including its conversion into a limited liability company on the Closing Date (as defined below), the "Borrower").

Transactions: LightSquared Inc., a Delaware corporation and certain of its affiliates (including the Borrower) have proposed a reorganization (the "Reorganization") of LightSquared Inc. and certain of its affiliates pursuant to the Debtors' Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code, dated January 20, 2015 (the "Plan") to be consummated in their currently pending cases (the "Bankruptcy Cases") under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the bankruptcy court for the Southern District of New York (the "Bankruptcy Court") and the Bankruptcy Court has authorized consummation of the Reorganization by confirming the Plan pursuant to its Order Confirming Modified Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code (the "Confirmation Order") entered in the Bankruptcy Cases on March 27, 2015. The Borrower is seeking a first lien senior secured term loan exit facility of up to \$1,750,000,000 for the Borrower and its affiliates to fund the Borrower's and its affiliates' emergence from their respective Bankruptcy Cases pursuant to the Plan.

The transactions described above, the Second Lien Facility (as hereinafter defined), and the consummation of the Plan and all other related transactions, including the payment of fees and expenses in connection therewith are collectively referred to herein as the "Transactions". The date on which funding under the Exit Facility occurs is referred to herein as the "Closing Date".

Joint Lead Arrangers and Joint Bookrunners: Credit Suisse Securities (USA) LLC ("CS Securities"), Jefferies Finance LLC ("Jefferies Finance") and Morgan Stanley Senior Funding, Inc. ("MSSF") and, together with CS Securities and Jefferies Finance in such capacity, the "Lead Arrangers").

Agent: CS (in such capacity, together with its permitted successors and assigns, the "Agent").

Co-Syndication Agents: Jefferies Finance and MSSF.

Lenders: A syndicate of banks, financial institutions and other entities arranged by the Lead Arrangers in consultation with the Borrower and excluding Disqualified Companies (as defined below) (collectively, the "Lenders").

II. Term Loan Facility

Type and Amount of Facility: Exit senior secured first lien term loan facility (the "Exit Facility") in the amount of \$1,750,000,000 (the loans thereunder, the "Term Loans").

Term Loan Availability: The Term Loans shall be made available to the Borrower in a single drawing on the Closing Date.

Maturity and Termination Date; Amortization:

The Exit Facility will mature on the date that is 5 years after the Closing Date; *provided* that if the Second Lien Facility has not been refinanced with a maturity of at least 6 years from the Closing Date prior to the date which is 4 years and 6 months after the Closing Date, then the Exit Facility will mature on the date that is 4 years and 6 months after the Closing Date (in either case, the "Maturity Date"). The Exit Facility will not be subject to amortization but will be payable in full upon the Maturity Date (or, if earlier, the date of acceleration of the Term Loans in accordance with the Term Loan Credit Agreement (as defined below)).

III. Purpose; Certain Payment Provisions

Purpose: The proceeds of the Exit Facility shall be used to consummate the Transactions and to fund future operating costs and other general corporate purposes of the Borrower and its subsidiaries.

Fees and Interest Rates: As set forth on Annex I.

Mandatory Prepayments: The Term Loan Credit Agreement will contain mandatory prepayment provisions that will require a prepayment of amounts outstanding under the Exit Facility, in each case, subject to exceptions and thresholds to be set forth in the Term Loan Credit Agreement: (i) within three (3) business days of receipt of net cash proceeds in excess of \$150,000 from a sale or transfer by the Borrower or its domestic subsidiaries of any assets (with customary exceptions for ordinary course asset sales and 12-month reinvestment rights), (ii) within three (3) business days of receipt of net cash insurance proceeds or condemnation awards in excess of \$150,000 paid to Loan Parties in respect of any assets (with reinvestment rights for casualty events involving a satellite or assets used in the Borrower's business); and (iii) immediately following receipt of net cash proceeds from the issuance of any indebtedness (other than permitted indebtedness).

Voluntary Prepayments: Prior to the first anniversary of the Closing Date, prepayments and Repricing Amendments will not be permitted except with payment

of a customary make-whole calculated by reference to the applicable Treasury rate plus 50 basis points. From and after the first anniversary of the Closing Date, permitted in whole or in part, with prior written notice to the Agent but without premium or penalty (other than the Prepayment Fee described in Annex I hereto), subject to limitations as to minimum amounts of prepayments to be set forth in the Term Loan Credit Agreement.

IV. Collateral and Other Credit Support

Guaranties: Each direct and indirect domestic subsidiary of the Borrower (collectively, the "Guarantors", and together with the Borrower, the "Loan Parties") shall unconditionally guarantee all of the indebtedness, obligations and liabilities of the Borrower arising under or in connection with the Exit Facility and of any Loan Party relating to the Cash Management Services (as defined below) subject to certain exceptions set forth in the Term Loan Documents.

Security: The Exit Facility will be secured by a perfected, first priority security interest (subject to permitted liens to be set forth in the Term Loan Credit Agreement) in substantially all of the assets of the Loan Parties, whether consisting of real, personal, tangible or intangible property and whether owned on the Closing Date or thereafter acquired (collectively, the "Collateral"), including but not limited to: (x) a perfected pledge of all of the outstanding shares of capital stock of domestic subsidiaries and first tier foreign subsidiaries of the Loan Parties (limited, in the case of voting capital stock of such foreign subsidiaries and any direct or indirect domestic subsidiary of the Borrower substantially all assets of which are the capital stock or other equity interests of foreign subsidiaries, to 65% of the voting stock (and 100% of the non-voting stock) of such subsidiaries), and (y) perfected security interests in, and mortgages on, substantially all tangible and intangible assets of the Loan Parties (including, but not limited to accounts receivable, inventory, equipment, general intangibles, investment property, intellectual property, owned real property, leased real property, satellite assets, spectrum leases, any Communications Licenses (to the maximum extent permitted by law and the proceeds of and right to receive proceeds from any Communications License), cash, deposit and securities accounts, commercial tort claims, letter of credit rights, intercompany notes and proceeds of the foregoing), in each case subject to exceptions to be mutually agreed. Notwithstanding the foregoing, the Borrower will not be required to take any action to perfect a security interest in any Collateral where Agent and Borrower reasonably agree the cost of perfection is excessive in relation to the benefit afforded thereby. "Communications Licenses" shall mean the One Dot Six License and all authorizations, licenses, permits, certificates, approvals, registrations and franchises and similar forms of authority issued to or conferred upon any Loan Party by any governmental authority with respect to the use of radio frequencies and/or the provision of communications or telecommunications services, as in effect from time to time.

The Collateral shall also secure on a second-lien basis the obligations under a credit agreement among the Borrower, the lenders party thereto, and Jefferies Finance, as administrative and collateral agent (the "Second Lien Agent"), to be dated as of the Closing Date, in respect of up to \$[3,145,000,000] in aggregate principal amount of second-lien loans, excluding PIK interests being capitalized (the "Second Lien Facility"), pursuant to an intercreditor agreement to be entered into between the Agent and the Second Lien Agent and acknowledged by the Loan Parties, which intercreditor agreement shall be in form and substance satisfactory to the Agent and the Lenders (the "Intercreditor Agreement").

V. Certain Conditions

Initial Conditions

The availability of the Exit Facility shall be conditioned upon satisfaction of usual and customary conditions precedent for credit facilities of this type, including, but not limited to:

(a) The Closing Date shall occur on or prior to December 15, 2015 (the "Outside Date").

(b) The Loan Parties, each Lender and the Agent shall have executed and delivered reasonably satisfactory definitive financing documentation with respect to the Exit Facility, including a credit agreement (the "Term Loan Credit Agreement"), security documents, guarantees, the Intercreditor Agreement and other customary legal documentation (collectively, together with the Term Loan Credit Agreement, the "Term Loan Documents").

(c) The Agent, the Lenders and the Lead Arrangers shall have received all invoiced and reasonable costs, fees, expenses (including, without limitation, all documented and reasonable legal fees and expenses) and other compensation owed to the extent earned, due and payable on or before the Closing Date.

(d) The Plan and the Disclosure Statement shall not have been amended, modified or supplemented in any manner that could be reasonably expected to adversely affect the interests of the Agent or the Lenders without the written consent of the Required Lenders.

(e) The Order Confirming Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code [Docket No. 2276] (the "Plan Confirmation Order") and the Order entered on April 9, 2015 by the Honorable Regional Senior Justice Morawetz of the Ontario Superior Court of Justice Commercial List recognizing and giving full force and effect in Canada to, among other things, the Plan Confirmation Order (the "Confirmation Recognition Order") shall (A) be in full force and effect, unstayed, final and non-appealable and not subject to any appeal, motion to stay, motion for rehearing or reconsideration or a petition for writ

of certiorari, unless waived by the Lenders in writing in their sole discretion; (B) not have been reversed, vacated or revoked; and (C) not have been amended, modified or supplemented or in any manner that could be reasonably expected to adversely affect the interests of the Agent or the Lenders without the written consent of the Required Lenders.

(f) All conditions precedent to effectiveness of the Plan shall have been satisfied (and not waived or modified in any manner that could be reasonably expected to adversely affect the interests of the Agent or the Lenders without the prior written consent of the Required Lenders) to the reasonable satisfaction of the Lenders, the effective date of the Plan shall have occurred on or before the Closing Date and the substantial consummation (as defined in Section 1101 of the Bankruptcy Code) of the Plan in accordance with its terms shall occur substantially contemporaneously with the Closing Date.

(g) Liens creating a first-priority security interest (subject to certain permitted liens) in the Collateral in favor of the Agent for the benefit of the holders of the obligations under the Exit Facility shall have been perfected to the extent required pursuant to the Term Loan Documents, including the execution of account control agreements with respect to deposit or securities accounts of the Borrower (subject to customary exceptions).

(h) All material leases, licenses identified in the Term Loan Documents and the Inmarsat agreement to which any Loan Party is a party shall be in full force and effect and shall not (i) have been terminated or (ii) be subject to termination.

(i) All licenses issued by the FCC to the Borrower or its subsidiaries shall be held in one or more license subsidiaries, except as otherwise set forth in the Term Loan Documents.

VI. Certain Documentation Matters

The Term Loan Documents shall contain representations, warranties, covenants and events of default customary for exit financings of this type and substantially consistent with the Second Lien Credit Agreement (with changes to reflect, amongst others, the terms herein and the standard agency and operational related provisions of the Agent) filed in connection with the Plan (which shall be, in each case, subject to materiality qualifiers, exceptions, thresholds and limitations to be set forth in the Term Loan Credit Agreement) including without limitation the following:

Representations and Warranties:

Financial statements; no material adverse change since December 31, 2014; organization, existence and good standing, authorization and validity; due execution and delivery; compliance with law and agreements; corporate power and authority; enforceability of Term

Loan Documents; governmental approvals, no conflict with law or debt obligations or creation of liens; no unstayed litigation; no default; solvency; ownership of property; compliance with material contracts; intellectual property; no burdensome restrictions; taxes; insurance; Federal Reserve regulations; ERISA; Investment Company Act; subsidiaries; environmental matters; labor matters; accuracy of disclosure; OFAC, FCPA, Patriot Act; attachment and perfection of liens under the Term Loan Documents; communications licenses and regulatory matters; license subsidiaries.

Affirmative Covenants:

Delivery of fiscal quarterly and annual financial statements and compliance certificates, annual projections, and other customary information reasonably requested by the Agent; payment of material obligations; continuation of business and maintenance of existence and material rights and privileges; compliance with laws; maintenance of material property (ordinary wear and tear excepted) and insurance consistent with customary industry practice; maintenance of books and records; right of the Agent to inspect property and books and records; notices of defaults, material litigation and other material events; compliance with environmental laws; license subsidiaries; cash management and depository banks; casualty and condemnation; benefits plans payments; additional subsidiaries; covenant to guarantee obligations and give security; further assurances as to security; and use of proceeds.

Negative Covenants:

Limitations (subject to amounts, exceptions, thresholds, limitations and materiality to be set forth in the Term Loan Credit Agreement) on:

1. indebtedness, with exceptions in amounts to be set forth in the Term Loan Credit Agreement for:
 - scheduled indebtedness existing on the Closing Date (and refinancing thereof),
 - intercompany indebtedness among Loan Parties,
 - indebtedness for purchase money and capital lease obligations (and refinancing thereof),
 - the Second Lien Facility in an aggregate principal amount not to exceed \$[3,145,000,000] at any time outstanding, plus all PIK interest capitalized pursuant to the terms of the Second Lien Facility,
 - indebtedness on letters of credit, surety bonds and other guarantees in the ordinary course of business,
 - guarantees of permitted indebtedness of a Loan Party,
 - indebtedness for inadvertent overdraws and endorsements of instruments for deposit in the ordinary course of business, and
 - unsecured indebtedness (provided there will be no limit on ability to incur unsecured PIK indebtedness that matures six months or more after the Maturity Date and does not, among other parameters, require any cash payment prior to its maturity date);

2. liens, with exceptions in amounts to be set forth in the Term Loan Credit Agreement:
 - subordinated liens subject to the Intercreditor Agreement securing the Second Lien Facility,
 - scheduled liens in existence on the Closing Date;
 - liens securing permitted indebtedness for purchase money and capital lease obligations,
 - liens on the Boeing-GEM-F2 satellite securing certain payments owed to Boeing,
 - liens on cash securing cash management obligations,
 - a general lien basket and
 - certain liens imposed by law or in the ordinary course of business;
3. mergers, consolidations, liquidations and dissolutions;
4. sales of assets, with exceptions to include:
 - assets sales scheduled as of the Closing Date,
 - the cash sale of the Boeing-GEM-F2 satellite at fair market value,
 - asset sales at fair market value up to an amount to be set forth in the Term Loan Credit Agreement in any four fiscal quarters,
 - leases of real and personal property in the ordinary course of business and
 - certain leases of spectrum
5. restricted payments (including dividends and other payments in respect of capital stock of the Borrower)
6. investments (including acquisitions), loans and advances, with exceptions in amounts to be set forth in the Term Loan Credit Agreement for:
 - scheduled investments as of the Closing Date,
 - certain investments necessary to satisfy any condition imposed by the FCC in connection with relief granted in response to a material regulatory request or substantively similar request, as described in the Plan or disclosed to the Lenders on or prior to the Closing Date,
 - intercompany investment,
 - investment of the proceeds of permitted debt and qualified capital stock issuances,
 - leases of real or personal property in the ordinary course of business and
 - a general investment basket;
7. sale and leaseback transactions, subject to certain exceptions;
8. material changes in line of business, other than business contemplated to be engaged in on the Closing Date;
9. optional payments in respect of subordinated debt, unsecured debt and junior lien debt and modifications of debt instruments governing any such debt, provided that the Second Lien Facility shall be permitted to be refinanced pursuant to the terms set forth in the Term Loan Credit Agreement;
10. transactions with affiliates;

11. changes in fiscal year;
12. negative pledge clauses;
13. restrictions on subsidiary distributions;
14. amendment to certain material documents;
15. permitted activities of license subsidiaries and other subsidiaries;
16. communications licenses; and
17. anti-terrorism laws.

Events of Default:

Nonpayment of principal when due; nonpayment of interest, fees or other amounts after three (3) business days; representations and warranties are incorrect in any material respect; violation of covenants (subject, in the case of certain affirmative covenants, to a grace period to be set forth in the Term Loan Credit Agreement); cross-default to occurrence of a default which permits acceleration (whether or not resulting in acceleration) under indebtedness above a threshold amount to be set forth in the Term Loan Credit Agreement (“Material Indebtedness”); bankruptcy events; certain ERISA events; judgments above a threshold amount to be set forth in the Term Loan Credit Agreement which remain undischarged for 30 days; any of the Term Loan Documents shall cease to be in full force and effect (other than in accordance with its terms) or any Loan Party thereto shall so assert; cross-default to occurrence of a default permitting termination of certain material agreements; termination, suspension, revocation, forfeiture or expiration of any material communications license; the Plan Confirmation Order shall be revoked, rescinded or otherwise cease to be in full force and effect or any Loan Party shall challenge the effectiveness or validity of the Plan Confirmation Order or violate the terms of the Plan Confirmation Order; the Plan Confirmation Order shall be amended, modified or supplemented in any manner that could be reasonably expected to adversely affect the interests of the Agent or the Lenders without the written consent of the Required Lenders; any interests created by the security documents shall cease to be enforceable and of the same priority purported to be created thereby (other than in respect of immaterial Collateral); and a Change in Control.

Change in Control:

A “Change in Control” shall be deemed to have occurred if:

- at any time a change of control occurs under any Material Indebtedness;
- a plan relating to the liquidation or dissolution of Borrower is adopted;
- any “person” or “group” (within the meaning of Section 13(d) and 14(d) under the Exchange Act) other than (x) any Permitted Holders or (y) a group consisting of Permitted Holders, becomes the beneficial owner (as defined in Rule 13d-3 under the Exchange Act) of Voting Stock of the Borrower representing a majority of the voting power of the total outstanding Voting Stock of the Borrower (unless the Permitted Holders still retain the power to appoint a majority of the board of directors of the Borrower)
- a “change of control” or any comparable term under, and as defined in the credit agreement governing the Second Lien

Facility (or any documentation governing any permitted refinancing in respect thereof)

For purposes of this definition, a person shall not be deemed to have beneficial ownership of equity interests subject to a stock purchase agreement, merger agreement or similar agreement until the consummation of the transactions contemplated by such agreement.

Permitted Holders:

Fortress Credit Opportunities Advisors LLC and certain of its affiliated funds ("Fortress"), Centerbridge Partners L.P. and certain of its affiliated funds ("Centerbridge"), Harbinger Capital Partners, LLC ("Harbinger") (so long as all equity interests in the Borrower that are held by Harbinger and/or any affiliate thereof are subject to the Harbinger Proxy (as defined therein) pursuant to the terms of the New LightSquared Interest Holders Agreement as in effect on the Closing Date), LightSquared Inc., as reorganized under and pursuant to the Plan ("Reorganized LightSquared Inc.") (so long as the owners of Reorganized LightSquared Inc. as of the Closing Date continue to hold at least a majority of the voting equity of Reorganized LightSquared Inc.) and any person that is an equity holder of Reorganized LightSquared Inc. as of the Closing Date and any affiliates of any of the foregoing (other than the Borrower and its subsidiaries) and, for the avoidance of doubt, no Disqualified Company shall be a Permitted Holder.

Voting:

Amendments, waivers and consents with respect to the Term Loan Documents shall require the approval of the Borrower and Lenders holding not less than a majority of the Term Loans ("Required Lenders"), except that (a) the consent of each Lender directly adversely affected thereby shall be required with respect to (i) reductions in the amount or extensions of the scheduled date of maturity of any loan and (ii) reductions in the rate of interest or any fee or extensions of any due date thereof (provided that waivers of defaults or events of defaults or waivers of default interest shall not be deemed to be a reduction in the rate of interest or any fee under the Term Loan Documents); and (b) the consent of each Lender shall be required to (i) modify the pro rata sharing or waterfall requirements of the Term Loan Documents, (ii) permit any Loan Party to assign its rights under the Term Loan Credit Agreement (other than as a result of mergers, consolidations, liquidations or dissolutions permitted by the Term Loan Credit Agreement), (iii) reduce any of the voting percentages, (iv) release any material Guarantor, except as otherwise permitted in the Term Loan Documents, (v) release all or substantially all of the Collateral or (vi) subordinate any portion of the obligations under the Term Loan Documents to any other obligation. The Term Loan Documents shall include provisions regarding the customary ability of the Agent and the Borrower to modify the Term Loan Documents to cure ambiguities, inaccuracies and mistakes, in each case, on terms, and subject to conditions, reasonably acceptable to the Borrower and the Agent. The Term Loan Documents shall contain customary "yank-a-bank" provisions.

Any Lender that is an affiliate of the Borrower (other than any Debt Fund Affiliates or Custodian Affiliate (each as defined below)) shall be excluded for purposes of (i) making a determination of Required Lenders, (ii) voting on any plan of reorganization with respect to the Borrower or its subsidiaries and (iii) otherwise voting except for "all lender", "all affected lender" or "each affected lender" votes (or in each case of clauses (i)-(iii), to the extent such restriction is deemed ineffective or void, be deemed to have voted in the same proportion as Lenders that are not affiliates of the Borrower voting on such matter) unless the proposed amendment affects such affiliated Lender in a manner disproportionate to other Lender similarly situated. Debt Fund Affiliates shall not, in the aggregate, account for 49.9% or more of the amounts included in determining Required Lenders.

"Debt Fund Affiliate" means (i) any affiliate of the Borrower that is a bona fide debt fund or investment vehicle that is engaged in making, purchasing, holding or otherwise investing in loans, commitments and similar extensions of credit in the ordinary course of business and with respect to which any Permitted Holder does not have the power, directly or indirectly, to direct the policies or investment decisions for such entity, (ii) any Centerbridge Debt Fund and (iii) other exceptions to be set forth in the Term Loan Documents.

"Centerbridge Debt Fund" means any of Centerbridge Credit Partners, L.P., Centerbridge Special Credit Partners, L.P., Centerbridge Special Credit Partners II, L.P. and certain successor funds of any of the foregoing to be defined in the Term Loan Credit Agreement.

"Custodian Affiliate" shall mean an Affiliate of Reorganized LightSquared Inc. that is engaged in providing private banking or investment management services and is acting in the ordinary course on behalf of third-party customers; provided that such third-party customer is the beneficial owner of the applicable Loans and such Affiliate has a fiduciary duty to such third-party customer.

Any amendments, modifications or waivers that require the consent of Lenders under the Term Loan Credit Agreement or the commitment letter related thereto shall be subject to the approval of any person that, in connection with the primary syndication of the Exit Facility, has entered into an agreement to become a Lender or to provide financing under the Term Loan Credit Agreement.

Assignments and Participations: The Lenders shall be permitted to assign all or a portion of their Term Loans to another person (other than a Disqualified Company) subject to payment of a \$3,500 assignment fee with the consent, not to be unreasonably withheld, of (a) the Borrower; *provided* that (i) consent of the Borrower shall not be required if (A) such assignment is made to another Lender or an affiliate or approved fund of a Lender or (B) an event of default has occurred and is continuing and (ii) the Borrower shall be deemed to have given consent if the Borrower has not responded within 10 business days of a request in

writing to the Borrower for such consent, and (b) the Agent, unless the Term Loan is being assigned to a Lender or an affiliate of a Lender or an approved fund of a Lender. In the case of partial assignments (other than to another Lender, to an affiliate of a Lender or an approved fund), the minimum assignment amount shall be \$1,000,000, unless otherwise agreed by the Borrower and the Agent. The Lenders shall also be permitted to sell participations in their Term Loans other than to a Disqualified Company. Participants shall have the same benefits as the Lenders from which they acquired their participations with respect to yield protection and increased cost provisions. Voting rights of participants shall be limited to those matters with respect to which the affirmative vote of all Lenders or all affected Lenders (if applicable) would be required. Pledges of Term Loans in accordance with applicable law shall be permitted without restriction. The Term Loan Credit Agreement shall provide that assignment to affiliates of the Borrower shall be subject to the following restrictions: such affiliates (other than Debt Fund Affiliates or Custodian Affiliates) shall not hold in aggregate more than 25% of the outstanding principal of Term Loans, such affiliates (other than Debt Fund Affiliates or Custodian Affiliates) may be excluded from lender-only meetings and from receiving lender-only information and certain of such affiliates shall be subject to voting restrictions as set forth under "Voting" above.

"Disqualified Company" shall mean any of (x) any SPSO Entity (as defined in the Plan), (y) any person that is identified as a Prohibited Transferee under the Plan and (z) (i) any person that is a competitor of the Borrower identified to the Agent in writing prior to the Closing Date and affiliates of such person and (ii) thereafter, such additional persons that are competitors of the Borrower and the affiliates of such persons, in each case as may be identified to the Agent from time to time and posted to the Lenders; provided, further that the identities of Disqualified Companies may be disclosed to assignees prior to entering into an Assignment and Assumption. For the avoidance of doubt, the Agent shall not be responsible for, nor have any liability in connection with, maintaining, updating, monitoring or enforcing the list of Disqualified Companies, and each Assignment and Assumption Agreement shall so provide.

All Assignment and Assumption agreements will include a representation by the assignee that it is not a Disqualified Company.

If any assignment or participation of any portion of the Term Loan is made to a Disqualified Company and continues to be held by a Disqualified Company, the Borrower shall have the right to (i) repurchase the portion of the Term Loan held by a Disqualified Company at the then-prevailing market price, in addition to other remedies against such Disqualified Company available to the Borrower at equity or law without posting a bond or presenting evidence of irreparable harm and (ii) require by notice to the Agent that such Disqualified Company shall have no right to approve or disapprove any amendment, waiver or consent under the Term Loan Credit Agreement.

Yield Protection: The Term Loan Documents shall contain customary provisions protecting the Lenders against increased costs or loss of yield resulting from changes in reserve, tax, capital adequacy and other requirements of law, including customary coverage for Dodd-Frank and Basel III, and from the imposition of or changes in withholding or other taxes.

The Borrower may require any Lender that has requested payment of any increased cost to assign and delegate, without recourse (in accordance with and subject to all restrictions otherwise applicable to assignments under the Exit Facility), all its interests, rights and obligations under the Term Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment).

Expenses and Indemnification: Customary expense reimbursement and indemnification provisions for facilities of this type. Reimbursement to be within 30 days of written demand together with detailed supporting documentation.

Governing Law: The Term Loan Documents will be governed by the internal laws of the State of New York (without regard to principles of conflicts of law that would require the application of the law of another jurisdiction).

**Counsel to the Term Loan
Agent and
the Lead Arrangers:** Davis Polk & Wardwell LLP.

Annex I

Interest and Certain Fees

Interest Rate: The loans comprising each borrowing shall bear interest at a rate per annum equal to Adjusted LIBOR plus 7.75%.

“Adjusted LIBOR” is the London interbank offered rate for U.S. dollars, adjusted for customary Eurodollar reserve requirements, if any, and subject to a floor of 1.00%.

Interest Payment Dates: Interest shall be payable in kind by adding the interest accrued to the principal of the Term Loans on the last day of each quarter.

OID/Up-Front Fees: 97.0% issue price.

Default Rate: After any event of default and delivery of notice by the Agent, the applicable interest rate for all Term Loans will be increased by 2%. All overdue interest, fees and other amounts shall bear interest at a rate 2% above the applicable non-default interest rate.

Rate and Fee Basis: All per annum rates shall be calculated on the basis of a year of 360 days for actual days elapsed.

Commitment Fee: A commitment fee in an amount equal to [REDACTED] of the aggregate principal amount of loans to be funded under the Exit Facility (the “Committed Amount”); provided, that if the Closing Date or termination of the commitments in respect of the Exit Facility has not occurred on or prior to the 120th day after the date on which commitments are allocated by the Lead Arrangers, such fee shall be increased to [REDACTED]. The Commitment Fee shall be fully earned by each Lender on the later of (x) the Court Approval Date and (y) the date on which commitments are allocated by the Lead Arrangers and the Lenders have provided commitments in writing in form and substance reasonably satisfactory to the Company and due and payable on the earliest of (a) the Closing Date, (b) termination of the commitments in respect of the Exit Facility and (c) the Outside Date.

“Court Approval Date” shall mean the date on which the Bankruptcy Court approves the payment of such Commitment Fee by the Borrower.

Prepayment Fee: Upon an optional or mandatory prepayment (which, in the case of prepayments made prior to the first anniversary of the Closing Date, shall only be permitted with payment of a make-whole amount equal to the present value, computed using a discount rate equal to the Treasury Rate plus one-half of one percent (0.50%), as of the date such prepayment occurs of the sum of (x) all required remaining scheduled interest payments due on the principal amount so prepaid through and including the first anniversary of the Closing Date plus (y) 2.00% of the principal amount so prepaid) or a Repricing Amendment (as defined below) with respect to the Exit Facility, a fee payable to the Agent for the ratable benefit of the Lenders in an amount equal to the aggregate amount of Term Loans prepaid or the principal amount of Term Loans subject to any Repricing Amendment multiplied by (i) 2.00% if such

prepayment or Repricing Amendment occurs after the first anniversary of the Closing Date and prior to the second anniversary of the Closing Date or (ii) 1.00% if such prepayment or Repricing Amendment occurs on or after the second anniversary of the Closing Date and prior to the third anniversary of the Closing Date. As used herein "Repricing Amendment" means any amendment to the Exit Facility that has the effect of reducing the effective interest rate then applicable to the Exit Facility (including any mandatory assignment in connection therewith).

Exhibit B

Proposed Order

**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. §§ 105(A) AND 363, AUTHORIZING
LIGHTSQUARED TO (A) ENTER INTO AND PERFORM UNDER
ENGAGEMENT LETTER RELATED TO WORKING CAPITAL FACILITY,
(B) PAY FEES AND EXPENSES IN CONNECTION THEREWITH,
AND (C) PROVIDE RELATED INDEMNITIES**

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"), at the direction of the special committee for the boards of directors (the "Special Committee") LightSquared Inc. and LightSquared GP Inc., and on behalf of the Plan Proponents, for entry of an order (the "Order"), pursuant to sections 105(a) and 363(b) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532, authorizing LightSquared to (a) enter into, effective as of May 13, 2015, and perform under the Engagement Letter with the Lead Arrangers, (b) pay certain fees and expenses associated with the Engagement Letter and Working Capital Facility and not already authorized pursuant to the

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

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

Confirmation Order or any other order of this Court, and (c) provide related indemnities to the Lead Arrangers, all as more fully set forth 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 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. LightSquared's entry into and performance under the Engagement Letter is approved in all respects. LightSquared is authorized, but not directed, to enter into, effective as of May 13, 2015, and perform its obligations under the Engagement Letter, pursuant to sections 105(a) and 363 of the Bankruptcy Code, to pay fees and reimburse expenses in connection with the Engagement Letter, and to indemnify the Lead Arrangers in connection therewith.

3. LightSquared is authorized to pay in full all fees, indemnities, and expenses incurred in connection with the Working Capital Facility, including, without limitation, the fees, indemnities, and expenses set forth in the Engagement Letter and the Term Sheet.

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

5. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

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

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

Dated: _____, 2015
New York, New York

HONORABLE SHELLEY C. CHAPMAN
UNITED STATES BANKRUPTCY JUDGE

Exhibit "D" to the Affidavit of Elizabeth Creary,
sworn before me this 5th day of June, 2015.



Commissioner for Taking Affidavits, etc.

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

Matthew S. Barr
Andrew M. Leblanc
Karen Gartenberg
David G.L. Schiff
MILBANK, TWEED, HADLEY & M^cCLOY 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 REGARDING EXIT FINANCING MOTION [DOCKET NO. 2349]

PLEASE TAKE NOTICE that, on May 19, 2015, LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, "LightSquared") in the above-captioned chapter 11 cases, filed *LightSquared's Motion for Entry of Order, Pursuant to 11 U.S.C. §§ 105(a) and 363, Authorizing LightSquared To (A) Enter Into and Perform Under Engagement Letter Related to Working Capital Facility, (B) Pay Fees and Expenses in Connection Therewith, and (C) Provide Related Indemnities* [Docket No. 2349] (the "Exit Financing Motion"). The Exit Financing Motion attached, as an exhibit thereto, a Term Sheet

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.



outlining the basic terms on which the Working Capital Facility is being marketed and the fees associated therewith.² Certain information in the Term Sheet related to the commitment fee proposed therein (the "Commitment Fee") was filed in redacted form.³

PLEASE TAKE FURTHER NOTICE that, after the Exit Financing Motion was filed, the Lead Arrangers, responding to market demands, modified the economic terms set forth in the Term Sheet to (a) adjust the interest rate up by 1.00% to 8.75% above LIBOR (subject to a LIBOR floor of 1.00% and 3.0% of original issue discount), (b) amend the call protections to a no-call for the first two years (subject to payment of a make-whole amount), followed by call premiums of 4.00% and 2.00% in years three and four, respectively, and (c) increase the Commitment Fee as follows:

- The Commitment Fee will now be in an amount equal to 1.00% of the aggregate principal amount of loans to be funded by each committing lender under the Working Capital Facility; provided, that (a) if the closing date or termination of commitments in respect of the Working Capital Facility has not occurred prior to the 90th day after the date on which commitments are allocated by the Lead Arrangers, such fee will be increased to 1.50%, (b) if the closing date or termination of commitments in respect of the Working Capital Facility has not occurred prior to the 120th day after the date on which commitments are allocated by the Lead Arrangers, such fee will be increased to 2.50%, and (c) if the closing date or termination of commitments in respect of the Working Capital Facility has not occurred prior to the 150th day after the date on which commitments are allocated by the Lead Arrangers, such fee will be increased to 3.00%. The Commitment Fee is to be earned by each lender as of the date of the Working Capital Facility Credit Agreement (i.e., upon signing shortly after the Court approves the Exit Financing Motion) and will become due and payable on the earlier of (a) the closing of the Working Capital Facility, (b) the termination of the commitments, and (c) December 15, 2015.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Exit Financing Motion, the *Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 2276-1] (the "Plan"), or the Working Capital Facility Credit Agreement (as defined in the Plan), as applicable.

³ In connection with the partial sealing of exhibits to the Exit Financing Motion, LightSquared filed the *Motion for Order Authorizing LightSquared To File Under Seal Portions of Exhibit to LightSquared's Motion for Entry of Order, Pursuant to 11 U.S.C. §§ 105(a) and 363, Authorizing LightSquared To (A) Enter Into and Perform Under Engagement Letter Related to Working Capital Facility, (B) Pay Fees and Expenses in Connection Therewith, and (C) Provide Related Indemnities* [Docket No. 2350].

PLEASE TAKE FURTHER NOTICE that the foregoing terms, including the commitment fee, were publicly announced by media outlets on May 22, 2015.⁴ LightSquared Sweetens Exit Pricing and Ticking Fees; Weather Company's Extended TL Wraps Up at Widened Terms – Primary Round-Up, DEBTWIRE, May 22, 2015; LightSquared Boosts Pricing on \$1.75B Exit TL, S&P CAPITAL IQ LCD, May 22, 2015. In addition, LightSquared and its advisors socialized such terms with its key stakeholders, including SPSO, in advance of May 26, 2015, the objection deadline for the Exit Financing Motion. No objections were filed to the Exit Financing Motion.

PLEASE TAKE FURTHER NOTICE that, subsequent to the passage of the objection deadline, an additional term (the "Right of First Refusal") was negotiated with respect to the Working Capital Facility Credit Agreement, which term provides as follows:

- If (i) the Commitments hereunder are terminated pursuant to clause (y)⁵ or (z)⁶ of Section 2.07 and (ii) the FCC shall have granted any necessary consents and approvals required for the Debtors to emerge from chapter 11 pursuant to the Plan of Reorganization (including, without limitation and to the extent applicable, consents to the assignments of the Debtors' licenses and/or the transfer of control of the Debtors, as well as customary approvals and authorizations related thereto) on or prior to December 15, 2015, then the Borrower and its Subsidiaries (including any Person that would have become a Subsidiary of the Borrower if the Closing Date had occurred) shall not, at any time prior to June 15, 2016, incur any debt financing secured by collateral in scope comparable to the Collateral hereunder with lien priority more senior than the Second Lien Facility (or any comparable replacement thereof) having economic terms (including tenor) that are more favorable to the Borrower and its Subsidiaries, taken as whole, than the economic terms of the Loans (including tenor) hereunder, taken as a whole, unless each Approved Assignee has a commitment under such financing in an amount equal to at least its ratable share of the Commitments hereunder as in effect immediately prior to the termination thereof (unless such Approved Assignee shall have been offered and shall have declined (or not responded to any such written offer within a reasonable period of time) the opportunity to provide such

⁴ In light of the fact that such terms are now publically available, LightSquared is not seeking to redact such revised terms.

⁵ [December 15, 2015.]

⁶ [Termination by the Borrower.]

commitment under such financing). The Loan Parties agree that irreparable damage would occur in the event that the provisions of this Section 10.19 were not performed in accordance with their specific terms or were otherwise breached and that any breach hereof would not be adequately compensated by monetary damages. The Loan Parties agree that the Approved Assignees shall be entitled to equitable relief, including an injunction or injunctions to prevent or restrain breaches or threatened breaches of the provisions of this Section 10.19 and to specifically enforce the provisions of this Section 10.19. Notwithstanding anything set forth herein, each Approved Assignee shall be a third-party beneficiary of this Section 10.19.

Although such term was not socialized with all key stakeholders in advance of this filing, LightSquared does not believe that it is prejudicial in any respect to existing stakeholders because such provision does not increase any existing liabilities of any of the LightSquared entities.

PLEASE TAKE FURTHER NOTICE that, to reflect the fact that the commitments of the lenders under the Working Capital Facility, and the related fees and Right of First Refusal described herein, will be memorialized in the Working Capital Facility Credit Agreement, a revised proposed Order is attached hereto as **Exhibit A**. A blackline comparison of such revised proposed Order, marked against the proposed Order originally filed as an exhibit to the Exit Financing Motion, is attached hereto as **Exhibit B**.

PLEASE TAKE FURTHER NOTICE that, unless otherwise ordered by the Bankruptcy Court, the hearing on the Exit Financing Motion and the attendant Sealing Motion will be held before the Honorable Shelley C. Chapman, United States Bankruptcy Judge for the United States Bankruptcy Court for the Southern District of New York (the "**Bankruptcy Court**"), on **June 2, 2015 at 1:00 p.m. (prevailing Eastern time)**. The Hearing will be held at the Bankruptcy Court, Alexander Hamilton Custom House, Courtroom No. 623, One Bowling Green, New York, NY 10004.

PLEASE TAKE FURTHER NOTICE that copies of the Exit Financing Motion and the Sealing Motion may be obtained at no charge at <http://www.kccllc.net/LightSquared> or for a fee on the Bankruptcy Court's website at www.nysb.uscourt.gov. To access documents on the Bankruptcy Court's website, you will need a PACER password and login, which can be obtained at <http://www.pacer/psc/uscourt.gov>.

New York, New York
Dated: May 29, 2015

Respectfully submitted,

/s/ Matthew S. Barr

Matthew S. Barr
Andrew M. Leblanc
Karen Gartenberg
David G.L. Schiff
MILBANK, TWEED, HADLEY & M^CCLOY LLP
One Chase Manhattan Plaza
New York, NY 10005-1413
(212) 530-5000

Counsel to Debtors and Debtors in Possession

Exhibit A

Revised Proposed Order

**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. §§ 105(A) AND 363, AUTHORIZING
LIGHTSQUARED TO (A) ENTER INTO AND PERFORM UNDER
ENGAGEMENT LETTER RELATED TO WORKING CAPITAL FACILITY,
(B) PAY FEES AND EXPENSES IN CONNECTION THEREWITH,
AND (C) PROVIDE RELATED INDEMNITIES**

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”), at the direction of the special committee for the boards of directors (the “Special Committee”) LightSquared Inc. and LightSquared GP Inc., and on behalf of the Plan Proponents, for entry of an order (the “Order”), pursuant to sections 105(a) and 363(b) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532, authorizing LightSquared to (a) enter into, effective as of May 13, 2015, and perform under the Engagement Letter with the Lead Arrangers, (b) pay certain fees and expenses associated with the Engagement Letter and Working Capital Facility and not already authorized pursuant to the

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

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion or the *Notice Regarding Exit Financing Motion [Docket No. 2349]* [Docket No. ____].

Confirmation Order or any other order of this Court, and (c) provide related indemnities to the Lead Arrangers, all as more fully set forth 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 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. LightSquared's entry into and performance under the Engagement Letter is approved in all respects. LightSquared is authorized, but not directed, to enter into, effective as of May 13, 2015, and perform its obligations under the Engagement Letter, pursuant to sections 105(a) and 363 of the Bankruptcy Code, to pay fees and reimburse expenses in connection with the Engagement Letter, and to indemnify the Lead Arrangers in connection therewith.

3. LightSquared is authorized to pay in full all fees, indemnities, and expenses incurred in connection with the Working Capital Facility, including, without limitation, the fees, indemnities, and expenses set forth in the Engagement Letter and the Term Sheet.

4. LightSquared is authorized to enter into and shall be bound by the Right of First Refusal as of the date the Working Capital Facility Credit Agreement is entered into.

5. This Order shall in no way limit the authorizations contained in the *Order Confirming Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 2276], including, without limitation, any authorizations relating to the Working Capital Facility contained therein.

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

7. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

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

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

Dated: _____, 2015
New York, New York

HONORABLE SHELLEY C. CHAPMAN
UNITED STATES BANKRUPTCY JUDGE

Exhibit B

Blackline Comparison of Revised Proposed Order

**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. §§ 105(A) AND 363, AUTHORIZING
LIGHTSQUARED TO (A) ENTER INTO AND PERFORM UNDER
ENGAGEMENT LETTER RELATED TO WORKING CAPITAL FACILITY,
(B) PAY FEES AND EXPENSES IN CONNECTION THEREWITH,
AND (C) PROVIDE RELATED INDEMNITIES**

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”), at the direction of the special committee for the boards of directors (the “Special Committee”) LightSquared Inc. and LightSquared GP Inc., and on behalf of the Plan Proponents, for entry of an order (the “Order”), pursuant to sections 105(a) and 363(b) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532, authorizing LightSquared to (a) enter into, effective as of May 13, 2015, and perform under the Engagement Letter with the Lead Arrangers, (b) pay certain fees and expenses associated

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

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion or the Notice Regarding Exit Financing Motion [Docket No. 2349] [Docket No. _____].

with the Engagement Letter and Working Capital Facility and not already authorized pursuant to the Confirmation Order or any other order of this Court, and (c) provide related indemnities to the Lead Arrangers, all as more fully set forth 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 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. LightSquared's entry into and performance under the Engagement Letter is approved in all respects. LightSquared is authorized, but not directed, to enter into, effective as of May 13, 2015, and perform its obligations under the Engagement Letter, pursuant to sections 105(a) and 363 of the Bankruptcy Code, to pay fees and reimburse expenses in connection with the Engagement Letter, and to indemnify the Lead Arrangers in connection therewith.

3. LightSquared is authorized to pay in full all fees, indemnities, and expenses incurred in connection with the Working Capital Facility, including, without limitation, the fees, indemnities, and expenses set forth in the Engagement Letter and the Term Sheet.

4. LightSquared is authorized to enter into and shall be bound by the Right of First Refusal as of the date the Working Capital Facility Credit Agreement is entered into.

5. This Order shall in no way limit the authorizations contained in the Order Confirming Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code [Docket No. 2276], including, without limitation, any authorizations relating to the Working Capital Facility contained therein.

6. ~~4-~~LightSquared is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

7. ~~5-~~Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.


8. ~~6-~~The requirements set forth in rule 9013-1(a) of the Local Bankruptcy Rules for the Southern District of New York are satisfied.

9. ~~7-~~The Court retains jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order.

Dated: _____, 2015
New York, New York

HONORABLE SHELLEY C. CHAPMAN
UNITED STATES BANKRUPTCY JUDGE

Exhibit "E" to the Affidavit of Elizabeth Creary,
sworn before me this 5th day of June, 2015.



Commissioner for Taking Affidavits, etc.

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

In Re:*LightSquared, Inc., et al.**Case No. 12-12080-scc*

June 2, 2015

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UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

Case No. 12-12080-scc

-----x

In the Matter of:

LIGHTSQUARED INC., et al.,

Debtors.

-----x

United States Bankruptcy Court

One Bowling Green

New York, New York

June 2, 2015

1:03 PM

B E F O R E:

HON. SHELLEY C. CHAPMAN

U.S. BANKRUPTCY JUDGE

1
2 Doc# 2349 Motion to Authorize / LightSquared's Motion for Entry
3 of Order, Pursuant to 11 U.S.C. 105(a) and 363, Authorizing
4 LightSquared to (A) Enter Into and Perform Under Engagement
5 Letter Related to Working Capital Facility, (B) Pay Fees and
6 Expenses in Connection Therewith, and (C) Provide Related
7 Indemnities
8

9 Doc# 2350 Motion to Authorize / LightSquared's Motion for Entry
10 of Order Authorizing LightSquared to File Under Seal Portions
11 of Exhibit to LightSquared's Motion for Entry of Order,
12 Pursuant to 11 U.S.C. Sections 105(A) and 363, Authorizing
13 LightSquared to (A) Enter Into and Perform Under Engagement
14 Letter Related to Working Capital Facility, (B) Pay Fees and
15 Expenses in Connection Therewith, and (C) Provide Related
16 Indemnities
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18
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A P P E A R A N C E S :

MILBANK, TWEED, HADLEY & MCCLOY, LLP

Attorneys for Debtors

One Chase Manhattan Plaza

New York, NY 10005

BY: KAREN GARTENBERG, ESQ.

MATTHEW S. BARR, ESQ.

WILLKIE FARR & GALLAGHER LLP

Attorneys for SP Special Opportunities LLC

787 Seventh Avenue

New York, NY 10019

BY: RACHEL C. STRICKLAND, ESQ. (TELEPHONICALLY)

ALSO PRESENT:

KENT COLLIER, Reorg Research, Inc. (TELEPHONICALLY)

LIGHTSQUARED INC., et al.

4

P R O C E E D I N G S

1

2

THE COURT: Please have a seat.

3

How is everyone?

4

MR. BARR: Great, Your Honor. Thank you.

5

THE COURT: Long time no see.

6

MR. BARR: Yes.

7

THE COURT: And you're wearing green ties.

8

MR. BARR: Are we all in green? Yeah.

9

THE COURT: Yeah.

10

MR. BARR: We were trying to bring a brighter mood to

11

the not so nice weather.

12

THE COURT: Always a bright mood in this room.

13

MR. BARR: Of late, yes.

14

THE COURT: Come back --

15

MR. BARR: So for the --

16

THE COURT: Come back tomorrow morning; it'll change.

17

MR. BARR: It will change.

18

For the record, Matthew Barr of Milbank, Tweed, Hadley

19

& McCloy, on behalf of LightSquared entities.

20

Your Honor, before I turn the podium over to

21

Ms. Gartenberg, who is going to handle today's agenda, I

22

thought maybe it made sense to give two minutes of, kind of,

23

update of what's going on in the case.

24

THE COURT: Delightful. Sure.

25

MR. BARR: Okay. So since confirmation of the plan,

LIGHTSQUARED INC., et al.

5

1 as contemplated, we have closed on our DIP financing, the Mast
2 claims have been purchased. We currently have on our balance
3 sheet about 220 million dollars in cash. You'll hear more
4 about this in a moment, but we've been through an extensive
5 marketing for our first-lien exit financing, and you'll hear
6 about that today.

7 Yesterday -- and I'm happy to hand up copies if Your
8 Honor would like copies -- the FCC posted its notice of change
9 of control; what that means is it starts the official process
10 for people to now comment on, and it set forth the forty-five-
11 day period that we've talked about in the past.

12 So yesterday all the information is now public, it's
13 all posted. July 1, comments or petitions are due. Responses
14 to the comments, or oppositions to petitions, would be due July
15 13th. And then replies to responses, or oppositions, would be
16 due July 20th.

17 So if we just focus on that, so it should be by
18 July -- or on July 20th, a full packet of information in front
19 of the FCC to make their decision on whether or not a change of
20 control should be approved in connection with the Chapter 11
21 plan, which we're happy about.

22 Your Honor may know there are two appeals of the
23 confirmation order: one is by Mr. Ahuja, which appeals almost
24 the entire order; and then one by SPSO, which is just focused
25 on the injunction language, which they refer to as Injunction

LIGHTSQUARED INC., et al.

6

1 B. Both appeals are fully briefed, they're consolidated, and
2 oral argument is this Thursday on those two appeals. And all
3 the parties necessary working on all the closing documents have
4 been working very hard on the closing documents and hopefully
5 we will be in a position -- don't know the date, but whenever
6 the FCC approves the change of control and the financing
7 concludes, we will close immediately.

8 So unless Your Honor has any questions for me, I'm
9 going to turn the podium over to Ms. Gartenberg.

10 THE COURT: Thank you.

11 MR. BARR: Thank you.

12 THE COURT: Good afternoon.

13 MS. GARTENBERG: Good afternoon. For the record,
14 Karen Gartenberg with Milbank, Tweed, Hadley & McCloy, on
15 behalf of LightSquared Inc. and its affiliated debtors and
16 debtors-in-possession.

17 Your Honor, we have two items on the agenda today:
18 the first is our exit-financing motion, docket number 2349, and
19 the related notice that was filed last week, docket number
20 2356, by which we are seeking approval of two things: one, to
21 enter into a best-efforts engagement letter with Credit Suisse
22 Securities (USA) LLC, Jefferies Finance LLC, and Morgan Stanley
23 Senior Funding, Inc. as the lead arrangers of LightSquared's
24 first-lien exit facility, which I will refer to, go forward, as
25 the working-capital facility; and two, to provide certain fees,

LIGHTSQUARED INC., et al.

7

1 reimbursement of expenses, and indemnities in connection
2 therewith.

3 Your Honor, the second item on the agenda is
4 LightSquared's related motion to seal portions of the
5 engagement letter with the lead arrangers, docket number 2350.
6 And at the outset we would just like to note that there are no
7 objections to the motion or the notice filed last week. We
8 have discussed the motions and the notice, with all major
9 stakeholders, including the Office of the United States Trustee
10 and SPSO. And from an ordering perspective, we thought it
11 might be best to quickly address the motion to --

12 THE COURT: Hold on. Hold on --

13 MS. GARTENBERG: Sure.

14 THE COURT: -- one minute. Apparently CourtCall got
15 disconnected. So let me see what we need to do.

16 MS. GARTENBERG: Sure.

17 THE COURT: Give us a minute to --

18 MS. GARTENBERG: No worries.

19 THE COURT: -- to dial back in.

20 (Pause)

21 THE COURT: I'm sorry, Ms. Gartenberg. You can
22 continue.

23 MS. GARTENBERG: No problem at all.

24 So from an ordering perspective, we thought it may
25 make sense to start with the motion to seal and then --

1 THE COURT: Sure.

2 MS. GARTENBERG: -- move on to the more substantive
3 motion.

4 So the reason why we filed the sealing motion is
5 because the engagement letter contains highly confidential,
6 proprietary, commercial information regarding the fees to be
7 charged in connection with the working-capital facility. The
8 sealing motion itself sets forth in greater detail the reason
9 why it needs to be confidential. But understanding the balance
10 that must be struck between keeping such information
11 confidential and the need for transparency, we redacted only a
12 very small portion of the engagement letter and the term sheet
13 and, since the filing of the sealing motion, our redactions
14 have become even more limited. The economic terms of the
15 commitment fee, which I will describe in greater detail when we
16 discuss the exit-financing motion, have become public through
17 various news publications, and so we disclosed those terms in
18 the notice filed on Friday.

19 So, Your Honor, we believe we are asking for limited
20 and reasonable relief in connection with the sealing motion,
21 and it is relief that is similar to the motions to seal that
22 have already been approved in these cases.

23 As we mentioned, no party has objected to the sealing
24 motion and we therefore ask that Your Honor approve it before
25 we move on to the exit --

LIGHTSQUARED INC., et al.

9

1 THE COURT: I assume you don't have any insight into
2 who --

3 MS. GARTENBERG: I do not.

4 THE COURT: You do not.

5 Does anyone wish to be heard with respect to the
6 sealing motion?

7 All right, sealing motion's granted.

8 MS. GARTENBERG: Thank you, Your Honor.

9 So, moving to the exit-financing motion; and, Your
10 Honor, I can actually do this in one of two ways: I can give
11 you a full layout of the motion itself and the terms --

12 THE COURT: You can do the short form.

13 MS. GARTENBERG: Would you like to just move on to --
14 we have a proffer for Mr. Hootnick --

15 THE COURT: Please.

16 MS. GARTENBERG: -- and I can just give that -- okay.

17 THE COURT: Yes.

18 MS. GARTENBERG: So, Your Honor, if called to testify,
19 Mr. Hootnick would testify as follows:

20 He is a managing director of Moelis & Company, which
21 was retained by LightSquared to serve as investment banker and
22 financial advisor. He has over nineteen years of experience
23 providing restructuring advice to companies, creditors,
24 shareholders and other interested parties, on restructuring
25 transactions both in Chapter 11 cases and out of court, and has

1 served as financial advisor to telecommunications companies and
2 their creditors and shareholders, in a number of transactions
3 as previously disclosed in these cases.

4 Mr. Hootnick received a bachelor of science degree in
5 finance from Lehigh University in 1992 and a juris doctor from
6 New York University School of Law in 1995.

7 With respect to the relief sought by the motion, if
8 called to testify, Mr. Hootnick would testify as follows:

9 Mr. Hootnick would testify that, following the Court's
10 entry of the confirmation order on March 27, 2015,
11 LightSquared, working in concert with the new investors, began
12 evaluating market conditions with respect to exit financing
13 and, specifically, raising the working-capital facility. Among
14 other things, LightSquared heard pitches from potential lenders
15 and arrangers, each of which expressed confidence that the
16 market would provide financing and access of the 1.25 billion
17 dollars in first-lien exit financing if LightSquared raised the
18 capital now.

19 After this market-testing process, LightSquared, at
20 the direction of the special committee, determined to proceed
21 in raising up to a 1.75-billion-dollar working-capital facility
22 and, along with the new investors, commenced negotiations with
23 the lead arrangers -- Credit Suisse, Jefferies, and Morgan
24 Stanley -- to arrange the working-capital facility on a best-
25 efforts basis.

1 Mr. Hootnick would further testify that LightSquared
2 negotiated with the lead arrangers in good faith and at arm's
3 length and that these negotiations led to the engagement letter
4 and exit-financing motion filed with the Court on May 19, 2015.

5 Mr. Hootnick would testify that the current terms on
6 which the working-capital facility is being arranged, which
7 include a five-year maturity and an interest rate of LIBOR plus
8 8.75 percent, subject to a LIBOR floor of 1 percent and a
9 3-percent original-issue discount, are reasonable, consistent
10 with current market conditions for debt of this type, and are
11 the best available terms for financing necessary to implement
12 the plan.

13 LightSquared has also agreed to the right-of-first-
14 refusal provision in the working-capital-facility agreement,
15 which requires LightSquared to offer existing lenders an
16 opportunity to participate in the event that LightSquared
17 incurs more favorable first-lien exit financing after it enters
18 into this working-capital-facility agreement and before June
19 15, 2016. Mr. Hootnick would testify that LightSquared's
20 agreement to this term is reasonable as it has been required by
21 the lenders to protect their role in LightSquared's exit
22 financing, and does not place any incremental liabilities on
23 the estates.

24 LightSquared is seeking authority today to enter into
25 the best exit-financing arrangement presently available. In

1 the event that this right-of-first-refusal provision is
2 triggered, it can only mean that LightSquared is receiving
3 financing on even better terms to the ultimate benefit of the
4 estates.

5 Mr. Hootnick would testify that, among other things,
6 the engagement letter contemplates payment by LightSquared of
7 certain fees, including: an arrangement fee payable only upon
8 closing to the lead arrangers; a quarterly administration fee
9 payable to Credit Suisse, which will serve as agent under the
10 working-capital facility; ticking commitment fees payable to
11 lenders, on account of their written commitments under the
12 working-capital facility; and an alternative-transaction fee
13 payable to the lead arrangers in the event that LightSquared
14 enters into an alternate transaction sponsored by any of the
15 new investors and, in connection with such transaction, pursues
16 first-lien exit financing arranged by a party other than the
17 lead arrangers, within a six-month tail period after allocation
18 of the commitments.

19 Importantly, Your Honor, LightSquared negotiated the
20 arrangement fee such that its amount depends on the overall
21 yield of the working-capital facility. In other words, the
22 higher the cost of capital to LightSquared, the lower the
23 arrangement fee received by the lead arrangers. In addition,
24 the engagement letter contemplates provision by LightSquared of
25 customary indemnities and reimbursement of expenses for the

1 benefit of the lead arrangers.

2 Mr. Hootnick would testify that such fees, expenses
3 and indemnities are reasonable and appropriate in light of
4 current market conditions, the services being provided by the
5 lead arrangers under the engagement letter, and the benefits
6 LightSquared will receive when the working-capital facility is
7 funded.

8 Mr. Hootnick would therefore testify that entry into
9 and performance under the engagement letter, including the
10 payment of fees, the reimbursement of expenses, and the
11 provision of indemnities contemplated thereunder, are in the
12 best interests of LightSquared's estates and in exercise of
13 LightSquared's sound business judgment.

14 That would conclude the testimony of Mr. Hootnick.

15 THE COURT: All right. Thank you for the proffer.

16 Does anyone wish to cross-examine Mr. Hootnick?

17 All right, so the proffer is in without cross-
18 examination.

19 (Proffer of Mark S. Hootnick was hereby received into evidence
20 as a Debtors' exhibit, as of this date.)

21 MS. GARTENBERG: Excellent.

22 THE COURT: Anything else?

23 MS. GARTENBERG: That is it, Your Honor. We did file
24 the revised order.

25 THE COURT: Yes.

1 MS. GARTENBERG: The sum and substance of it really is
2 that new paragraph 4 makes clear that LightSquared is
3 authorized to enter into and be bound by the right-of-first-
4 refusal --

5 THE COURT: Right.

6 MS. GARTENBERG: -- provision in the working cap. And
7 then new paragraph 5 makes clear that the relief we are
8 requesting today does not in any way limit the authorizations
9 already granted under the confirmation order, including the
10 ability to enter the working-capital facility.

11 THE COURT: Right.

12 MS. GARTENBERG: Footnote 2 was also revised to
13 include a reference to the notice --

14 THE COURT: Right.

15 MS. GARTENBERG: -- and definition therein. So
16 that's --

17 THE COURT: Right. That was --

18 MS. GARTENBERG: That really is it.

19 THE COURT: -- attached to the notice that was filed
20 at docket 2356 --

21 MS. GARTENBERG: Correct.

22 THE COURT: -- earlier today?

23 MS. GARTENBERG: Correct.

24 THE COURT: Okay. Does anyone else wish to be heard?

25 All right. Very well. The motion is granted. And we

1 will enter this order very shortly.

2 MS. GARTENBERG: We will send -- we will send chambers
3 e-mail copies of the order.

4 THE COURT: Great. Okay. It was good to see you all.

5 MS. GARTENBERG: Thank you.

6 MR. BARR: Thank you, Your Honor. You too.

7 THE COURT: Thank you. Thank you.

8 (Whereupon these proceedings were concluded at 1:16 PM)

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C E R T I F I C A T I O N

I, David Rutt, certify that the foregoing transcript is a true and accurate record of the proceedings.



DAVID RUTT

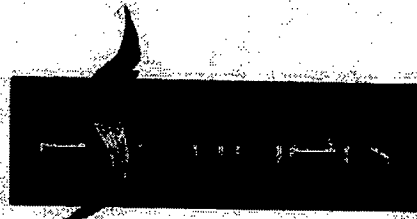
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Date: June 3, 2015



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Exhibit "F" to the Affidavit of Elizabeth Creary,
sworn before me this 5th day of June, 2015.



Commissioner for Taking Affidavits, etc.

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

**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 AUTHORIZING LIGHTSQUARED TO FILE UNDER SEAL PORTIONS OF EXHIBIT TO LIGHTSQUARED’S MOTION FOR ENTRY OF ORDER, PURSUANT TO 11 U.S.C. §§ 105(a) AND 363, AUTHORIZING LIGHTSQUARED TO (A) ENTER INTO AND PERFORM UNDER ENGAGEMENT LETTER RELATED TO WORKING CAPITAL FACILITY, (B) PAY FEES AND EXPENSES IN CONNECTION THEREWITH, AND (C) PROVIDE RELATED INDEMNITIES

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”), at the direction of the special committee of the boards of directors (the “Special Committee”) for LightSquared Inc. and LightSquared GP Inc., and on behalf of the Plan Proponents, for entry of an order (the “Order”), pursuant to sections 105 and 107(b) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”), and Rule 9018 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules), (a) authorizing LightSquared to file under seal portions (the “Sealed

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 All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion, the Exit Financing Motion, or the *Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 2276-1] (the “Plan”), as applicable.



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Provisions”) of the Engagement Letter attached as Exhibit A to *LightSquared’s Motion for Entry of Order, Pursuant to 11 U.S.C. §§ 105(a) and 363, Authorizing LightSquared To (A) Enter Into and Perform Under Engagement Letter Related to Working Capital Facility, (B) Pay Fees and Expenses in Connection Therewith, and (C) Provide Related Indemnities* (the “Exit Financing Motion”), and (b) directing that the Sealed Provisions remain under seal and not be made available to anyone other than the U.S. Trustee or the Protective Order Parties, all as more fully set forth 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 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.
2. Pursuant to sections 105 and 107(b) of the Bankruptcy Code and Rule 9018 of the Bankruptcy Rules, LightSquared is authorized to file the Sealed Provisions under seal.

3. The Sealed Provisions (and any information derived from the Sealed Provisions) shall remain confidential and shall not be made available to anyone other than the U.S. Trustee or the Protective Order Parties.

4. Any pleadings filed in these Chapter 11 Cases that reference or disclose any information contained in the Engagement Letter (other than the information contained in the Motion, the Exit Financing Motion, and the unsealed exhibits thereto) shall be filed under seal and served only on those parties authorized to receive the Engagement Letter in accordance with this Order.

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

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

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

Dated: June 2, 2015
New York, New York

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

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
(COMMERCIAL LIST)**

**SUPPLEMENTAL AFFIDAVIT
OF ELIZABETH CREARY
(Sworn June 19, 2015)**

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

**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")**

Applicants

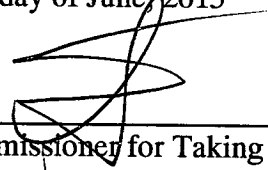
**AFFIDAVIT OF CHRISTOPHER PAYNE
(Sworn June 19, 2015)**

I, Christopher Payne of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY THAT:**


1. I am an associate at Dentons Canada LLP, Canadian counsel to LightSquared LP (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 should be read in conjunction with the Supplemental Affidavit of Elizabeth Creary, sworn June 19, 2015 (the “**Supplemental Creary Affidavit**”). All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Supplemental Creary Affidavit.
3. This affidavit is filed in support of the Foreign Representative’s motion returnable June 25, 2015, 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 CCAA, the Order Amending Exit Financing Order of the U.S. Bankruptcy Court entered in the Chapter 11 Cases commenced by the Chapter 11 Debtors.
4. The proposed Order Amending Exit Financing Order was attached to the Notice of Presentment attached as Exhibit “A” to the Supplemental Creary Affidavit.
5. The proposed Order Amending Exit Financing Order was presented to the U.S. Bankruptcy Court on June 19, 2015.
6. I have been advised by David Schiff at Milbank, Tweed, Hadley & McCloy LLP, that no parties objected prior to the June 19, 2015 12:00 p.m. objection deadline.
7. On June 19, 2015, the U.S. Bankruptcy Court entered the Order Amending Exit Financing Order. A copy of the entered Order Amending Exit Financing Order [U.S. Bankruptcy Court Docket No. 2368] is attached hereto as Exhibit “A”.
8. There were no material changes from the proposed order attached to the Supplemental Creary Affidavit.
9. I make this affidavit in support of the motion of the Foreign Representative returnable June 25, 2015 and for no other or improper purpose.

SWORN before me in the City of)
Toronto in the Province of Ontario the)
19th day of June, 2015)

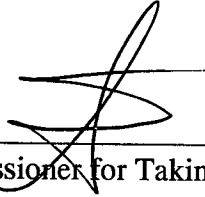


Commissioner for Taking Affidavits, etc.)



Christopher Payne)

Exhibit "A" to the Affidavit of Christopher Payne,
sworn before me this _____ day of June, 2015.

A handwritten signature in black ink, consisting of several overlapping loops and a horizontal line, positioned above a horizontal line.

Commissioner for Taking Affidavits, etc.

**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 AMENDING ORDER, PURSUANT TO 11 U.S.C. §§ 105(A) AND 363,
AUTHORIZING LIGHTSQUARED TO (A) ENTER INTO AND PERFORM UNDER
ENGAGEMENT LETTER RELATED TO WORKING CAPITAL FACILITY,
(B) PAY FEES AND EXPENSES IN CONNECTION THEREWITH, AND
(C) PROVIDE RELATED INDEMNITIES**

Upon the notice of presentment of LightSquared Inc. and its affiliated debtors and debtors in possession (collectively, “LightSquared” or the “Debtors”) [Docket No. 2367] (the “Notice of Presentment”) of an order (this “Order”) amending the *Order, Pursuant to 11 U.S.C. §§ 105(a) and 363, Authorizing LightSquared To (A) Enter Into and Perform Under Engagement Letter Related to Working Capital Facility, (B) Pay Fees And Expenses in Connection Therewith, and (C) Provide Related Indemnities* [Docket No. 2360] (the “Exit Financing Order”) and authorizing the applicable Debtors to agree to, and be bound by, the Additional Lender Protections;² and the applicable Debtors’ entry into the Working Capital Facility and payment of related fees and expenses having been previously authorized by this Court pursuant to the Exit

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

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Notice of Presentment or Exit Financing Order, as applicable.

Financing Order and the *Order Confirming Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 2276] (the “Confirmation Order”); and the Working Capital Facility (including the Additional Lender Protections) having been negotiated in good faith and at arm’s length among LightSquared and the other parties thereto; and the relief set forth in this Order being in the best interests of LightSquared’s estates, their creditors, and other parties in interest; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this proceeding being a core proceeding pursuant to 28 U.S.C. § 157; and venue of this proceeding in this District being proper pursuant to 28 U.S.C. §§1408 and 1409; and the Notice of Presentment, and opportunity for a hearing, being appropriate under the particular circumstances and with no need to provide other or further notice; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The applicable Debtors are authorized to enter into and shall be bound by the Additional Lender Protections as of the date the Working Capital Facility Credit Agreement is entered into.

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

3. This Order shall in no way limit the authorizations contained in the Exit Financing Order or the Confirmation Order, including, without limitation, any authorizations relating to the Working Capital Facility contained therein.

4. LightSquared is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

5. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

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

Dated: June 19, 2015
New York, New York

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

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
(COMMERCIAL LIST)**

**AFFIDAVIT OF
CHRISTOPHER PAYNE
(Sworn June 19, 2015)**

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

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

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

THE HONOURABLE
REGIONAL SENIOR
JUSTICE MORAWETZ

)
)
)

THURSDAY, THE 25th

DAY OF JUNE, 2015

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

**APPLICATION OF LIGHTSQUARED LP
UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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**AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE UNITED
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SKYTERRA HOLDINGS (CANADA) INC., SKYTERRA (CANADA) INC. AND ONE
DOT SIX TVCC CORP. (COLLECTIVELY, THE "CHAPTER 11 DEBTORS")**

Applicant

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 recognizing and approving an order granted by the Honourable Judge Shelley C. Chapman of the United States Bankruptcy Court for the Southern District of New York (the "**U.S. Bankruptcy**

Court") which, among other things, amends the *Order, Pursuant to 11 U.S.C. §§ 105 (a) and 363, Authorizing LightSquared To (A) Enter Into and Perform Under Engagement Letter Related to Working Capital Facility, (B) Pay Fees and Expenses in Connection Therewith, and (C) Provide Related Indemnities* [Docket No. 2360], entered 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**"), and for certain other relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, dated June 19, 2015, the Supplemental Affidavit of Elizabeth Creary sworn June 19, 2015, the Affidavit of Christopher Payne sworn June 19, 2015, the Supplemental Report to the Twenty-Fifth Report of Alvarez & Marsal Canada Inc., in its capacity as court-appointed information officer of the Chapter 11 Debtors (the "**Information Officer**"), dated June ●, 2015 (the "**Supplemental Twenty-Fifth Report**"), and on hearing the submissions of counsel for the Foreign Representative, the Information Officer, and such other counsel as were present,

SERVICE

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

RECOGNITION OF FOREIGN ORDER

2. **THIS COURT ORDERS** that the following order of the U.S. Bankruptcy Court made in the Chapter 11 Cases is hereby recognized and given full force and effect in all provinces and territories of Canada pursuant to Section 49 of the CCAA:

- (a) *Order Amending Order, Pursuant To 11 U.S.C. §§ 105(A) And 363, Authorizing LightSquared To (A) Enter Into And Perform Under Engagement Letter Related To Working Capital Facility, (B) Pay Fees and Expenses in Connection Therewith, And (C) Provide Related Indemnities* [U.S. Bankruptcy Court Docket No. 2368] (the "**Order Amending Exit Financing Order**");

attached hereto as Schedule "A" provided, however, that in the event of any conflict between the terms of the Order Amending Exit Financing Order 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 REPORT

3. **THIS COURT ORDERS** that the Supplemental Twenty-Fifth Report and the activities of the Information Officer described therein, be and are hereby approved.

AID AND ASSISTANCE

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

SCHEDULE "A"
(ORDER AMENDING EXIT FINANCING ORDER)

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
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ORDER

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**ONTARIO
SUPERIOR COURT OF JUSTICE
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MOTION RECORD
(Returnable June 25, 2015)

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