

**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")**

**SUPPLEMENTAL MOTION RECORD  
(Returnable April 9, 2015)**

April 6, 2015

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



<b>TAB</b>	<b>NAME</b>	<b>PAGE NO.</b>
1	Amended Notice of Motion (returnable April 9, 2015)	1 – 17
2	Supplemental Affidavit of Elizabeth Creary sworn April 6, 2015	18 - 23
A	Exhibit A – Draft Amended Eighth Replacement DIP Order	24 – 35
B	Exhibit B – Eighth Replacement DIP Order	36 – 128
C	Exhibit C – Excerpt from Judge Chapman’s bench decision	129 – 131
3	Amended Draft Order	133 – 145
4	Blackline of Amended Draft Order to Original Draft Order	146 - 158



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

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

**AMENDED NOTICE OF MOTION**

**(Returnable April 9, 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 April 9, 2015 at 8:30 a.m. or as soon after that time as the motion can be heard at 330 University Avenue, Toronto, Ontario.

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

**THE MOTION IS FOR 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 April 9, 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 orders (collectively, the "Foreign Orders") of the United States Bankruptcy Court for the Southern District of New York (the "U.S. Bankruptcy Court") entered or sought 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 Confirming Modified Second Amended Joint Plan Pursuant To Chapter 11 of Bankruptcy Code* [U.S. Bankruptcy Court Docket No. 2276] (the "Confirmation Order");
  - (b) *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* [U.S. Bankruptcy Court Docket No. 2273] (the "Jefferies Exit Financing Order");
  - (c) *Order Authorizing Payment of Alternative Transaction Fee in Connection with Proposed Plan of Reorganization* [U.S. Bankruptcy Court Docket No. 2275] (the "Alternative Transaction Fee Order"); and
  - (d) Order (A) Authorizing Use of Cash Collateral, if any, Through Plan Effective Date, (B) Establishing that Prepetition Secured Parties are Adequately Protected and (C) Modifying Automatic Stay (to be entered by the U.S. Bankruptcy Court) (the "Cash Collateral Extension Order"); and

(4)(e) Order Amending Final Order (A) Authorizing DIP Obligors To Obtain Eighth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay [to be entered by the U.S. Bankruptcy Court Docket] (the “Amended Eighth Replacement DIP Order”).

3. authorizing and directing the Chapter 11 Debtors to take all such steps and actions, and do all things necessary or appropriate to implement the *Modified Second Amended Joint Plan Pursuant to Chapter 11 of the Bankruptcy Code*, dated March 26, 2015 (the “**Modified Second Amended Plan**”) and the transactions contemplated thereby;
4. approving the releases, exculpations and injunctions set forth in the Confirmation Order and set out in Article VIII of the Modified Second Amended Plan and declaring that such releases, exculpations and injunctions shall be immediately effective in Canada in accordance with the Confirmation Order and the Modified Second Amended Plan on the Effective Date (as defined in the Modified Second Amended Plan);
5. declaring that certain executory contracts and unexpired leases listed on the Schedule of Assumed Agreements (as defined in the Modified Second Amended Plan) shall remain in full force and effect, and prohibiting any person from accelerating, terminating, rescinding, refusing to perform or otherwise repudiating their obligations under any such contract or lease;
6. to the extent provided by the Confirmation Order and the Modified Second Amended Plan, deeming all persons to have waived, from and after the Effective Date (a) any and all defaults now existing or previously committed by the Chapter 11 Debtors, and (b) non-compliance by the Chapter 11 Debtors with any covenant, warranty, representation, term, provision, condition or obligation, express or implied, in any agreement, and declaring that all notices of default and demands for payment under any agreement shall be of no further force or effect;
7. terminating the Stay Period (as defined below) as of the Effective Date;

8. approving the Twenty-Third Report of Alvarez & Marsal Canada Inc., in its capacity as court-appointed information officer of the Chapter 11 Debtors (the “**Information Officer**”), dated January 30, 2015 (previously filed), and the Twenty-Fourth Report of the Information Officer, to be filed (the “**Twenty-Fourth Report**”), and the activities of the Information Officer described therein; and
9. granting such further and other relief as counsel may request and this Honourable Court may deem just.

**THE GROUNDS FOR THE MOTION ARE:**

**Background to Proceedings**

1. Pursuant to the Initial Recognition Order, dated May 18, 2012 and the Supplemental Order, dated May 18, 2012, the Canadian Court 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 (the “**Stay Period**”);

**The Modified Second Amended Plan**

(A) Background

2. On December 18, 2014, the Chapter 11 Debtors filed initial versions of the (i) *Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* (as amended, modified or supplemented, the “**Joint Plan**”), and (ii) *Specific Disclosure Statement for Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* (the “**Specific Disclosure Statement**”);
3. The Specific Disclosure Statement and Joint Plan were subsequently amended;
4. By order dated January 20, 2015 (the “**Specific Disclosure Statement Approval Order**”), the U.S. Bankruptcy Court approved the *Second Amended Specific Disclosure Statement for Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, which included as an exhibit a further amended version of the Joint Plan;



5. The Specific Disclosure Statement Approval Order set forth the dates, deadlines, voting and solicitation procedures, and briefing schedule with respect to the Joint Plan;
6. On February 2, 2015, this Honourable Court, at the request of LightSquared, recognized and gave full force and effect in Canada to the Specific Disclosure Statement Approval Order;
7. The confirmation hearing in respect of the Joint Plan (the “**Confirmation Hearing**”) commenced at 10:00 am on March 9, 2015 before the U.S. Bankruptcy Court;
8. At the time of commencement of the Confirmation Hearing, numerous stakeholders had filed objections to the Joint Plan;
9. The Chapter 11 Debtors were successful in resolving all outstanding objections prior to the close of the Confirmation Hearing, with the exception of the objection filed by Sanjiv Ahuja, a common stockholder and former CEO of the Chapter 11 Debtors (“**Ahuja**”);
10. At the close of the Confirmation Hearing, no creditor objections remained outstanding, and the only remaining objection to the Joint Plan was the objection filed by Ahuja;
11. The ongoing negotiations and resolution of objections resulted in various modifications to the Joint Plan and, on March 26, 2015, the Chapter 11 Debtors filed the Modified Second Amended Plan;
12. On March 26, 2015, Judge Chapman of the U.S. Bankruptcy Court overruled the last outstanding objection to the Modified Second Amended Plan (filed by Ahuja) and issued a bench decision which, among other things, confirmed the Modified Second Amended Plan, and approved the Alternative Transaction Fee and the Exit Financing Letters (each such term as defined below);
13. Ahuja has appealed the Confirmation Order, but has not sought a stay pending appeal;
14. Due to the April 13, 2015 closing date for the purchase by SIG Holdings, Inc. (“**SIG**”) of certain prepetition and DIP claims held by MAST Capital Management, LLC, and the fact that, among other things, the recognition of the Confirmation Order by the Canadian

Court is a condition precedent to such closing, the Foreign Representative respectfully requests, should this Honourable Court see fit to recognize the Confirmation Order, that such order be issued on or before April 10, 2015;

**(B) Terms of the Modified Second Amended Plan**

15. The Modified Second Amended Plan is a joint plan for both the LP and Inc. estates. It provides for a reorganization of the Chapter 11 Debtors, the preservation of their valuable assets, the continuation of their business and the saving of jobs. It contemplates a series of interrelated transactions and concessions that are the result of intense mediation, negotiations and countless hours of discussions amongst the various stakeholders;
16. Certain of the salient terms of the Modified Second Amended Plan are as follows:
  - (a) the satisfaction in full of all allowed claims of creditors for cash or other consideration, as applicable;
  - (b) aggregate debt and equity investments by the New Investors (as defined below) and certain other parties totaling more than \$2 billion in exchange for secured debt and both preferred and common equity;
  - (c) a new \$1.25 billion working capital exit facility, among other facilities, which will be utilized to, among other things, fund the Modified Second Amended Plan distributions (including, without limitation, to all general unsecured creditors);
  - (d) the repayment of SP Special Opportunities, LLC (“SPSO”), a prepetition lender and competitor of the Chapter 11 Debtors, in full (including pre and postpetition interest and fees), in cash;
  - (e) the payment in full, in cash (including postpetition interest) of all general unsecured claims;
  - (f) the contribution by Harbinger Capital Partners LLC (“**Harbinger**”) of all of the Harbinger Litigations (as defined in the Modified Second Amended Plan); and

- (g) a broad release pursuant to which each of the Chapter 11 Debtors and various other parties are released from any and all claims and liabilities relating to the restructuring or otherwise arising prior to the Effective Date, with the exception of wilful misconduct (including fraud) and gross negligence;
17. The Modified Second Amended Plan does not include, as a condition to the Effective Date, the receipt of any FCC regulatory approvals related to terrestrial spectrum rights;
18. All impaired classes of claims will receive under the Modified Second Amended Plan, property of a value that is not less than the amount that such claimant would receive if the Chapter 11 Debtors were to be liquidated under Chapter 7 of the U.S. Bankruptcy Code;
19. The Chapter 11 Debtors are currently targeting an Effective Date in the fourth quarter of 2015;

(C) Voting Results

20. Pursuant to the Specific Disclosure Statement Approval Order, the Chapter 11 Debtors solicited votes on the Joint Plan;
21. After the withdrawal of various objections and the filing of motions by certain parties to change their votes, greater than the requisite number of holders and claim amounts in each impaired class entitled to vote to accept or reject the Modified Second Amended Plan affirmatively voted to accept the Modified Second Amended Plan;

**Jefferies Exit Financing Order**

22. SPSO, a significant prepetition lender of LightSquared, and frequent objector in the Chapter 11 proceedings, objected to the confirmation of the Joint Plan on various grounds;
23. The Chapter 11 Debtors were successful in obtaining a fully underwritten commitment in the amount of \$1.515 billion to satisfy SPSO's claims in full;

24. With the payment of SPSO in full, SPSO withdrew its objection and all voting classes were ultimately supportive of the Modified Second Amended Plan;
25. The Jefferies Exit Financing Order authorizes the Chapter 11 Debtors to enter into and perform under the Exit Financing Letters (as defined therein), as well as pay certain fees and expenses and provide related indemnities;

#### **Alternative Transaction Fee**

26. In connection with the Modified Second Amended Plan, pursuant to the Alternative Transaction Fee Order, the U.S. Bankruptcy Court approved the payment of a break-up fee in the amount of \$200,000,000 (the “**Alternative Transaction Fee**”) to Fortress Credit Opportunities Advisors LLC, SIG, Centerbridge Partners, L.P. and Harbinger (the “**New Investors**”);
27. The Alternative Transaction Fee is payable only in the event of the consummation of an alternative transaction that pays all claims against and equity interests in the Chapter 11 Debtors (other than common stock equity interests and intercompany claims) in full, in cash;
28. The Alternative Transaction Fee is an integral component of the Modified Second Amended Plan and part of a comprehensive restructuring of all of the Chapter 11 Debtors’ estates that would be not possible without the New Investors;

#### **Cash Collateral Extension Order**

29. The Chapter 11 Debtors’ motion in respect of the Cash Collateral Extension Order (the “**Cash Collateral Extension Motion**”) was filed with the U.S. Bankruptcy Court on March 31, 2015;
30. The Cash Collateral Motion seeks authorization for the Chapter 11 Debtors to continue to use prepetition collateral, including cash collateral, through the Effective Date, and other related relief;

31. The Chapter 11 Debtors' continued use of cash collateral (to the extent any exists) through the earlier of December 30, 2015 and the Effective Date, is a condition precedent to the provision of the Tranche B loans contemplated by the January 30, 2015 DIP order entered by the U.S. Bankruptcy Court and recognized by the Canadian Court on February 2, 2015;
32. The Debtors' use of cash collateral is critical to enable the Debtors to continue operations and to administer and preserve the value of their estates until the Modified Second Amended Plan is consummated;

**Amended Eighth Replacement DIP Order**

33. On April 1, 2015, the Chapter 11 Debtors filed the notice of presentment dated April 1, 2015 seeking the entry of the Amended Eighth Replacement DIP Order;
34. On January 30, 2015, the U.S. Bankruptcy Court granted *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* [U.S. Bankruptcy Court Docket No. 2053] (the "**Eighth Replacement DIP Order**");
35. Pursuant to the Order of the Honourable Regional Senior Justice Morawetz dated February 2, 2015, the Canadian Court recognized the Eighth Replacement DIP Order;
36. The Amended Eighth Replacement DIP Order contemplates certain material amendments to the Eighth Replacement DIP Order:
  - (a) an intercompany claim in favour of the Inc. Debtors or the LP Debtors (as defined in the Modified Second Amended Plan), against each other, as applicable, in the event that the LP DIP Collateral or the Inc. DIP Collateral (each as defined in the Eighth Replacement DIP Order) is sold or liquidated to repay the Eighth Replacement DIP Obligations and the proceeds of such sale are insufficient to repay the appropriate prepetition senior loan facility claims in full in cash; and

(b) such intercompany claims will constitute an administrative expense claim, senior to all administrative expenses and unsecured claims, but junior to all DIP claims, and secured by a priming lien on all of the LP Debtors' or Inc. Debtors' assets, as applicable;

37. The amendments contained in the Amended Eighth Replacement DIP Order are intended to provide additional comfort to prepetition lenders in the event that the Inc. DIP Collateral or the LP DIP Collateral, as applicable, is insufficient to repay the appropriate prepetition loan facilities;

33-38. The recognition of the Foreign Orders by the Canadian Court is in the best interests of the Canadian estates of the Chapter 11 Debtors;

34-39. The provisions of the CCAA, particularly s. 49 and the other provisions of Part IV;

35-40. The Rules of Civil Procedure, including rules 2.03, 3.02 and 16; and

36-41. 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:**

37-42. The Affidavit of Elizabeth Creary, sworn April 2, 2015;

43. The Supplemental Affidavit of Elizabeth Creary, sworn April 6, 2015;

44. An Affidavit enclosing the entered Collateral Extension Order and Amended Eighth Replacement DIP Order, in the event such Orders are entered by the U.S. Bankruptcy Court, to be filed;

38-45. The Twenty-Fourth Report; and

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

April 26, 2015

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PROCEEDING COMMENCED AT TORONTO

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

**SUPPLEMENTAL AFFIDAVIT OF ELIZABETH CREARY  
(Sworn April 6, 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 supplemental to my affidavit sworn April 2, 2015 (the “**April 2 2015 Affidavit**”), and all capitalized terms used but not defined herein have the meanings ascribed to them in the April 2 2015 Affidavit or the Modified Second Amended Plan, as applicable.

**Eighth Replacement DIP Order**

3. Pursuant to the notice of presentment dated April 1, 2015 and filed with U.S. Bankruptcy Court on April 1, 2015, the Chapter 11 Debtors are seeking the following order:

(a) *Order Amending 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* (the “**Amended Eighth Replacement DIP Order**”).

4. Attached hereto as Exhibit “A” is a copy of the draft Amended Eighth Replacement DIP Order.

5. It is my understanding that, should the U.S. Bankruptcy Court issue the Amended Eighth Replacement DIP Order, a supplemental affidavit will be filed with the Canadian Court attaching as an exhibit a copy of the Amended Eighth Replacement DIP Order as entered by the U.S. Bankruptcy Court and identifying any material changes from the draft order.

6. On January 30, 2015, the U.S. Bankruptcy Court granted the Eighth Replacement DIP Order. A copy of the Eighth Replacement DIP Order is attached hereto as Exhibit “B”.

7. On February 2, 2015, pursuant to the Order of the Honourable Regional Senior Justice Morawetz, the Canadian Court recognized in Canada the Eighth Replacement DIP Order.

8. The Eighth Replacement DIP Order approved the Eighth Replacement DIP Facility, which, among other things, (a) provides the LP DIP Obligors (as defined in the Eighth Replacement DIP Order), through an initial draw, with financing through to April 30, 2015, and (b) if the Conditions to Combined Delayed Draw Funding are met, will provide additional financing to the LP DIP Obligors and the Inc. DIP Obligors (as defined in the Eighth Replacement DIP Order, and together with the LP DIP Obligors, the “**DIP Obligors**”) and to



fund their operations and the administration of the Chapter 11 Cases through to December 30, 2015 and repay in full, in cash, the DIP Inc. Facility.

9. The Eighth Replacement DIP Facility contemplates a combination of debtor-in-possession financing facilities advanced to the Inc. DIP Obligors and the LP DIP Obligors into one debtor-in-possession financing facility to be secured by all of the DIP Obligors' assets.

10. As described above, the Eighth Replacement DIP Facility contemplates multiple stages of borrowing. If the Conditions to Combined Delayed Draw Funding are met, these stages include:

- (a) the initial loans to the LP Obligors in the amount of \$285,000,000 (the “**Initial DIP Loans**”) to fund their operations and the administration of their Chapter 11 Cases, including to provide sufficient time and liquidity to seek and obtain confirmation of a plan of reorganization by April 30, 2015;
- (b) once the Conditions to Combined Delayed Draw Funding are met, further loans in the amount of \$155,000,000 to the LP Obligors to fund their operations and the administration of their Chapter 11 Cases through December 30, 2015 (the “**Delayed Draw Tranche A Loans**”, and together with the Initial DIP Loans, the “**Tranche A Loans**”); and
- (c) once the Conditions to Combined Delayed Draw Funding are satisfied, loans to the Inc. DIP Obligors in the aggregate principal amount of \$210,000,000 (the “**Tranche B Loans**”), through the conversion on a dollar-for-dollar basis, to be used to pay off all outstanding DIP Inc. Claims, including the \$41 million of DIP Inc. Claims to be purchased by SIG.

11. The Eighth Replacement DIP Facility is comprehensively described in the January 29<sup>th</sup> Affidavit, attached as Exhibit “T” to the April 2 2015 Affidavit.

12. On March 17, 2015, the New Investors provided their written consent (the “**New Investor Consent**”) for the incurrence of the Tranche B Loans in accordance with the Eighth

Replacement DIP Facility Order, subject to certain modifications to the Eighth Replacement DIP Facility Order. The New Investor Consent is a Condition to Combined Delayed Draw Funding.

**Amendments to the Eighth Replacement DIP Order**

13. Pursuant to paragraph 18(i) of the Eighth Replacement DIP Order, the Required Lenders (as defined in the Eighth Replacement DIP Order) have agreed to amend the Eighth Replacement DIP Order on the terms set forth in the Amended Eighth Replacement DIP Order.

14. The Amended Eighth Replacement DIP Order contemplates certain material amendments to the Eighth Replacement DIP Order, which are summarized below.

15. If any of the LP DIP Collateral or any of the Inc. DIP Collateral (each as defined in the Eighth Replacement DIP Order), as applicable, is sold or liquidated to repay the Eighth Replacement DIP Obligations, and only after the prior indefeasible and irrevocable repayment in full in cash of the Eighth Replacement DIP Obligations, (a) the Inc. Debtors shall be provided with an intercompany claim (the “**Inc. Intercompany Claim**”) against each of the LP Debtors to the extent the proceeds of such sale or liquidation of the Inc. DIP Collateral are insufficient to repay the Prepetition Inc. Facility Claims in full in cash “(the “**Inc. Estate Deficiency**”)”, and (b) the LP Debtors shall be provided with an intercompany claim (the “**LP Intercompany Claim**”) against each of the Inc. Debtors to the extent the proceeds of such sale or liquidation of the LP DIP Collateral are insufficient to repay the Prepetition LP Facility Claims in full in cash (the “**LP Estate Deficiency**”).

16. The Inc. Intercompany Claim shall be an amount equal to the lesser of, (i) the amount of the Tranche A Loans (including all interest, fees and other accrued obligations thereon) repaid with proceeds of the sale or liquidation of the Inc. DIP Collateral, and (ii) the Inc. Estate Deficiency.

17. The LP Intercompany Claim shall be an amount equal to the lesser of, (i) the amount of the Tranche B Loans (including all interest, fees and other accrued obligations thereon) repaid with proceeds of the sale or liquidation of the LP DIP Collateral, and (ii) the LP Estate Deficiency.

18. The Inc. Intercompany Claim and the LP Intercompany Claim shall each be an administrative expense claim, senior to all administrative expenses and unsecured creditors, but junior to all claims of the DIP Lenders, and secured by a priming lien on all of the LP Debtors' or Inc. Debtors' assets, as applicable.

19. The amendments contained in the Amended Eighth Replacement DIP Order are intended to provide additional comfort to prepetition lenders in the event that the Inc. DIP Collateral or the LP DIP Collateral, as applicable, is insufficient to repay the appropriate prepetition loan facilities.

20. As discussed above, the New Investor Consent is a Condition to Combined Delayed Draw Funding and is, itself, conditioned on entry of the Amended Eighth Replacement DIP Order. Therefore, such amendment is required in order for, (a) the Conditions to Combined Delayed Draw Funding to be met, and (b) funding of the Delayed Draw Tranche A DIP Loans and Tranche B DIP Loans to occur.

21. The Eighth Replacement DIP Facility is the best and only currently committed financing of the LP estates. It provides capital to LightSquared through to consummation of the Modified Second Amended Plan at a much lower cost than any other alternatives.

22. The Eighth Replacement DIP Facility is a necessary and integral component of the Modified Second Amended Plan. The Modified Second Amended Plan provides for the payment in full, including postpetition interest, of all general unsecured creditors, including Canadian unsecured creditors. In the absence of the Modified Second Amended Plan, and the corresponding amended Eighth Replacement DIP Facility, it is expected that there would be no distributions to such creditors.

23. In this respect, Judge Chapman found, in her bench decision issued March 26, 2015, that, (a) the Modified Second Amended Plan enables the Chapter 11 Debtors to unlock significant value by combining the assets of both of the Inc. and LP estates, and (b) but for the contributions contemplated by the Modified Second Amended Plan, those creditors senior to the unsecured creditors would not be paid in full and there would be no value flowing to any of the unsecured creditors. The relevant excerpt from Judge Chapman's bench decision is attached

hereto as Exhibit "C". The entirety of Her Honour's bench decision, as set out in the transcript from the final day of the Confirmation Hearing, is attached as Exhibit "R" to the April 2 2015 Affidavit.

24. Accordingly, the Amended Eighth Replacement DIP Order is not prejudicial to the unsecured creditors of the LP estate. The Eighth Replacement DIP Facility is part and parcel of the Modified Second Amended Plan, which is the only avenue pursuant to which the unsecured creditors, including Canadian unsecured creditors, will receive payment, in full, on account of their claims.

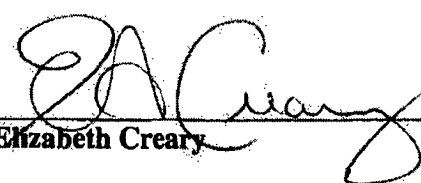
25. The Foreign Representative respectfully requests that the Canadian Court recognize the Amended Eighth Replacement DIP Order (if issued by the U.S. Bankruptcy Court and filed with the Canadian Court) as the terms and conditions contained in the order are fair and reasonable and in the best interests of the LightSquared estate.

26. If the Amended Eighth Replacement DIP Order is not recognized in Canada, LightSquared will face an emergency liquidity crisis and the consummation of the Modified Second Amended Plan will be put at risk, potentially impairing the recoveries to, among others, the unsecured creditors of the Canadian estates.

27. I make this affidavit in support of the motion of the Foreign Representative returnable April 9, 2015 and for no other or improper purpose.

SWORN before me in the City of Ottawa )  
in the Province of Ontario the 6th day of )  
April, 2015 )  
)  
)  
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)  
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)

  
\_\_\_\_\_  
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 Supplemental Affidavit of Elizabeth  
Creary, sworn before me this 6<sup>th</sup> day of April, 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. <sup>1</sup>	)	Jointly Administered

**ORDER AMENDING 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**

Upon the notice of presentment, dated April 1, 2015 [Docket No. [\_\_\_]] (the “Notice of Presentment”), of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, “LightSquared” or the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), seeking the entry of an order (this “Order”) amending 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] (the “Eighth Replacement DIP Order”);<sup>2</sup> and this Order having been negotiated in good faith and at arm’s length between the Debtors, the DIP

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

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Eighth Replacement DIP Order.

Lenders and the Backstop Parties; and all of the Debtors' obligations under the Eighth Replacement DIP Facility as authorized by the Eighth Replacement DIP Order and the obligations to be incurred under the Eighth Replacement DIP Facility, including in respect of this Order, having been incurred in good faith as that term is used in section 364(e) of the Bankruptcy Code; 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 consistent with paragraph E of the Eighth Replacement DIP Order and the *Order Establishing Certain Notice, Case Management, and Administrative Procedures* [Docket No. 121] and appropriate under the particular circumstances and with no need to provide other or further notice; and it appearing to the Court that entry of this Order is fair and reasonable and in the best interests of the Debtors, their estates, and their stakeholders, and is essential for the continued management of the Debtors' businesses; and after due deliberation and consideration, and for good and sufficient cause appearing therefor; it is hereby **ORDERED** that:

1. All of the terms of the Eighth Replacement DIP' Order shall remain in full force and effect pursuant to the terms thereof, except to the extent modified by this Order. Except as otherwise provided in this Order or the Eighth Replacement DIP Order, no obligation or payment under this Order shall be stayed, restrained, voidable, avoidable, or recoverable under the Bankruptcy Code or under any applicable law, or subject to any defense, reduction, setoff, recoupment, or counterclaim.

2. Recital paragraph (iii) of the Eighth Replacement DIP Order is hereby amended by replacing the words "the Prepetition Inc. Secured Parties under (and as defined in)



the Final Cash Collateral Order” with the words “the Prepetition Inc. Lenders and the Prepetition Inc. Agent (collectively, the “Prepetition Inc. Secured Parties”) under the Final Cash Collateral Order.”

3. The Eighth Replacement DIP Order is hereby amended by inserting new paragraph 22 therein as follows:

22. **Condition to New Investor Consent.** Notwithstanding anything to the contrary in this Order, (a) as consideration for delivery of the New Investor Consent, upon the receipt of the New Investor Consent by the DIP Lenders and the Debtors, and (i) only if any of the LP DIP Collateral or any of the Inc. DIP Collateral, as applicable, is sold or liquidated to repay the Eighth Replacement DIP Obligations, and (ii) only after the prior indefeasible and irrevocable repayment in full in cash of the Eighth Replacement DIP Obligations, (Y) the Inc. Debtors shall be provided with an intercompany claim (the “Inc. Intercompany Claim”) against each of the LP Debtors to the extent the proceeds of such sale or liquidation of the Inc. DIP Collateral are insufficient to repay the Prepetition Inc. Facility Claims (as defined in the Plan) in full in cash (such deficiency amount, the “Inc. Estate Deficiency”) and (Z) the LP Debtors shall be provided with an intercompany claim (the “LP Intercompany Claim”) against each of the Inc. Debtors to the extent the proceeds of such sale or liquidation of the LP DIP Collateral are insufficient to repay the Prepetition LP Facility Claims (as defined in the Plan) in full in cash (such deficiency amount, the “LP Estate Deficiency”).

(b) The Inc. Intercompany Claim shall be in an amount equal to the lesser of (i) the amount of the Tranche A Loans (including all interest, fees and other

accrued obligations thereon) repaid with proceeds of the sale or liquidation of the Inc. DIP Collateral and (ii) the Inc. Estate Deficiency. The Inc. Intercompany Claim shall be a superpriority administrative expense claim against each of the LP Debtors (senior to all administrative expenses, including the LP Section 507(b) Claim, but junior to all claims of the DIP Lenders) and shall be secured by priming liens on all of the LP Debtors' assets (senior to all other liens, including the Prepetition LP Liens and the LP Adequate Protection Liens, but junior to all DIP Liens). The Inc. Intercompany Claim shall be senior in all respects to the Prepetition LP Facility Claims (as defined in the Plan), and the Prepetition LP Facility Claims (as defined in the Plan) shall only be paid after the Inc. Intercompany Claim is paid in full in cash.

(c) The LP Intercompany Claim shall be in an amount equal to the lesser of (i) the amount of the Tranche B Loans (including all interest, fees and other accrued obligations thereon) repaid with proceeds of the sale or liquidation of the LP DIP Collateral and (ii) the LP Estate Deficiency. The LP Intercompany Claim shall be a superpriority administrative expense claim against each of the Inc. Debtors (senior to all administrative expenses, including the Inc. Section 507(b) Claim, but junior to all claims of the DIP Lenders) and shall be secured by priming liens on all of the Inc. Debtors' assets (senior to all other liens, including the Prepetition Inc. Liens and the Adequate Protection Liens but junior to all DIP Liens). The LP Intercompany Claim shall be senior in all respects to the Prepetition Inc. Facility Claims (as defined in the Plan) and the Prepetition Inc. Facility Claims shall only be paid after the LP Intercompany Claim is paid in full

in cash.

(d) Only if any of the LP DIP Collateral or any of the Inc. DIP Collateral, as applicable, is sold or liquidated to repay the Eighth Replacement DIP Obligations, and whether or not on a consolidated basis, and only after the prior indefeasible and irrevocable repayment in full in cash of the Eighth Replacement DIP Obligations, parties in interest shall have the right to assert that the value allocated to each of the LP Debtors and the Inc. Debtors for purposes of determining the Inc. Estate Deficiency, if any, the LP Estate Deficiency, if any, the Inc. Intercompany Claim, if any, and the LP Intercompany Claim, if any, may be based on the relative value of the LP DIP Collateral and the Inc. DIP Collateral, as determined by the Court.

(e) Nothing in this paragraph 22 shall (i) impact in any way the right of the DIP Lenders to take any action they determine in their sole and absolute discretion is necessary or appropriate in order to obtain the payment in cash in full of the Eighth Replacement DIP Obligations as otherwise permitted by this Order, (ii) result in any payments received by the DIP Lenders being revocable or subject to offset, reduction or disgorgement, or (iii) give rise to any party obtaining any right, claim or cause of action against any DIP Lender regarding any amounts paid to them in respect of the Eighth Replacement DIP Obligations.

(f) To the extent of any inconsistency between this paragraph 22 and Exhibit A to the New Investor Consent, this paragraph 22 shall control and the New Investors agree that they are bound hereby.

4. The Eighth Replacement DIP Order is hereby amended by deleting Schedules II, III and IV to Annex A thereto in their entirety and replacing them with new Schedules II, III and IV to Annex A set forth on Exhibit A hereto.

5. The effectiveness of this Order is subject to the payment by the LP DIP Obligors of all outstanding fees, costs and expenses incurred by the Backstop Parties and the other DIP Lenders, in each case upon the terms set forth in paragraph 18(b) of the Eighth Replacement DIP Order including, without limitation, all reasonable and documented fees and disbursements of White & Case LLP and Bennett Jones LLP, each as counsel to the Backstop Parties.

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

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

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

Dated: April \_\_, 2015  
New York, New York

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HONORABLE SHELLEY C. CHAPMAN  
UNITED STATES BANKRUPTCY JUDGE

**Exhibit A**

**SCHEDULE II TO ANNEX A**

**Delayed Draw Replacement DIP Loan Allocation Schedule**

**Delayed Draw Tranche A DIP Loans**

Name of DIP Lender	Relevant Percentage	Initial Principal Outstanding Under Eighth Replacement DIP Facility as of 4/13/2015	Accrued Interest Under Eighth Replacement	Tranche A DIP Amount	Net Funding Amount
Capital Research	29.56%	84,834,975.37	1,557,140.20	137,204,923.47	45,812,807.89
Fortress Credit Co LLC	-	-	-	-	-
Drawbridge Special Opportunities Fund LP	4.11%	11,782,635.46	216,269.47	18,361,794.92	6,362,889.98
Cyrus Opportunities Fund II, LP	-	-	-	-	-
CVR Fund, L.P.	-	-	-	-	-
Cyrus Select Opportunities Fund, L.P.	-	-	-	-	-
Cyrus Heartland, L.P.	1.72%	4,948,706.89	90,833.18	7,711,959.86	2,872,413.79
CRS Master Fund, L.P.	3.82%	10,972,017.95	201,390.64	17,098,546.77	5,925,138.17
Cyrus Opportunities Master Fund II, Ltd	10.73%	30,807,736.89	565,473.92	48,010,086.43	16,636,875.62
Cyrus Select Opportunities Master Fund, Ltd.	1.14%	3,282,635.78	60,252.56	5,115,586.00	1,772,697.67
Crescent 1 LP	2.95%	8,474,741.10	155,559.30	13,206,846.52	4,576,552.12
Cyrus Special Strategies Master Fund, L.P.	1.24%	3,557,135.60	65,290.98	5,543,360.36	1,920,933.78
CM Finance SPV Ltd.	1.64%	4,713,054.21	86,507.79	7,344,717.97	2,545,155.97
Nomura Corporate Funding Americas, LLC	-	-	-	-	-
SOLA LTD	21.76%	62,447,967.98	1,146,228.21	97,317,513.10	33,723,316.91
ULTRA MASTER LTD	3.28%	9,426,108.37	173,015.58	14,689,435.94	5,090,311.99
Solus Sr. High Income Fund LP	1.23%	3,534,790.64	64,880.84	5,508,538.48	1,908,867.00
Fernwood Associates LLC (Intermarket)	1.31%	3,763,505.25	69,078.88	5,864,962.19	2,032,378.06
Fernwood Restructurings Ltd. (Intermarket)	1.31%	3,763,505.25	69,078.88	5,864,962.19	2,032,378.06
Fernwood Foundation Fund LLC (Intermarket)	0.23%	654,522.65	12,013.72	1,019,993.41	353,457.05
J.P. Morgan	-	-	-	-	-
BlackRock Multi-Manager Alternative Strategies Fund, a series of BlackRock Funds	0.41%	1,178,263.54	21,626.95	1,836,179.49	636,289.00
BlackRock Credit Alpha Master Fund LP	3.59%	10,309,806.04	189,235.79	16,066,570.57	5,567,528.74
BlackRock Tempus Fund (ERISA), Ltd.	0.49%	1,413,916.26	25,952.34	2,203,415.39	763,546.79
CSC Multi-Strategy Fund, Ltd.	0.41%	1,178,263.54	21,626.95	1,836,179.49	636,289.00
BlackRock Multi-Strategy Master Fund Limited	0.29%	824,784.48	15,138.86	1,285,325.64	445,402.30
The Obsidian Master Fund	1.87%	5,361,069.14	98,402.61	8,354,616.69	2,895,114.94
Simcoe Credit Opportunities Fund Ltd.	1.48%	4,241,748.77	77,857.01	6,610,246.17	2,290,640.39
Simcoe Union Credit Opportunities Fund Ltd.	0.49%	1,413,916.27	25,952.34	2,203,415.41	763,546.80
Thracia, LLC	4.22%	12,115,162.56	222,372.98	18,880,003.52	6,542,467.98
Managed Account Services Master Fund-MAP 5	0.49%	1,420,000.00	26,064.00	2,213,064.00	767,000.00
Highmark Limited, in respect of its Segregated Account Highmark Multi-Strategy 3	0.21%	604,000.00	11,086.38	941,086.38	326,000.00
<b>Total</b>	<b>100.00%</b>	<b>287,025,000.00</b>	<b>5,268,324.36</b>	<b>5447,293,324.36</b>	<b>\$155,000,000.00</b>

**SCHEDULE III TO ANNEX A**

**Delayed Draw Replacement DIP Loan Allocation Schedule**

**Tranche B Loans**

Name of DIP Lender	Relevant Percentage	Tranche B Loan Amount	Net Funding Amount
Capital Research	23.8%	\$49,950,738.9	\$49,950,738.90
Fortress Credit Co LLC	-	-	-
Drawbridge Special Opportunities Fund LP	3.3%	6,937,602.62	6,937,602.62
Cyrus Opportunities Fund II, LP	-	-	-
CYR Fund, L.P.	-	-	-
Cyrus Select Opportunities Fund, L.P.	-	-	-
Cyrus Heartland, L.P.	1.4%	2,913,793.10	2,913,793.10
CRS Master Fund, L.P.	3.1%	6,460,311.94	6,460,311.94
Cyrus Opportunities Master Fund II, Ltd.	8.6%	18,139,561.15	18,139,561.15
Cyrus Select Opportunities Master Fund, Ltd.	0.9%	1,932,812.28	1,932,812.28
Crescent 1 L.P.	2.4%	4,989,918.12	4,989,918.12
Cyrus Special Strategies Master Fund, L.P.	1.0%	2,094,437.47	2,094,437.47
CM Finance SPV Ltd.	1.3%	2,775,041.05	2,775,041.05
Nomura Corporate Funding Americas, LLC	-	-	-
SOLA LTD	17.5%	36,769,293.92	36,769,293.92
ULTRA MASTER LTD	2.6%	5,550,082.10	5,550,082.10
Solus Sr. High Income Fund LP	1.0%	2,081,280.79	2,081,280.79
Fernwood Associates LLC (Intermarket)	1.1%	2,215,947.70	2,215,947.70
Fernwood Restructurings Ltd. (Intermarket)	1.1%	2,215,947.70	2,215,947.70
Fernwood Foundation Fund LLC (Intermarket)	0.2%	385,382.21	385,382.21
JP Morgan	19.5%	41,000,000.00	41,000,000.00
BlackRock Multi-Manager Alternative Strategies Fund, a series of BlackRock Funds	0.3%	693,760.27	693,760.27
BlackRock Credit Alpha Master Fund L.P.	2.9%	6,070,402.30	6,070,402.30
BlackRock Tempus Fund (ERISA), Ltd.	0.4%	832,512.32	832,512.32
CSC Multi-Strategy Fund, Ltd	0.3%	693,760.27	693,760.27
BlackRock Multi-Strategy Master Fund Limited	0.2%	485,632.18	485,632.18
The Obsidian Master Fund	1.5%	3,156,609.19	3,156,609.19
Simcoe Credit Opportunities Fund Ltd.	1.2%	2,497,536.95	2,497,536.95
Simcoe Union Credit Opportunities Fund Ltd.	0.4%	832,512.32	832,512.32
Thracia, LLC	3.4%	7,133,123.15	7,133,123.15
Managed Account Services Master Fund-MAP 5	0.4%	836,000.00	836,000.00
Highmark Limited, in respect of its Segregated Account Highmark Multi-Strategy 3	0.2%	356,000.00	356,000.00
<b>Total</b>	<b>100.0%</b>	<b>\$210,000,000.00</b>	<b>\$210,000,000.00</b>

**SCHEDULE IV TO ANNEX A**

**Delayed Draw Replacement DIP Loan Commitment**

**As of the Initial Borrowing Date**

<b>Institution</b>	<b>Amount</b>	<b>Percentage</b>	<b>Applicable Commitment Fee</b>
Capital Research	98,423,645.32	27.0%	615,147.78
Fortress Credit Co LLC	55,862,068.97	15.3%	349,137.93
Cyrus Opportunities Fund II, LP	10,290,208.55	2.8%	64,313.80
CYR Fund, L.P.	12,385,450.11	3.4%	77,409.06
Cyrus Select Opportunities Fund, L.P.	843,659.29	0.2%	5,272.87
Cyrus Heartland, L.P.	5,586,206.90	1.5%	34,913.79
CM Finance SPV Ltd.	19,649,132.16	5.4%	122,807.08
Nomura Corporate Funding Americas	26,600,985.22	7.3%	166,256.16
SOLA LTD	70,492,610.84	19.3%	440,578.82
ULTRA MASTER LTD	10,640,394.09	2.9%	66,502.46
Solus Sr. High Income Fund LP	3,990,147.78	1.1%	24,938.42
Fernwood Associates LLC (Intermarket)	4,248,325.76	1.2%	26,552.04
Fernwood Restructurings Ltd. (Intermarket)	4,248,325.76	1.2%	26,552.04
Fernwood Foundation Fund LLC (Intermarket)	738,839.26	0.2%	4,617.75
JPM	41,000,000.00	11.2%	-
<b>Total</b>	<b>\$365,000,000.00</b>	<b>100.0%</b>	<b>\$2,025,000.00</b>



**SCHEDULE IV TO ANNEX A (cont'd)**

**Delayed Draw Replacement DIP Loan Commitment**

**As of the Delayed Draw Funding Date**

Name of DIP Lender	Amount	Percentage	Applicable Commitment Fee
Capital Research	\$95,763,546.79	26.2%	N/A
Fortress Credit Co LLC	-	-	N/A
Drawbridge Special Opportunities Fund LP	13,300,492.60	3.6%	N/A
Cyrus Opportunities Fund II, LP	-	-	N/A
CYR Fund, L.P.	-	-	N/A
Cyrus Select Opportunities Fund, L.P.	-	-	N/A
Cyrus Heartland, L.P.	5,586,206.89	1.5%	N/A
GRS Master Fund, L.P.	12,385,450.11	3.4%	N/A
Cyrus Opportunities Master Fund II, Ltd.	34,776,436.77	9.5%	N/A
Cyrus Select Opportunities Master Fund, Ltd.	3,705,509.95	1.0%	N/A
Crescent 1 L.P.	9,566,470.24	2.6%	N/A
Cyrus Special Strategies Master Fund, L.P.	4,015,371.25	1.1%	N/A
CM Finance SPV Ltd.	5,320,197.02	1.5%	N/A
Nomura Corporate Funding Americas, LLC	-	-	N/A
SOLA LTD	70,492,610.83	19.3%	N/A
ULTRA MASTER LTD	10,640,394.09	2.9%	N/A
Solus Sr. High Income Fund LP	3,990,147.79	1.1%	N/A
Fernwood Associates LLC (Intermarket)	4,248,325.76	1.2%	N/A
Fernwood Restructurings Ltd. (Intermarket)	4,248,325.76	1.2%	N/A
Fernwood Foundation Fund LLC (Intermarket)	738,839.26	0.2%	N/A
JP Morgan	41,000,000.00	11.2%	N/A
BlackRock Multi-Manager Alternative Strategies Fund, a series of BlackRock Funds	1,330,049.27	0.4%	N/A
BlackRock Credit Alpha Master Fund L.P.	11,637,931.04	3.2%	N/A
BlackRock Tempus Fund (ERISA), Ltd.	1,596,059.11	0.4%	N/A
CSC Multi-Strategy Fund, Ltd	1,330,049.27	0.4%	N/A
BlackRock Multi-Strategy Master Fund Limited	931,034.48	0.3%	N/A
The Obsidian Master Fund	6,051,724.13	1.7%	N/A
Simcoe Credit Opportunities Fund Ltd.	4,788,177.34	1.3%	N/A
Simcoe Union Credit Opportunities Fund Ltd.	1,596,059.12	0.4%	N/A
Thracia, LLC	13,675,591.13	3.7%	N/A
Managed Account Services Master Fund-MAP 5	1,603,000.00	0.4%	N/A
Highmark Limited, in respect of its Segregated Account Highmark Multi-Strategy 3	682,000.00	0.2%	N/A
<b>Total</b>	<b>\$365,000,000.00</b>	<b>100.0%</b>	



Exhibit "B" to the Supplemental Affidavit of Elizabeth  
Creary, sworn before me this 6<sup>th</sup> day of April, 2015.



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Commissioner for Taking Affidavits, etc.

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

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

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

**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**

Upon the notice of presentment, dated January 28, 2015 [Docket No. 2050] (the "Motion")<sup>2</sup> of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession

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

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



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

(i) authorizing (A) LightSquared LP (the “LP DIP Borrower”) and, to the extent that the Inc. DIP Obligors Conditions Precedent (as defined in Annex A hereto) are satisfied and the Tranche B Loans (as defined in Annex A hereto) are incurred on the Delayed Draw Funding Date (as defined in Annex A hereto), LightSquared Inc. (the “Inc. DIP Borrower”) and, together with the LP DIP Borrower, the “DIP Borrowers”) to obtain and enter into the replacement senior secured, priming, superpriority debtor-in-possession credit facility (the “Eighth Replacement DIP Facility”) and (B) each existing and future, direct or indirect, subsidiary of the LP DIP Borrower (collectively, the “LP DIP Guarantors”) and, together with the LP DIP Borrower, the “LP DIP Obligors”) and, to the

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*Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 1638] (the “Sixth Order Amending First Cash Collateral Order”), (vii) the Seventh Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 1667] (the “Seventh Order Amending First Cash Collateral Order”), (viii) the Eighth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 1682] (the “Eighth Order Amending First Cash Collateral Order”), (ix) the Ninth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 1735] (the “Ninth Order Amending First Cash Collateral Order”), (x) the Tenth Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay (the “Tenth Order Amending First Cash Collateral Order”) [Docket No. 1927], and (xi) the Eleventh Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay (the “Eleventh Order Amending First Cash Collateral Order”), and, as so amended, the “Final Cash Collateral Order”).*

extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, each existing and future, direct or indirect, subsidiary of the Inc. DIP Borrower that is not an LP DIP Obligor (collectively, the “Inc. DIP Guarantors” and, together with the Inc. DIP Borrower, the “Inc. DIP Obligors” and, the Inc. DIP Guarantors together with the LP DIP Guarantors, the “DIP Guarantors” and, the DIP Guarantors together with the DIP Borrowers, the “DIP Obligors”) to unconditionally guarantee, jointly and severally, each DIP Borrower’s obligations in respect of the Eighth Replacement DIP Facility and the Eighth Replacement DIP Loans (as defined herein) made thereunder, made available (1) on the Initial Borrowing Date (as defined herein), by Capital Research and Management Company (“CapRe”), Cyrus Credit Opportunities Fund II, LP, CYR Fund, L.P., Cyrus Select Opportunities Fund, L.P., and Cyrus Heartland, L.P. (collectively, the “Backstop Parties”), as well as by Nomura Corporate Funding Americas, CM Finance SPV Ltd., SOLA LTD, ULTRA MASTER LTD, Solus Sr. High Income Fund LP, Intermarket Corp., Fortress Credit Corp., on behalf of its and its affiliates’ managed funds and/or accounts, and each other financial institution or entity that commits to make (or otherwise agrees to convert its Seventh Replacement LP DIP Loans (as defined herein) into) Eighth Replacement DIP Loans on the Initial Borrowing Date (each of the foregoing, an “Initial DIP Lender” and, collectively, the “Initial DIP Lenders”) and (2) if applicable, on the Delayed Draw Funding Date by, (x) the Backstop Parties, Nomura Corporate Funding Americas, CM Finance SPV Ltd., SOLA LTD, ULTRA MASTER LTD, Solus Sr. High Income Fund LP, Intermarket Corp., Fortress Credit Corp., on behalf of its and its affiliates’ managed funds and/or accounts, SIG Holdings, Inc., and each other financial

institution or entity that commits to make (or otherwise agrees to convert its Inc. DIP Loans (as defined herein) into) Tranche B Loans under Tranche B (as defined in Annex A hereto) of the Eighth Replacement DIP Facility on the Delayed Draw Funding Date to the Inc. DIP Borrower (each of the foregoing, a “Tranche B Lender” and, collectively, the “Tranche B Lenders”) and (y) the Backstop Parties and each other financial institution or entity that commits to make Delayed Draw Tranche A Loans (as defined in Annex A hereto) under the Eighth Replacement DIP Facility on the Delayed Draw Funding Date to the LP DIP Borrower (each of the foregoing, a “Delayed Draw LP DIP Lender” and, collectively, the “Delayed Draw LP DIP Lenders” and, together with the Initial DIP Lenders, the “LP DIP Lenders” and, as used herein, the “DIP Lenders” shall mean the LP DIP Lenders and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the LP DIP Lenders together with the Tranche B Lenders), in each case, pursuant to the terms and conditions of this order (this “Order”), including (I) the terms and conditions set forth in Annex A hereto, (II) the budgets prepared by the Debtors and annexed hereto as Annex B (as updated from time to time pursuant to, and in accordance with, the terms of this Order, the “Eighth Replacement DIP Budget”), and (III) the other Eighth Replacement DIP Credit Documents (as defined herein);

(ii) authorizing and directing the applicable DIP Obligors to execute and deliver, and perform under, (A) the terms of the Eighth Replacement DIP Facility as set forth in this Order, (B) (1) the related Eighth Replacement Notes (as defined in Annex A hereto), substantially in the form annexed hereto as Annex C, to be issued in favor of each Initial DIP Lender by the LP DIP Borrower, each in the original principal amount

equal to the initial loan (the “Initial DIP Loan”) made by such Initial DIP Lender as set forth in the “Initial DIP Loan Allocation Schedule” set forth on Schedule I to Annex A hereto, and (2) upon the occurrence of the Delayed Draw Funding Date, the related Eighth Replacement Notes, (x) to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, substantially in the form annexed hereto as Annex D, to be issued in favor of each Tranche B Lender by the Inc. DIP Borrower, each in the original principal amount equal to the Tranche B Loans made by such Tranche B Lender (including by way of converting the SIG Inc. DIP Loans (as defined herein) into Tranche B Loans) as set forth on Schedule III to Annex A hereto, and (y) evidencing the Initial DIP Loans held by a Delayed Draw LP DIP Lender, if any, shall be cancelled, and any Delayed Draw LP DIP Lender shall receive an Eighth Replacement Note, substantially in the form annexed hereto as Annex C, to be issued in favor of such LP DIP Lender by the LP DIP Borrower, each in the aggregate principal amount equal to the Tranche A Loans (as defined herein) made by such LP DIP Lender as set forth on Schedule II to Annex A hereto, (C) upon the occurrence of the Delayed Draw Funding Date, the related “LP DIP Obligor Reaffirmation,” substantially in the form annexed hereto as Annex E, and (D) the related “DIP Obligor Guaranty,” substantially in the form annexed hereto as Annex F to be issued in connection with both the Initial DIP Loans and the Delayed Draw Replacement DIP Loans (as defined in Annex A hereto) (this Order, the Eighth Replacement Notes, each DIP Obligor Guaranty, and the LP DIP Obligor Reaffirmation, collectively, the “Eighth Replacement DIP Credit Documents”) and to perform such other acts as may be necessary or desirable in connection with the Eighth Replacement DIP Facility;



(iii) granting to the DIP Lenders, (A) in each of the LP DIP Obligors' Chapter 11 Cases, in respect of the Eighth Replacement DIP Obligations (as defined herein), allowed superpriority administrative expense claims against each of the LP DIP Obligors (the "LP DIP Superpriority Claims") with priority over all other allowed chapter 11 and chapter 7 administrative expense claims, including the expenses of any chapter 7 trustee or chapter 11 trustee and the adequate protection claims and liens granted to the Prepetition LP Secured Parties under (and as defined in) the Final Cash Collateral Order, and (B) if the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, granting to the DIP Lenders allowed superpriority administrative expense claims against each of the Inc. DIP Obligors (the "Inc. DIP Superpriority Claims" and, together with the LP DIP Superpriority Claims, the "DIP Superpriority Claims") with priority over all other allowed chapter 11 and chapter 7 administrative expense claims, including the expenses of any chapter 7 trustee or chapter 11 trustee and the adequate protection claims and liens granted to the Prepetition Inc. Secured Parties under (and as defined in) the Final Cash Collateral Order;

(iv) granting to the DIP Lenders automatically perfected first priority priming security interests in, and liens on, all of the LP DIP Collateral (as defined herein) and, if the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, all of the Inc. DIP Collateral, in accordance with the terms set forth herein;

(v) authorizing the applicable DIP Obligors to pay the principal, interest (including, without limit, interest paid in kind), fees, expenses, and other liabilities and amounts payable, as set forth herein, including, without limitation, under each of the

Eighth Replacement DIP Credit Documents, as they become due, all to the extent provided by, and in accordance with, the terms of this Order and the other Eighth Replacement DIP Credit Documents, as applicable; provided, however, that no claims arising from the foregoing shall be allowed against, or payable by, the Inc. DIP Obligors unless the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date;

(vi) reaffirming and confirming the adequate protection to the Prepetition Secured Parties for any Diminution in Value of their respective interests in the Prepetition Collateral through December 30, 2015 as provided in the Final Cash Collateral Order; and

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

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

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

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

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

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

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

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

the Hearing and the relief requested in the Motion constitutes due, sufficient, and appropriate notice and complies with section 102(1) of the Bankruptcy Code, Bankruptcy Rules 2002 and 4001(b) and (c), and the Local Rules.

**F. Final Cash Collateral Order.** On February 19, 2013, the Court entered the First Cash Collateral Order; on December 20, 2013, the Court entered the First Order Amending First Cash Collateral Order; on February 4, 2014, the Court entered the Second Order Amending First Cash Collateral Order; on April 10, 2014, the Court entered the Third Order Amending First Cash Collateral Order; on June 13, 2014, the Court entered the Fourth Order Amending First Cash Collateral Order; on June 30, 2014, the Court entered the Fifth Order Amending First Cash Collateral Order; on July 14, 2014, the Court entered the Sixth Order Amending First Cash Collateral Order; on July 24, 2014, the Court entered the Seventh Order Amending First Cash Collateral Order; on August 1, 2014, the Court entered the Eighth Order Amending First Cash Collateral Order; on August 28, 2014, the Court entered the Ninth Order Amending First Cash Collateral Order; and on November 14, 2014, the Court entered the Tenth Order Amending First Cash Collateral Order which collectively provide for, among other things, the Debtors' continued use of the Prepetition LP Collateral, including Cash Collateral, subject to the terms contained therein, through January 30, 2015. Substantially simultaneously with entry of this Order, and as a prerequisite to the effectiveness of this Order, the Court will enter the Eleventh Order Amending First Cash Collateral Order, which, among other things, amends the First Cash Collateral Order (as amended by the First Order Amending First Cash Collateral Order, the Second Order Amending First Cash Collateral Order, the Third Order Amending First Cash Collateral Order, the Fourth Order Amending First Cash Collateral Order, the Fifth Order Amending First Cash Collateral Order, the Sixth Order Amending First Cash Collateral Order,

the Seventh Order Amending First Cash Collateral Order, the Eighth Order Amending First Cash Collateral Order, the Ninth Order Amending First Cash Collateral Order, and the Tenth Order Amending First Cash Collateral Order) by (i) permitting the LP Debtors,<sup>3</sup> and, as applicable in accordance with the terms of this Order and upon satisfaction of the Inc. DIP Obligors Conditions Precedent and the incurrence of the Tranche B Loans on the Delayed Draw Funding Date, the Inc. Debtors,<sup>4</sup> to continue to use the Prepetition Collateral, including Cash Collateral, through and including April 30, 2015; provided, however, that until the satisfaction of the Inc. DIP Obligors Conditions Precedent and the incurrence of the Tranche B Loans on the Delayed Draw Funding Date, the terms of the Inc. DIP Order (as defined herein) shall control the Inc. Debtors' use of Prepetition Inc. Collateral, (ii) permitting the LP Debtors to continue to make the LP Adequate Protection Payments on the terms set forth herein, (iii) allowing entry of this Order and approval of the Eighth Replacement DIP Facility, and (iv) preserving for the benefit of the Prepetition Secured Parties the Adequate Protection Liens and the Section 507(b) Claims.

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

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

<sup>4</sup> “Inc. Debtors” means, collectively, LightSquared Inc., One Dot Four Corp., One Dot Six Corp., SkyTerra Rollup LLC, SkyTerra Rollup Sub LLC, SkyTerra Investors LLC, and One Dot Six TVCC Corp.

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

*Fourth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1668] (the “Fourth Replacement LP DIP Order”) and thereby approved, among other things, the provision of certain superpriority senior secured priming postpetition financing to the LP DIP Obligors through July 31, 2014 (the “Fourth Replacement LP DIP Facility”). On August 1, 2014, this Court entered the *Final Order (A) Authorizing LP DIP Obligors To Obtain Fifth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1681] (the “Fifth Replacement LP DIP Order”) and thereby approved, among other things, the provision of certain superpriority senior secured priming postpetition financing to the LP DIP Obligors through August 31, 2014 (the “Fifth Replacement LP DIP Facility”). On August 28, 2014, this Court entered the *Final Order (A) Authorizing LP DIP Obligors To Obtain Sixth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [Docket No. 1736] (the “Sixth Replacement LP DIP Order”). On November 14, 2014, this Court entered 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] (the “Seventh Replacement LP DIP Order”) and thereby approved, among other things, the provision of certain superpriority senior secured priming postpetition financing to the LP DIP Obligors through January 30, 2015 (the

“Seventh Replacement LP DIP Facility” and, the loans thereunder “Seventh Replacement LP DIP Loans”).

(ii) Each of the LP DIP Obligors and the lenders under the Seventh Replacement LP DIP Facility have consented to the entry of this Order and the Eighth Replacement DIP Facility, the proceeds of which shall be used (i) (A) to pay in full all Seventh Replacement LP DIP Obligations under (and as defined in) the Seventh Replacement LP DIP Facility and the Seventh Replacement LP DIP Order and (B) to permit the LP Debtors to meet their general corporate and working capital needs in accordance with this Order for the types of expenditures set forth in the Eighth Replacement DIP Budget (and other purposes described in paragraph 3(a) below) through the Final Maturity Date (as defined herein), pay the Commitment Fee (as defined herein) and pay the DIP Professional Fees (as defined herein), and (ii) to the extent the Delayed Draw Funding Date occurs and the Tranche B Loans are incurred, (A) to pay in full (1) all DIP Obligations under (and as defined in) the Inc. DIP Order and the other DIP Documents (as defined in the Inc. DIP Order) (such DIP Obligations including the loans thereunder, which shall include all principal, interest, default interest, commitment fees and exit fees, the “Inc. DIP Loans”) other than \$41,000,000 in respect of the JPM Acquired DIP Inc. Claims (as defined in the *Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code* [Docket No. 2035] (as may be amended, modified, and/or supplemented from time to time in accordance with the terms thereof, the “Plan”) acquired pursuant to the JPM Inc. Facilities Claims Purchase Agreement (the “SIG Inc. DIP Loans”) (which shall be converted on a dollar-for-dollar basis into, and be deemed, Tranche B Loans in the amount of \$41,000,000), and (2) all accrued and unpaid Prepetition Inc. Fee Claims and DIP Inc. Fee Claims (each as defined in the Plan) (including, if necessary, estimates of such Prepetition Inc. Fee Claims and DIP Inc. Fee



Claims through and including the Delayed Draw Funding Date), and (B) to permit the Inc. Debtors (including the Inc. DIP Obligors) to meet their general corporate and working capital needs in accordance with this Order for the types of expenditures set forth in the Eighth Replacement DIP Budget (and other purposes described in paragraph 3(b) below) through the Final Maturity Date and pay the DIP Professional Fees.

**H. Inc. DIP Order Remains in Full Force and Effect.** This Court has entered 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 heretofore amended, supplemented, or modified, the “Inc. DIP Order”). Notwithstanding anything contained herein to the contrary, the Inc. DIP Order (or, if applicable, an order approving a New Investor New Inc. DIP Facility (as defined in the Plan)) shall remain in full force and effect and the rights and obligations provided thereunder shall not otherwise be affected or impaired in any respect by the terms of this Order unless and until the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date.

**I. Immediate Need for Postpetition Financing.** The Debtors have requested immediate entry of this Order pursuant to Bankruptcy Rule 4001(b)(2) and (c)(2). Good cause has been shown for entry of this Order. Since the Petition Date, the LP Debtors have been funding their businesses and the Chapter 11 Cases through the use of, among other things, the Prepetition LP Collateral (including Cash Collateral) and the proceeds of the Seventh Replacement LP DIP Facility. The Prepetition LP Lenders’ Cash Collateral and the proceeds of the Seventh Replacement LP DIP Facility are largely depleted. In the absence of the availability

of the Eighth Replacement DIP Facility in accordance with the terms hereof, serious and irreparable harm to the LP Debtors and their estates and creditors would occur. Further, confirmation and consummation of a chapter 11 plan of reorganization would be at severe risk in the absence of the availability of funds in accordance with the terms of this Order.

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

K. **Transactions Contemplated by the Plan Support Agreement and the Plan.**<sup>5</sup> (i) On January 15, 2015, Fortress, Centerbridge, Harbinger, the JPM Investment Parties, MAST, and the Prepetition Inc. Agent (each as defined in the Plan and, collectively, the “Plan Support Parties”) entered into that certain Amended and Restated Plan Support Agreement, dated as of January 15, 2015 (as may be amended, supplemented, or modified from time to time in

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<sup>5</sup> Capitalized terms used by not otherwise defined in this paragraph L shall have the meanings ascribed to such terms the Plan.

accordance with the terms thereof, the “Plan Support Agreement”).<sup>6</sup> Contemporaneously with the execution of the Plan Support Agreement, (i) SIG (as defined in the Plan) and MAST entered into that certain Purchase and Sale Agreement dated January 15, 2015 pursuant to which SIG, subject to the terms and conditions of such agreement, shall purchase (a) from MAST, 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 (the “JPM Inc. Facilities Claims Purchase Agreement”);<sup>7</sup> (ii) Fortress, Centerbridge, and MAST entered into that certain Purchase and Sale Agreement, dated January 15, 2015, pursuant to which Fortress and Centerbridge, subject to the terms of such agreement, agreed to backstop the purchase from MAST of up to \$89,500,175.01 of DIP Inc. Claims (the “Fortress/Centerbridge DIP Inc. Claims Purchase Agreement”);<sup>8</sup> and (iii) the New Investors entered into that certain Debtor-in-Possession Facility Commitment Letter, dated January 15, 2015, pursuant to which the New Investors or their affiliates committed to provide, among other things, New Inc. DIP Loans of not less than \$198,000,175 comprised of the conversion of the Acquired DIP Inc. Claims into New Inc. DIP Loans in an amount of not less than \$130,500,175 and new money loans of not less than \$67,500,000 (as may be amended, supplemented, or otherwise modified from time to time in accordance with the terms thereof, the “New Investor New Inc. DIP Commitment Letter” and, together with the Fortress/Centerbridge DIP Inc. Claims Purchase Agreement, the “New Investor Commitment Documents”).<sup>9</sup>

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<sup>6</sup> An executed copy of the Plan Support Agreement is attached as Exhibit A to the Plan [Docket No. 2035].

<sup>7</sup> An executed copy of the JPM Inc. Facilities Claims Purchase Agreement is attached as Exhibit C to the Plan Support Agreement [Docket No. 2035].

<sup>8</sup> An executed copy of the Fortress/Centerbridge DIP Inc. Claims Purchase Agreement is attached as Exhibit D to the Plan Support Agreement [Docket No. 2035].

<sup>9</sup> An executed copy of the New Investor New Inc. DIP Commitment Letter is attached as Exhibit E to the Plan Support Agreement [Docket No. 2035]. On or around February 9, 2015, the Debtors will file a motion for approval of the New Investor New Inc. DIP Facility, which shall provide that in the event the Delayed Draw Funding Date and the incurrence of the Tranche B Loans do not occur on or before the date that is

(ii) The Plan provides that, 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 the consummation of the JPM Inc. Facilities Claims Purchase Agreement, cash in an amount equal to such allowed DIP Inc. Claims either (a) from the proceeds of the Third Party New Inc. DIP Facility<sup>10</sup> or (b) as contemplated by the New Investor Commitment Documents.<sup>11</sup>

**L. Survival of the New Investor Commitment Documents.** Nothing in this Order shall be deemed to amend, alter, impair, or otherwise affect, in any way, the terms of the New Investor Commitment Documents (as defined in the Plan), and the New Investors acknowledge that, as of the date of entry of this Order, the New Investor Commitment Documents are in full force and effect in all respects.

**M. Use of Proceeds of Eighth Replacement DIP Facility, DIP Collateral.**

(i) All proceeds of the Initial DIP Loans shall be used and/or applied (A) first, to repay in full or convert all Seventh Replacement LP DIP Obligations (as defined in the

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one (1) business day following the fourteenth (14th) day after entry of the Confirmation Order (as defined in the Plan), the New Investors shall fund the New Investor New Inc. DIP Facility and otherwise satisfy their obligations under the New Investor Commitment Documents subject to the terms and conditions thereof (including all conditions precedent being satisfied or waived)

<sup>10</sup> For the avoidance of doubt, the Tranche B Loans, if incurred, would be deemed a "Third Party New Inc. DIP Facility" as such term is defined in the Plan.

<sup>11</sup> As of January 30, 2015 the amount of the Inc. DIP Loans is \$131,180,985.73, which amount shall be increased on a *per diem* basis through and including the Inc. Facilities Claims Purchase Closing Date in accordance with the Inc. DIP Order and the DIP Inc. Credit Agreement (as defined in the Plan), plus any additional incremental funding provided by the DIP Inc. Lenders (as defined in the Plan) 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 DIP Inc. Loans payable on the Inc. Facilities Claims Purchase Closing Date and Delayed Draw Funding Date shall be increased to include the 2% exit fee owed pursuant to the DIP Inc. Credit Agreement and Inc. DIP 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 and the Delayed Draw Funding Date. For the avoidance of doubt the amount of the Inc. DIP Loans is intended to be, and shall be, the same the amount of the "Allowed DIP Inc. Claims" as such term is used and defined in the Plan.

Seventh Replacement LP DIP Order) under the Seventh Replacement LP DIP Facility and the Seventh Replacement LP DIP Order, (B) second, to be utilized by the LP Debtors to pay obligations payable under the Final Cash Collateral Order, and (C) third, to permit the LP Debtors to meet their general corporate and working capital needs in accordance with this Order for the types of expenditures set forth in the Eighth Replacement DIP Budget, to pay interest, fees, costs, expenses, and other liabilities payable under this Order or the Final Cash Collateral Order and for no other purpose, and to provide the LP Debtors with sufficient time and liquidity to confirm a chapter 11 plan of reorganization, all in accordance with the terms and conditions of this Order;

(ii) On the Delayed Draw Funding Date, (x) if the Tranche B Loans are incurred, all proceeds of the Tranche B Loans shall be used and/or applied (A) first, to repay in full, in cash all Inc. DIP Loans, other than the SIG Inc. DIP Loans (which shall be converted on a dollar-for-dollar basis into, and be deemed to constitute, Tranche B Loans) and all accrued and unpaid Prepetition Inc. Fee Claims and DIP Inc. Fee Claims (each as defined in the Plan) (including, if necessary, estimates of such Prepetition Inc. Fee Claims and DIP Inc. Fee Claims through and including the Delayed Draw Funding Date), and (B) second, to permit the Inc. Debtors to meet their general corporate and working capital needs in accordance with this Order for the types of expenditures set forth in the Eighth Replacement DIP Budget, to pay interest, fees, costs, expenses, and other liabilities payable under this Order or the Final Cash Collateral Order and for no other purpose, and to provide the Inc. Debtors with sufficient time and liquidity to consummate a chapter 11 plan of reorganization, all in accordance with the terms and conditions of this Order, and (y) all proceeds of the Delayed Draw Tranche A Loans shall be used and/or applied to permit the LP Debtors to meet their general corporate and working capital

needs in accordance with this Order for the types of expenditures set forth in the Eighth Replacement DIP Budget and to pay interest, fees, costs, expenses, and other liabilities payable under this Order or the Final Cash Collateral Order and for no other purpose, and to provide the LP Debtors with sufficient time and liquidity to consummate a chapter 11 plan of reorganization, all in accordance with the terms and conditions of this Order; and

(iii) All proceeds of the LP DIP Collateral (and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Collateral), including proceeds realized from a sale or disposition thereof, or from payment thereon (net of any amounts used to pay interest, fees, costs, expenses, and other liabilities payable under this Order or the Final Cash Collateral Order), shall be used and/or applied (A) first, to repay in full all Eighth Replacement DIP Obligations (including, for the avoidance of doubt, if the Tranche B Loans are incurred, the Tranche B Loans), and (B) second, to permit the LP Debtors (and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors) to meet their general corporate and working capital needs in accordance with this Order for the types of expenditures set forth in the Eighth Replacement DIP Budget, including the LP Debtors' obligations under the Final Cash Collateral Order, and for no other purpose, and to provide the LP Debtors (and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors) with sufficient time and liquidity to confirm and consummate a chapter 11 plan of reorganization, all in accordance with the terms and conditions of this Order.

N. **Extension of Financing.** The DIP Lenders have indicated a willingness to provide financing to the DIP Obligors in accordance with the terms of this Order and the other Eighth Replacement DIP Credit Documents (as applicable), but only upon (i) the entry of this Order, including, without limitation, approval of the terms of the Eighth Replacement DIP Loans as set forth herein and findings by this Court that the Eighth Replacement DIP Facility is essential to the Debtors' estates, that the DIP Lenders are good faith financiers, and that their claims, superpriority claims, security interests and liens, and other protections granted pursuant to this Order and the Eighth Replacement DIP Facility (including the DIP Superpriority Claims and the DIP Liens) will not be affected by any subsequent reversal, modification, vacatur, or amendment of, as the case may be, this Order, the Eleventh Order Amending First Cash Collateral Order, or the Final Cash Collateral Order, as provided in section 364(e) of the Bankruptcy Code, (ii) the entry of the Eleventh Order Amending First Cash Collateral Order, (iii) the execution and delivery of the applicable Eighth Replacement Notes, the DIP Obligor Guaranties, and the LP DIP Obligor Reaffirmation, in each case, by each applicable DIP Obligor, (iv) (A) receipt of evidence as to the delivery of certificates, if any, evidencing equity ownership in the Additional LP DIP Subsidiary Guarantors (as defined herein), together with undated stock powers therefor, executed in blank, to the Prepetition LP Collateral Trustee and (B) if the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, receipt of evidence as to the delivery of certificates, if any, evidencing equity ownership in the Inc. DIP Guarantors, together with undated stock powers therefor, executed in blank, to the Prepetition Inc. Agent, and (v) the payment of DIP Professional Fees as provided for herein. The LP DIP Obligors shall obtain, by no later than February 2, 2015, an order in form and substance acceptable to the DIP Lenders by the Canadian

Court in connection with the Canadian Proceedings recognizing the entry of this Order (the “Canadian DIP Recognition Order”) and an order in form and substance acceptable to the DIP Lenders by the Canadian Court in connection with the Canadian Proceedings recognizing the entry of the Eleventh Order Amending First Cash Collateral Order (the “Canadian Eleventh Cash Collateral Extension Recognition Order”).

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

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

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

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

**P. Other Findings and Conclusions Regarding DIP Lenders.**

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



Lenders, in their capacity as such, shall be and hereby are indemnified and held harmless by the LP DIP Obligors (and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. Debtors and the LP Debtors) in respect of any claim or liability incurred in respect thereof or in any way related thereto. No exception or defense in contract, law, or equity exists as to any obligation (contractual or legal) to indemnify and/or hold harmless any of the DIP Lenders, in their capacity as such, and any such defenses are hereby waived, except to the extent resulting from the applicable DIP Lender's gross negligence or willful misconduct as determined by a final non-appealable order of a court of competent jurisdiction.

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

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

Q. Relief Essential; Best Interests. The relief requested in the Motion (and provided in this Order) is necessary, essential, and appropriate for the continued management and preservation of the Debtors' assets and property and to preserve the possibility of confirming a chapter 11 plan of reorganization. It is in the best interest of, and will benefit, the Debtors, their estates, and their creditors and equity holders that each DIP Obligor be allowed to enter into

the Eighth Replacement DIP Facility and incur the Eighth Replacement DIP Obligations as authorized herein.

**R. Adequate Protection for Prepetition Secured Parties.** The Prepetition Secured Parties are entitled to adequate protection for the priming of their liens and the other rights granted to the DIP Lenders hereunder. The adequate protection provided to the Prepetition Secured Parties in the Final Cash Collateral Order is sufficient adequate protection of the interests of the Prepetition Secured Parties, and is fair, reasonable, and sufficiently reflects that the Debtors have exercised prudent business judgment in agreeing to this Order and entering into the Eighth Replacement DIP Facility. Nothing in this Order shall be construed as a consent by any Prepetition Secured Party that it would be adequately protected in the event of any alternative debtor in possession financing or for any purposes in the Chapter 11 Cases other than entry of this Order. Until and subject to the satisfaction of the Inc. DIP Obligors Conditions Precedent and the incurrence of the Tranche B Loans on the Delayed Draw Funding Date, the adequate protection to be provided to the Prepetition Inc. Agent and the Prepetition Inc. Secured Parties shall be governed in all respects by the Inc. DIP Order.

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

**IT IS ORDERED** that:

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

2. **Eighth Replacement DIP Facility.**

(a) **Eighth Replacement DIP Obligations; Availability and Final Maturity**

**Date, etc.** The LP DIP Obligors and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors are hereby expressly and immediately authorized and directed to enter into the Eighth Replacement DIP Facility, to borrow the Eighth Replacement DIP Loans, and to incur and to perform the Eighth Replacement DIP Obligations in accordance with and subject to this Order and, as applicable, any other Eighth Replacement DIP Credit Documents, to execute and/or deliver any Eighth Replacement DIP Credit Documents and, as provided herein, all other instruments, certificates, agreements, and documents, and to take all actions, which may be reasonably required or otherwise necessary for the performance by the DIP Obligors (including, for the avoidance of doubt, the creation and perfection of the DIP Liens described and provided for herein). The LP DIP Obligors and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors are hereby authorized and directed to pay all principal of the Eighth Replacement DIP Loans (including, if the Tranche B Loans are incurred, the Tranche B Loans), interest thereon (including, without limitation, accrued but unpaid interest and interest paid in kind), fees and expenses, indemnities, and other amounts described herein and, as applicable, in the other Eighth Replacement DIP Credit Documents, as such shall accrue and become due hereunder or thereunder, including, without limitation, the Commitment Fee and DIP Professional Fees, as and to the extent provided for herein (collectively, all loans, advances, extensions of credit, financial accommodations, interest, fees (including the Commitment Fee and DIP Professional Fees as and to the extent provided for herein), expenses, and other

liabilities and obligations (including indemnities and similar obligations) in respect of the Eighth Replacement DIP Facility and the other Eighth Replacement DIP Credit Documents, the “Eighth Replacement DIP Obligations”); provided, however, for the avoidance of doubt, no Inc. DIP Obligors shall be obligated with respect to any of the Eighth Replacement DIP Obligations until the satisfaction of the Inc. DIP Obligors Conditions Precedent and the incurrence of the Tranche B Loans on the Delayed Draw Funding Date. Interest on the Eighth Replacement DIP Loans shall accrue at the rates and be paid as set forth in Annex A hereto. The Eighth Replacement DIP Credit Documents and all Eighth Replacement DIP Obligations are hereby, and shall represent, constitute, and evidence, as the case may be, valid and binding obligations of the LP DIP Obligors and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors, in each case, enforceable against the DIP Obligors, their estates, and any successors thereto in accordance with their terms. The term of the Eighth Replacement DIP Facility shall commence on the date all of the conditions precedent set forth in subparagraph (c)(i) of this paragraph 2 are satisfied and end on the Final Maturity Date (as defined herein), subject to the terms and conditions set forth herein and in the other Eighth Replacement DIP Credit Documents, including the protections afforded a party acting in good faith under section 364(e) of the Bankruptcy Code. The Eighth Replacement DIP Facility shall mature on the earlier of (i) December 30, 2015 and (ii) the effective date of any plan of reorganization confirmed in the Debtors’ Chapter 11 Cases; provided that if the Conditions to Combined Delayed Draw Funding (as defined herein) set forth in subparagraph (c)(ii) of this paragraph 2 have not been satisfied prior to or on April 30, 2015 and the Tranche B Loans have not been incurred, and the LP DIP Borrower has not elected, in writing delivered to the DIP Lenders prior to or on April 30, 2015,

to increase the *per annum* rate of the PIK Interest (as defined in Annex A hereto) applicable to the Initial DIP Loans from 9.0% to 15.0% as provided for, and in accordance with, Section 2(a) of Annex A hereto, the Final Maturity Date of the Eighth Replacement DIP Facility shall instead be June 1, 2015 (such earliest date, the "Final Maturity Date"). On the Final Maturity Date, all Eighth Replacement DIP Obligations shall be paid in full and in cash in U.S. dollars and to each DIP Lender in accordance with its Relevant Percentage and in accordance with payment instructions provided by such DIP Lender; provided, that if the Eighth Replacement DIP Facility matures on the Effective Date of (and as defined in) the Plan, the Eighth Replacement DIP Obligations owed to SIG Holdings, Inc. or its affiliates (collectively, SIG) shall receive the treatment specified in the Plan.

(b) **Authorization To Borrow; Guarantees, etc.** Subject to the terms and conditions of this Order and the other Eighth Replacement DIP Credit Documents (including the Eighth Replacement DIP Budget), (i) the LP DIP Borrower is hereby authorized and directed to borrow the Eighth Replacement DIP Loans under the Eighth Replacement DIP Facility, and, if the Conditions to Combined Delayed Draw Funding and the Inc. DIP Obligors Conditions Precedent are satisfied, the Inc. DIP Borrower is hereby authorized and directed, as of the Delayed Draw Funding Date, to borrow the Tranche B Loans under the Eighth Replacement DIP Facility, and (ii) the LP DIP Borrower and the other LP DIP Obligors are authorized and are hereby deemed to, and shall, guarantee repayment of the Eighth Replacement DIP Loans and all other Eighth Replacement DIP Obligations, up to an aggregate principal amount of up to \$315,000,000, plus all interest (including, without limitation, interest paid in kind), fees (including, without limitation, the Commitment Fee and the DIP Professional Fees), expenses, and all other liabilities and obligations constituting Eighth Replacement DIP Obligations under

the Eighth Replacement DIP Credit Documents, and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the DIP Borrowers and the other DIP Obligors are authorized and are hereby deemed to, and shall, guarantee repayment of the Eighth Replacement DIP Loans and all other Eighth Replacement DIP Obligations, up to an aggregate principal amount of up to \$650,000,000, plus all interest (including, without limitation, interest paid in kind), fees (including, without limitation, the Commitment Fee and the DIP Professional Fees), expenses, and all other liabilities and obligations constituting Eighth Replacement DIP Obligations under the Eighth Replacement DIP Credit Documents, in each case, without any right of notice, presentment, setoff, or waiver. Upon the making of the Initial DIP Loans, the concurrent indefeasible payment in full by the LP DIP Borrower of all Seventh Replacement LP DIP Obligations under (and as defined in) the Seventh Replacement LP DIP Order and the satisfaction of the other conditions precedent set forth in paragraph 2(c)(i) below, all Seventh Replacement Notes under (and as defined in) the Seventh Replacement LP DIP Order are hereby automatically cancelled without any further action by any person. Upon the satisfaction of the Inc. DIP Obligors Conditions Precedent and the incurrence of the Tranche B Loans on the Delayed Draw Funding Date, the DIP Agreement under (and as defined in) the Inc. DIP Order shall be hereby automatically terminated, and any notes issued thereunder shall be automatically cancelled, in each case without any further action by any person.

(c) **Conditions Precedent.** (i) No Initial DIP Lender shall have any obligation to make its Initial DIP Loan or any other financial accommodation hereunder or under the other Eighth Replacement DIP Credit Documents (and the LP DIP Borrower shall not make any request therefor) unless all of the following conditions precedent to making the Initial DIP

Loans have been satisfied (or are satisfied concurrently with the making of the Initial DIP Loans): (A) the entry of this Order, including, without limitation, approval of the terms of the Initial DIP Loans as set forth herein, (B) the entry of the Eleventh Order Amending First Cash Collateral Order, (C) the execution and delivery of the Eighth Replacement Notes and the DIP Obligor Guaranties by each applicable LP DIP Obligor, (D) receipt of evidence as to the delivery of certificates, if any, evidencing equity ownership in the Additional LP DIP Subsidiary Guarantors, together with undated stock powers thereof, executed in blank, to the Prepetition LP Collateral Trustee, (E) the payment of the Commitment Fee by the LP DIP Borrower, (F) payment of the DIP Professional Fees by the LP DIP Borrower, as and to the extent provided for herein, and (G) all Seventh Replacement LP DIP Obligations under (and as defined in) the Seventh Replacement LP DIP Order shall be indefeasibly paid in full, all commitments thereunder will be terminated, and any security interests or guarantees in connection therewith will be terminated or released. The Canadian DIP Recognition Order and the Canadian Eleventh Cash Collateral Extension Recognition Order shall have been entered by no later than February 2, 2015. As used herein, the “Initial Borrowing Date” shall mean the first date that all of the conditions precedent in this subparagraph 2(c)(i) are satisfied and the Initial DIP Loans are made and/or converted in accordance with this Order (including, for the avoidance of doubt, Annex A hereto) (such Eighth Replacement DIP Loans made on the Initial Borrowing Date, the “Initial DIP Loans” and, together with the Delayed Draw Tranche A Loans, the “Tranche A Loans” and, the Tranche A Loans together with the Tranche B Loans, if applicable, the “Eighth Replacement DIP Loans”).

(ii) No DIP Lender shall have any obligation to make its respective Delayed Draw Replacement DIP Loan or any other financial accommodation hereunder or under the other

Eighth Replacement DIP Credit Documents (and no DIP Borrower shall make any request therefor) unless each of the following conditions precedent to making the Delayed Draw Replacement DIP Loans have been satisfied (or are satisfied concurrently with the making of the Delayed Draw Replacement DIP Loans) prior to or on April 30, 2015: (A) the Court shall have entered an order (the "Confirmation Order") in form and substance reasonably satisfactory to the DIP Lenders, and, to the extent provided by the Plan Support Agreement and the Plan, the Debtors, the New Investors, and MAST, confirming the Plan, (B) the entry of the Canadian DIP Recognition Order and the Canadian Eleventh Cash Collateral Extension Recognition Order by the Canadian Court, (C) the entry of an order in form and substance acceptable to the DIP Lenders, and, to the extent provided by the Plan Support Agreement and the Plan, the Debtors, the New Investors and MAST, by the Canadian Court in connection with the Canadian Proceedings recognizing the entry of the Confirmation Order, (D) in accordance with the terms of this Order and the Canadian DIP Recognition Order, the DIP Lenders shall be granted the Inc. DIP Liens on the Inc. DIP Collateral immediately upon the satisfaction of the Inc. DIP Obligors Conditions Precedent, (E) this Order and the Canadian DIP Recognition Order remain in full force and effect as in effect on the date of this Order; (F) (i) the Court shall have entered an order in form and substance satisfactory to the DIP Lenders providing for the Debtors' use of cash collateral (the "Cash Collateral Extension Order") through December 30, 2015; provided, that, in order to satisfy the Conditions to Reduced Delayed Draw Funding, the Cash Collateral Extension Order shall provide for the LP Obligors' use of cash collateral through June 1, 2015, and (ii) the DIP Obligors, if the Conditions to Combined Delayed Draw Funding are satisfied, or the LP DIP Obligors, if the Conditions to Reduced Delayed Draw Funding are satisfied, shall obtain an order in form and substance acceptable to the DIP Lenders by the Canadian Court in connection with



the Canadian Proceedings recognizing the entry of the Cash Collateral Extension Order; (G) there shall not exist any challenge or objection whatsoever to the DIP Liens on adequate protection grounds or, if any such challenge or objection has been timely brought, the Court (and the Canadian Court, if applicable) has denied or overruled such challenge or objection, (H) the execution and delivery of the applicable Eighth Replacement Notes by the DIP Borrowers, (I) the execution and delivery of the DIP Obligor Guaranties by each Inc. DIP Obligor, (J) the execution and delivery of the LP DIP Obligor Reaffirmation by each LP DIP Obligor, (K) receipt of evidence as to the delivery of certificates, if any, evidencing equity ownership in the LP DIP Obligors and their respective subsidiaries, together with undated stock powers thereof, executed in blank, to the Prepetition LP Collateral Trustee, (L) receipt of evidence as to the delivery of certificates, if any, evidencing equity ownership in the Inc. DIP Obligors and their respective subsidiaries (other than the LP DIP Obligors), together with undated stock powers thereof, executed in blank, to the Prepetition Inc. Agent, (M) the payment of the Commitment Fee and any unpaid DIP Professional Fees, (N) the Court shall not have entered an order (i) dismissing any of the Chapter 11 Cases or converting any such Chapter 11 Cases to cases under chapter 7, (ii) appointing a chapter 11 trustee in any of the Chapter 11 Cases, or (iii) appointing an examiner with enlarged powers in any of the Chapter 11 Cases, and (O) the DIP Lenders shall have received the New Investor Consent (as defined herein) (the foregoing conditions, collectively the “Conditions to Combined Delayed Draw Funding”); provided, however, if all of the Conditions to Combined Delayed Draw Funding other than clauses A, B, C, D, I, L, and O are satisfied on or prior to April 30, 2015 (the “Conditions to Reduced Delayed Draw Funding”), the Delayed Draw LP DIP Lenders shall make Delayed Draw Tranche A Loans to the LP DIP Borrower in an aggregate principal amount not to exceed \$30,000,000.

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

(ii) As used herein, "Inc. DIP Collateral" shall mean all Prepetition Inc. Collateral, including Cash Collateral of the Prepetition Inc. Secured Parties, of any Inc. DIP Obligor; provided, however, that the Inc. DIP Collateral shall not include any permit or license issued by a Governmental Authority (as defined in the Prepetition Inc. Credit Agreement) or other agreement (but shall, for the avoidance of doubt, include any proceeds thereof) to the extent and for so long as the terms thereof validly prohibit the creation by the pledgor thereof of a security interest in such permit, license, or other agreement. As used herein, "DIP Collateral" shall mean, collectively, the LP DIP Collateral and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Collateral.

(e) **DIP Liens.** (i) Effective immediately upon the entry of this Order, and subject only to the LP Carve-Out (as defined in the Final Cash Collateral Order and as set forth more fully in this Order), the LP DIP Lenders, and only to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Tranche B Lenders, are hereby granted the following security interests and liens, which shall immediately be valid, binding, perfected, continuing, enforceable, and non-avoidable (all such liens and security interests granted hereby, the "LP DIP Liens"):

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

(B) pursuant to section 364(c)(3) of the Bankruptcy Code, valid, enforceable, perfected, and non-avoidable liens on and security interests in (1) all LP DIP Collateral which is unencumbered by the Prepetition LP Liens but on which a third party, i.e., not the Prepetition LP Secured Parties or Prepetition Inc. Secured Parties (a "Third Party Lienholder"), had a pre-existing lien on the Petition Date and (2) all LP DIP Collateral encumbered by the Prepetition LP Liens and LP Adequate Protection Liens on which a Third Party Lienholder had a pre-existing lien on the Petition Date that was senior to the Prepetition LP Liens, in each case junior only to any such liens and security interests of Third Party Lienholders, but solely to the extent that such liens and security interests

of Third Party Lienholders were in each case valid, enforceable, perfected, and non-avoidable as of the Petition Date and were permitted by the terms of the Prepetition LP Credit Documents; and

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

(ii) To the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, and subject only to the Inc. Carve-Out, the DIP Lenders are hereby granted the following security interests and liens, which shall immediately be valid, binding, perfected, continuing, enforceable, and non-avoidable (all such liens and security interests granted hereby, the “Inc. DIP Liens” and, together with the LP DIP Liens, the “DIP Liens”):

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

(B) pursuant to section 364(c)(3) of the Bankruptcy Code, valid, enforceable, perfected, and non-avoidable liens on and security interests in (1) all Inc. DIP Collateral which is unencumbered by the Prepetition Inc. Liens but on which a Third Party Lienholder had a pre-existing lien on the

Petition Date and (2) all Inc. DIP Collateral encumbered by the Prepetition Inc. Liens and Inc. Adequate Protection Liens on which a Third Party Lienholder had a pre-existing lien on the Petition Date that was senior to the Prepetition Inc. Liens, in each case junior only to any such liens and security interests of Third Party Lienholders, but solely to the extent that such liens and security interests of Third Party Lienholders were in each case valid, enforceable, perfected, and non-avoidable as of the Petition Date and were permitted by the terms of the Prepetition Inc. Credit Documents; and

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

(f) **Other Provisions Relating to DIP Liens.** (i) The LP DIP Collateral (and no Inc. DIP Collateral) shall secure all of the Eighth Replacement DIP Obligations (consisting of the Initial DIP Loans and the Delayed Draw Tranche A Loans). The LP DIP Liens shall not, without the consent of each of the LP DIP Lenders, be made junior to, or *pari passu* with, any other lien or security interest, other than to the extent expressly provided herein and to the LP Carve-Out, by any court order heretofore or hereafter entered in the Chapter 11 Cases of any of the LP DIP Obligors, and shall be valid and enforceable against any trustee appointed in the Chapter 11 Cases of any of the LP DIP Obligors, upon the conversion of any of the Chapter 11 Cases of any of the LP DIP Obligors to a case under chapter 7 of the Bankruptcy Code or in any

other proceedings related to any of the foregoing (such cases or proceedings, the “LP Successor Cases”), and/or upon the dismissal of any of the Chapter 11 Cases of any of the LP DIP Obligors. The LP DIP Liens shall not be subject to sections 510, 549, 550, or 551 of the Bankruptcy Code or the “equities of the case” exception of section 552 of the Bankruptcy Code or section 506(c) of the Bankruptcy Code.

(ii) To the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Liens, in addition to the LP DIP Liens, shall secure all of the Eighth Replacement DIP Obligations. The Inc. DIP Liens shall not, without the consent of each of the DIP Lenders, be made junior to, or *pari passu* with, any other lien or security interest, other than to the extent expressly provided herein and to the Inc. Carve-Out, by any court order heretofore or hereafter entered in the Chapter 11 Cases of any of the Inc. DIP Obligors, and shall be valid and enforceable against any trustee appointed in the Chapter 11 Cases of any of the Inc. DIP Obligors, upon the conversion of any of the Chapter 11 Cases of any of the Inc. DIP Obligors to a case under chapter 7 of the Bankruptcy Code or in any other proceedings related to any of the foregoing (together with the LP Successor Cases, the “Successor Cases”), and/or upon the dismissal of any of the Chapter 11 Cases of any of the Inc. DIP Obligors. The Inc. DIP Liens shall not be subject to sections 510, 549, 550, or 551 of the Bankruptcy Code or the “equities of the case” exception of section 552 of the Bankruptcy Code or section 506(c) of the Bankruptcy Code. For the avoidance of doubt, the DIP Liens granted to the Tranche B Lenders on the DIP Collateral shall be *pari passu* with the DIP Liens granted to the LP DIP Lenders on the DIP Collateral.

(g) **Superpriority Administrative Claim Status.** The Eighth Replacement DIP Obligations shall, pursuant to section 364(c)(1) of the Bankruptcy Code, at all times

constitute (i) LP DIP Superpriority Claims, and be payable from and have recourse to all LP DIP Collateral and (ii) to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, Inc. DIP Superpriority Claims and LP DIP Superpriority Claims, and be payable from and have recourse to all Inc. DIP Collateral and the LP DIP Collateral. The LP DIP Superpriority Claims shall be subject and subordinate only to the LP Carve-Out, and the Inc. DIP Superpriority Claims shall be subject and subordinate only to the Inc. Carve-Out. Other than to the extent expressly provided herein, and with respect to the LP Carve-Out, no costs or expenses of administration, including, without limitation, any LP Section 507(b) Claim as defined in, and granted under, the Final Cash Collateral Order or hereunder or any professional fees allowed and payable under Bankruptcy Code sections 328, 330, and 331, or otherwise, that have been or may be incurred in these proceedings or in any Successor Cases, and no priority claims are, or will be, senior to, prior to, or *pari passu* with the LP DIP Superpriority Claims or any of the Eighth Replacement DIP Obligations, or with any other claims of the DIP Lenders arising hereunder, under the other Eighth Replacement DIP Credit Documents, or otherwise in connection with the Eighth Replacement DIP Facility. To the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, other than to the extent expressly provided herein, and with respect to the Inc. Carve-Out, no costs or expenses of administration, including, without limitation, any Inc. Section 507(b) Claim as defined in, and granted under, the Final Cash Collateral Order or hereunder or any professional fees allowed and payable under Bankruptcy Code sections 328, 330, and 331, or otherwise, that have been or may be incurred in these proceedings or in any Successor Cases, and no priority claims are, or will be, senior to, prior to, or *pari passu* with the Inc. DIP Superpriority Claims or any of the Eighth

Replacement DIP Obligations, or with any other claims of the DIP Lenders arising hereunder, under the other Eighth Replacement DIP Credit Documents, or otherwise in connection with the Eighth Replacement DIP Facility.

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

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

(b) Subject to the terms and conditions of this Order (including the satisfaction of the Conditions to Combined Delayed Draw Funding) and the other Eighth Replacement DIP Credit Documents, and to the adequate protection granted to or for the benefit of the Prepetition Secured Parties as hereinafter set forth and in the Inc. DIP Order, (i) each Inc. DIP Obligor is authorized and directed to request and use proceeds of the Tranche B Loans, (A)



first, to indefeasibly repay in full, in cash the Inc. DIP Loans other than the SIG Inc. DIP Loans, which SIG Inc. DIP Loans shall be converted on a dollar-for-dollar basis into, and be deemed, Tranche B Loans, (B) second, to indefeasibly pay in full, in cash all accrued and unpaid Prepetition Inc. Fee Claims and DIP Inc. Fee Claims (including, if necessary, estimates of such Prepetition Inc. Fee Claims and DIP Inc. Fee Claims through and including the Delayed Draw Funding Date), and (C) third, for (1) working capital, other general corporate purposes, and permitted payment of costs of administration of the Debtors' Chapter 11 Cases in order to provide the Debtors with sufficient time and liquidity to consummate a confirmed plan of reorganization, in each case only for the purposes specifically set forth in this Order and for the types of expenditures set forth in the Eighth Replacement DIP Budget and (2) subject to the satisfaction of the Inc. DIP Obligors Conditions Precedent and the incurrence of the Tranche B Loans and on the Delayed Draw Funding Date, payment of the DIP Professional Fees (as and to the extent set forth herein), and (ii) each LP DIP Obligor is authorized and directed to request and use all proceeds of the Delayed Draw Tranche A Loans for (A) working capital, other general corporate purposes, and permitted payment of costs of administration of the Debtors' Chapter 11 Cases in order to provide the Debtors with sufficient time and liquidity to consummate a confirmed plan of reorganization, in each case only for the purposes specifically set forth in this Order and for the types of expenditures set forth in the Eighth Replacement DIP Budget and (B) payment of the Commitment Fee and the DIP Professional Fees (as and to the extent set forth herein).

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

(d) Nothing in this Order shall authorize the disposition of any assets of the LP DIP Obligors or their estates (and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors or their estates) or other proceeds resulting therefrom outside the ordinary course of business, except as permitted herein (subject to any required Court approval).

(e) Except as permitted by this Order and the Eighth Replacement DIP Budget, the LP DIP Obligors (and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors) shall not make any payment on any prepetition indebtedness or obligations other than those authorized by the Court in accordance with orders entered into, on, or prior to the date hereof.

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

(b) From and after the satisfaction of the Inc. DIP Obligors Conditions Precedent and the incurrence of the Tranche B Loans on the Delayed Draw Funding Date, pursuant to sections 361, 362, and 363(e) of the Bankruptcy Code, as adequate protection of the interests of the Prepetition Inc. Agent and the other Prepetition Inc. Secured Parties in the

Prepetition Inc. Collateral (including Cash Collateral) against any Diminution in Value, the Prepetition Inc. Agent, for the benefit of the other Prepetition Inc. Secured Parties, shall receive adequate protection in the form of the Inc. Adequate Protection Liens, the Inc. Section 507(b) Claims, and the Adequate Protection Payments (including payment of fees as set forth in the Final Cash Collateral Order), in each case, pursuant to and as more fully set forth in the Final Cash Collateral Order; provided, however, for the avoidance of doubt, until and subject to the satisfaction of the Inc. DIP Obligors Conditions Precedent and the incurrence of the Tranche B Loans on the Delayed Draw Funding Date, the adequate protection to be provided to the Prepetition Inc. Agent and the Prepetition Inc. Secured Parties shall be governed in all respects by the Inc. DIP Order (or, if applicable, an order approving a New Investor New Inc. DIP Facility (as defined in the Plan)).

5. **Monitoring of Collateral.** The DIP Lenders, or their respective consultants and advisors, shall, consistent with past practices, be given reasonable access to the LP DIP Obligors' (and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors') books, records, assets, and properties for purposes of monitoring the applicable DIP Obligors' businesses and the value of the applicable DIP Collateral, and shall be granted reasonable access to the Debtors' senior management.

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

material or key expenditures by category during the prior week for the LP DIP Obligors and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, a summary of material or key expenditures by category during the prior week for the DIP Obligors. On the tenth (10<sup>th</sup>) day of each month or the first business day thereafter, the Debtors will provide Willkie Farr & Gallagher LLP, Blackstone, and White & Case LLP (who shall reasonably promptly forward such information to each of the DIP Lenders at substantially the same time) with a reconciliation of revenues generated and expenditures made during the prior month and cumulatively during the Chapter 11 Cases, together with a comparison of such amounts to the amounts projected in the Eighth Replacement DIP Budget. In addition, the Debtors shall provide Blackstone and White & Case LLP with any and all other financial information made available to the Prepetition LP Agent or Ad Hoc LP Secured Group pursuant to the Final Cash Collateral Order.

7. **DIP Lien Perfection**. This Order shall be sufficient and conclusive evidence of the validity, perfection, and priority of the DIP Liens granted hereby without the necessity of filing or recording any financing statement, deed of trust, mortgage, or other instrument or document which may otherwise be required under the law of any jurisdiction or the taking of any other action to validate or perfect the DIP Liens or to entitle the DIP Liens to the priorities granted herein; provided, that the DIP Lenders shall not be granted liens on the Inc. DIP Collateral until the satisfaction of the Inc. DIP Obligors Conditions Precedent and the incurrence of the Tranche B Loans on the Delayed Draw Funding Date. To the extent that the Prepetition LP Agent or, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Prepetition Inc. Agent is the secured party under any account control agreements, listed as loss payee under any of the

Debtors' insurance policies, or is the secured party under any Eighth Replacement DIP Credit Document, the DIP Lenders are also deemed to be secured parties under such account control agreements, loss payees under the Debtors' insurance policies, and the secured parties under each such Eighth Replacement DIP Credit Document, shall have all rights and powers attendant to that position (including, without limitation, rights of enforcement), and shall act in that capacity and distribute any proceeds recovered or received in accordance with the terms of this Order and the other Eighth Replacement DIP Credit Documents. The Prepetition LP Collateral Trustee shall serve as the bailee for the DIP Lenders for the purpose of perfecting their respective security interests and liens on all LP DIP Collateral that is of a type whereby perfection of a security interest therein may be accomplished only by possession or control by a secured party. If the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Prepetition Inc. Agent shall serve as the bailee for the DIP Lenders for the purpose of perfecting their respective security interests and liens on all Inc. DIP Collateral that is of a type whereby perfection of a security interest therein may be accomplished only by possession or control by a secured party.

8. **Carve-Outs.** Subject to the terms and conditions contained in this paragraph, upon the occurrence of the Final Maturity Date, the LP DIP Liens and the LP DIP Superpriority Claims, which have the relative lien and payment priorities as set forth herein, shall, in any event, be subject and subordinate to the LP Carve-Out, without duplication. Subject to the terms and conditions contained in this paragraph, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Liens, which will have the relative lien and payment priorities as set forth herein, shall, in any event, be subject and subordinate to the Inc. Carve-Out, without duplication.

No portion of the LP Carve-Out or, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. Carve-Out and no proceeds of the Eighth Replacement DIP Facility or Eighth Replacement DIP Loans may be used for the payment of the fees and expenses of any person incurred in challenging, or in relation to the challenge of, any of the DIP Liens or the DIP Superpriority Claims.

9. **Payment of Compensation.** Nothing herein shall be construed as a consent to the allowance of any professional fees or expenses of any of the Debtors or shall limit or otherwise affect the right of the DIP Lenders and/or the Prepetition Secured Parties to object to the allowance and payment of any such fees and expenses. The Debtors shall be permitted to pay compensation and reimbursement of expenses allowed and payable under sections 330 and 331 of the Bankruptcy Code and in accordance with the Eighth Replacement DIP Budget, as the same may be due and payable and the same shall not reduce the LP Carve-Out or, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. Carve-Out.

10. **Section 506(c) Claims.** Except to the extent of the LP Carve-Out and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. Carve-Out, no expenses of the administration of these Chapter 11 Cases or any future proceeding that may result therefrom, including liquidation in bankruptcy or other proceedings under the Bankruptcy Code, shall be charged against or recovered from the LP DIP Collateral or the Inc. DIP Collateral, as applicable, pursuant to section 506(c) of the Bankruptcy Code or any similar principle of law or in equity,

without the prior written consent of the DIP Lenders, and no such consent shall be implied from any other action or inaction by the DIP Lenders.

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

Without limiting, and subject to, any other provisions of this Order, there shall not be entered in the Chapter 11 Cases of any LP DIP Obligor or in any LP Successor Case (and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, there shall not be entered in the Chapter 11 Cases of any DIP Obligor or in any Successor Case), any order which authorizes (a) the obtaining of credit or the incurring of indebtedness that is secured by a security, mortgage, or collateral interest or other lien on all or any portion of the LP DIP Collateral (and the Inc. DIP Collateral to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date) and/or entitled to priority administrative status which is superior to or *pari passu* with those granted pursuant to this Order to or for the benefit of the DIP Lenders or the Prepetition Secured Parties; (b) the use of Cash Collateral for any purpose other than as set forth in the Final Cash Collateral Order or the Eighth Replacement DIP Budget; (c) any LP DIP Obligor (and any Inc. DIP Obligor to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date) to incur, create, assume, guarantee, or permit to exist, directly or indirectly, any additional indebtedness, except (i) indebtedness incurred under this Order and the other Eighth Replacement DIP Credit Documents, (ii) indebtedness existing on the date of this Order (other than indebtedness created pursuant to the Seventh Replacement LP DIP Order, which shall be repaid in full from the proceeds of the Eighth Replacement DIP Loans as set forth herein) and additional indebtedness (including interest, fees, premium, expenses, or other

amounts accrued thereon) in accordance with the terms of such indebtedness, or (iii) indebtedness incurred in the ordinary course and not for borrowed money, which would not be senior in right of payment to the Eighth Replacement DIP Obligations; or (d) any LP DIP Obligor (and any Inc. DIP Obligor to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date) to create, incur, assume, or permit to exist, directly or indirectly, any lien on any property now owned or hereafter acquired by it or on any income or revenues or rights in respect of any thereof, except (i) liens granted pursuant to this Order or the other Eighth Replacement DIP Credit Documents, (ii) any lien in existence on the date of this Order (other than DIP Liens created pursuant to (A) the Seventh Replacement LP DIP Order, which shall be discharged and terminated in full upon payment in full of all Seventh Replacement LP DIP Obligations created under (and as defined in) the Seventh Replacement LP DIP Order and the other Seventh Replacement LP DIP Credit Documents (as defined in the Seventh Replacement LP DIP Order) and (B) the Inc. DIP Order, which shall be discharged and terminated in full to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date), and (iii) liens incurred in the ordinary course and which do not secure indebtedness for borrowed money, which would be junior to the DIP Liens.

12. **Proceeds of Subsequent Financing.** Without limiting the provisions and protections of paragraph 11 above, if at any time prior to the indefeasible repayment and satisfaction in full, in cash of all Eighth Replacement DIP Obligations, the LP DIP Obligors' estates (and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors' estates), any trustee, any examiner with enlarged powers, or any responsible officer subsequently



appointed in the applicable DIP Obligors' Chapter 11 Cases shall obtain credit or incur debt in violation of this Order or the other Eighth Replacement DIP Credit Documents, then all of the cash proceeds derived from such credit or debt shall immediately be turned over to the DIP Lenders for application in accordance with this Order.

13. **Cash Management.** Until the payment in full, in cash of all Eighth Replacement DIP Obligations, the LP DIP Obligors (and upon the satisfaction of the Inc. DIP Obligors Conditions Precedent and the incurrence of the Tranche B Loans on the Delayed Draw Funding Date, the Inc. DIP Obligors) shall maintain the cash management system as set forth in the *Final Order (A) Authorizing Debtors To (I) Continue Using Existing Cash Management Systems, Bank Accounts and Business Forms and (II) Continue Intercompany Transactions, (B) Providing Postpetition Intercompany Claims Administrative Expense Priority, (C) Authorizing Debtors' Banks To Honor All Related Payment Requests, and (D) Waiving Investment Guidelines of Section 345(b) of Bankruptcy Code* [Docket No. 115] (the "Cash Management Order"), or as otherwise required by the Eighth Replacement DIP Credit Documents. To the extent the Debtors are required to give notice to any party as set forth in the Cash Management Order, such notice shall also be given to White & Case, LLP, as counsel to the Backstop Parties and the Ad Hoc LP Secured Group, and to each DIP Lender. The DIP Lenders shall be deemed to have "control" over the LP DIP Obligors' (and, if the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors') cash management accounts for all purposes of perfection under the Uniform Commercial Code. All amounts collected in the cash collection accounts of the DIP Obligors may be used and applied in accordance with this Order.

14. **Disposition of DIP Collateral.** The LP DIP Obligors, and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors, shall not sell, transfer, lease, encumber, or otherwise dispose of any portion of the LP DIP Collateral or the Inc. DIP Collateral, as applicable, outside of the ordinary course of business unless approved by the Court, subject to the right of any party in interest to object.

15. **Release.** The LP DIP Obligors, and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors, on behalf of themselves and their estates (including any successor trustee or other estate representative in the Chapter 11 Cases or Successor Cases) and any party acting by, through, or under the applicable DIP Obligors or their estates, forever and irrevocably release, discharge, waive and acquit each of the DIP Lenders, and each of their respective former, current and future officers, employees, directors, agents, representatives, owners, members, partners, financial and other advisors and consultants, legal advisors, shareholders, managers, consultants, accountants, attorneys, affiliates, and predecessors and successors in interest of and from any and all claims, demands, liabilities, responsibilities, disputes, remedies, causes of action, indebtedness and obligations, in each case arising out of, in connection with, or relating to the Eighth Replacement DIP Facility and/or the Eighth Replacement DIP Credit Documents, including, without limitation, (A) any so-called “lender liability” or equitable subordination claims or defenses with respect to or relating to the Eighth Replacement DIP Obligations, DIP Liens, or Eighth Replacement DIP Facility, as applicable, (B) any and all claims and causes of action arising under the Bankruptcy Code, and (C) any and all

claims with respect to the validity, priority, perfection, or avoidability of the liens or secured claims of the DIP Lenders.

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

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

(b) Any automatic stay otherwise applicable to the DIP Lenders in the LP DIP Obligors' Chapter 11 Cases (and, if the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors' Chapter 11 Cases) in connection with the Eighth Replacement DIP Facility is hereby modified so that, following the Final Maturity Date, the DIP Lenders shall be immediately entitled to exercise all of their rights and remedies in respect of the LP DIP Collateral, and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Collateral, in accordance with this Order and/or the other Eighth Replacement DIP Credit Documents, as applicable.

(c) On the Final Maturity Date, if the Eighth Replacement DIP Obligations have not been indefeasibly paid in full, in cash (or such other treatment contemplated by the Plan with respect to any Eighth Replacement DIP Obligations held by SIG), the DIP Lenders are authorized to exercise all remedies and proceed under or pursuant to the applicable Eighth Replacement DIP Credit Documents (which, for the avoidance of doubt, shall be consistent with and incorporate, *mutatis mutandis* to make applicable to the DIP Lenders, the remedies available to the Prepetition LP Secured Parties under the Prepetition LP Credit Documents and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are

incurred on the Delayed Draw Funding Date, the remedies available to the Prepetition Inc. Secured Parties under the Prepetition Inc. Credit Documents) or under applicable law, including the Uniform Commercial Code. All proceeds realized in connection with the exercise of the rights and remedies of the applicable DIP Lenders shall be turned over and applied in accordance with this Order.

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

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

(ii) Notwithstanding anything in this Order to the contrary, on and after the satisfaction of the Inc. DIP Obligors Conditions Precedent and the incurrence of the Tranche B Loans on the Delayed Draw Funding Date, the Prepetition Inc. Agent shall not be permitted to exercise any rights or remedies for itself or the Prepetition Inc. Secured Parties unless and until

the Eighth Replacement DIP Obligations are indefeasibly paid and satisfied in full, in cash; provided, that if the Effective Date of (and as defined in) the Plan occurs, the Eighth Replacement DIP Obligations held by SIG shall receive the treatment provided for in the Plan.

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

(a) Subject to the LP Carve-Out, upon and after the occurrence of the Final Maturity Date, each DIP Obligor agrees that proceeds of any LP DIP Collateral, any amounts held on account of the LP DIP Collateral, and all payments and collections received by the LP DIP Obligors with respect to all proceeds of LP DIP Collateral and all unexpended proceeds of the Eighth Replacement DIP Loans shall be used and applied to permanently and indefeasibly repay and reduce all Eighth Replacement DIP Obligations then due and owing (including, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Tranche B Loans on a ratable and *pari passu* basis with all other Eighth Replacement DIP Obligations) in accordance with the Eighth Replacement DIP Credit Documents, until paid and satisfied in full, in cash.

(b) To the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, subject to the Inc. Carve-Out, upon and after the occurrence of the Final Maturity Date, each Inc. DIP Obligor agrees that proceeds of any Inc. DIP Collateral, any amounts held on account of Inc. DIP Collateral, and all payments and collections received by the Inc. DIP Obligors with respect to all proceeds of Inc. DIP Collateral and all unexpended proceeds of the Eighth Replacement DIP Loans shall be used and applied to permanently and indefeasibly repay and reduce all Eighth Replacement DIP Obligations then due and owing (including the Tranche B Loans on a ratable

and *pari passu* basis with all other Eighth Replacement DIP Obligations) in accordance with the Eighth Replacement DIP Credit Documents, until paid and satisfied in full, in cash.

(c) No asset or property of the LP DIP Obligors, and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors, may be sold, leased, or otherwise disposed of by any LP DIP Obligor or, if applicable, any Inc. DIP Obligor outside the ordinary course of business absent an order of the Court (and subject to the right to object of any party in interest), and in any event, all proceeds of such sale, lease, or disposition shall be indefeasibly applied to repay the Eighth Replacement DIP Obligations as provided herein.

18. **Other Rights and Obligations.**

(a) **Good Faith Under Section 364(e) of the Bankruptcy Code; No Modification or Stay of Order.** Based on the findings set forth in this Order and in accordance with section 364(e) of the Bankruptcy Code, which is applicable to the Eighth Replacement DIP Facility as approved by this Order, in the event any or all of the provisions of this Order are hereafter modified, amended, or vacated by a subsequent order of this Court or any other court, the DIP Lenders are entitled to the protections provided in section 364(e) of the Bankruptcy Code, and no such modification, amendment, or vacatur shall affect the validity and enforceability of any advances made hereunder or the liens or priority authorized or created hereby. Notwithstanding any such modification, amendment, or vacatur, any claim granted to the DIP Lenders hereunder arising prior to the effective date of such modification, amendment, or vacatur of any LP DIP Liens or of the LP DIP Superpriority Claims and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, of any Inc. DIP Liens or of the Inc. DIP Superpriority Claims,

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

(b) **Expenses.** The LP DIP Obligors, and, if the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors, shall pay all expenses incurred by the Backstop Parties and the other DIP Lenders (including, without limitation, the reasonable and documented fees and disbursements of their counsel, any other local or foreign counsel that they shall retain, and any internal or third-party appraisers, consultants, financial, restructuring, or other advisors and auditors advising any such counsel) in connection with (i) the preparation, execution, delivery, funding, and administration of the Eighth Replacement DIP Credit Documents, including, without limitation, all due diligence fees and expenses incurred or sustained in connection with the Eighth Replacement DIP Credit Documents and all expenses of the DIP Lenders directly arising from the Motion (including, without limitation, expenses and attorney's fees associated

with the preparation and filing of responsive pleadings relating to the Motion and preparation for, and attendance at, any depositions taken in connection therewith), (ii) the administration of the Eighth Replacement DIP Credit Documents, or (iii) enforcement of any rights or remedies under this Order or the Eighth Replacement DIP Credit Documents, in each case in their capacity as Backstop Parties and/or DIP Lenders, and in each case whether or not the transactions contemplated hereby are fully consummated (collectively, the "DIP Professional Fees"), which, in the case of DIP Professional Fees owed to DIP Lenders other than the Backstop Parties, shall not exceed \$75,000 in the aggregate. The Backstop Parties, the other DIP Lenders, and their respective advisors and professionals, shall not be required to comply with the U.S. Trustee fee guidelines, but shall provide reasonably detailed statements (redacted, if necessary, for privileged, confidential, or otherwise sensitive information) to the Office of the U.S. Trustee and counsel for the Debtors on a monthly basis. Within ten (10) days of presentment of such statements, if no written objections to the reasonableness of the fees and expenses charged in any such invoice (or portion thereof) is made, the LP DIP Obligors, and, if the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors, shall promptly pay in cash all such fees and expenses of the Backstop Parties and the DIP Lenders (subject to the cap set forth in the preceding sentence) and their advisors and professionals, subject to the limitations set forth in this Order. Any objection to the payment of such fees or expenses shall be made only on the basis of "reasonableness," and shall specify in writing the amount of the contested fees and expenses and the detailed basis for such objection. To the extent an objection only contests a portion of an invoice, the undisputed portion thereof shall be promptly paid. If any such objection to payment of an invoice (or any portion thereof) is not otherwise resolved between the Debtors or the U.S. Trustee and the issuer



of the invoice, either party may submit such dispute to the Court for a determination as to the reasonableness of the relevant disputed fees and expenses set forth in the invoice. This Court shall resolve any dispute as to the reasonableness of any fees and expenses. For the avoidance of doubt, and without limiting any of the foregoing or any other provision of this Order, all fees and expenses are, upon entry of this Order and irrespective of any subsequent order approving or denying the Eighth Replacement DIP Facility or any other financing pursuant to section 364 of the Bankruptcy Code, fully entitled to all protections of section 364(e) of the Bankruptcy Code and are deemed fully earned, indefeasibly paid, non-refundable, irrevocable, and non-avoidable as of the date of this Order.

(c) **Binding Effect.** The provisions of this Order shall be binding upon and inure to the benefit of the DIP Lenders, the LP DIP Obligors, and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. DIP Obligors, and their respective successors and assigns (including any trustee or other fiduciary hereinafter appointed as a legal representative of the applicable DIP Obligors or with respect to the property of the estates of the applicable DIP Obligors) whether in the Chapter 11 Cases, in any Successor Cases, or upon dismissal of any such chapter 11 or chapter 7 case.

(d) **No Waiver.** The failure of the DIP Lenders to seek relief or otherwise exercise their rights and remedies under this Order or any other Eighth Replacement DIP Credit Documents or under applicable law or otherwise, as applicable, shall not constitute a waiver of any of the DIP Lenders' rights hereunder, thereunder, or otherwise. Notwithstanding anything herein, the entry of this Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly, or otherwise impair any of the rights, claims, privileges, objections,

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

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

(f) **No Marshaling.** The DIP Lenders shall not be subject to the equitable doctrine of “marshaling” or any other similar doctrine with respect to any of the DIP Collateral; provided, that prior to the satisfaction of the Inc. DIP Obligors Conditions Precedent and the incurrence of the Tranche B Loans on the Delayed Draw Funding Date, the DIP Lenders, solely in their capacity as such, shall have no claim to, liens on, or rights with respect to, the Inc. DIP Collateral.

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

(h) **Credit Bid Rights.** The LP DIP Lenders, during any sale of any of the LP DIP Collateral or Prepetition LP Collateral of any LP DIP Obligor, shall have the right to “credit

bid” the Eighth Replacement DIP Obligations during any sale of any of the LP DIP Collateral or Prepetition LP Collateral of any LP DIP Obligor and, to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the DIP Lenders, during any sale of any of the DIP Collateral or Prepetition Collateral of any DIP Obligor, shall have the right to “credit bid” the Eighth Replacement DIP Obligations during any sale of any of the DIP Collateral or Prepetition Collateral of any DIP Obligor, including, without limitation, in connection with sales occurring pursuant to Bankruptcy Code section 363 or included as part of any chapter 11 plan subject to confirmation under Bankruptcy Code section 1129.

(i) **Amendment.** No provision of the Eighth Replacement DIP Credit Documents may be amended, modified, supplemented, altered, or waived unless such amendment, modification, supplement, alteration, or waiver is in writing signed by the Required Lenders (as defined below) and approved by the Court; provided that, no such amendment, modification, supplement, alteration, or waiver shall: (i) extend or increase the commitment of any DIP Lender without the written consent of such DIP Lender, (ii) postpone any date scheduled for, or reduce the amount of, any payment of principal or interest, without the written consent of each DIP Lender directly and adversely affected thereby, (iii) reduce or forgive the principal of, or the rate of interest specified herein on, any Eighth Replacement DIP Loan, or any fees or other amounts payable hereunder or under any other Eighth Replacement DIP Credit Documents (or extend the timing of payments of such fees or other amounts) without the written consent of each DIP Lender directly and adversely affected thereby; provided that, for the avoidance of doubt, only the consent of the Required Lenders, and approval by the Court, shall be necessary to amend Section 2(b) of Annex A hereto or to waive any obligation of the DIP

Borrowers to pay interest at the rate set forth in such Section, (iv) change any provision of this paragraph 18(i), Section 6 of Annex A hereto, or the definition of “Required Lenders,” without the written consent of each DIP Lender directly affected thereby (it being understood that each DIP Lender shall be directly and adversely affected by a change to the “Required Lenders” definition), (v) other than in connection with the indefeasible payment and satisfaction in full, in cash of all Eighth Replacement DIP Obligations, release all or substantially all of the DIP Collateral in any transaction or series of related transactions, without the written consent of each DIP Lender, (vi) other than in connection with the indefeasible payment and satisfaction in full, in cash of all Eighth Replacement DIP Obligations, release all or substantially all of the aggregate value of the guaranties from the DIP Guarantors, without the written consent of each DIP Lender, (vii) change any provision of Section 5 of Annex A hereto, without the written consent of each DIP Lender, (viii) amend, modify, or waive any Conditions to Combined Delayed Draw Funding set forth in paragraph 2(c)(ii) with respect to the making of the Delayed Draw Replacement DIP Loans, without the written consent of each DIP Lender with a Delayed Draw Replacement DIP Loan Commitment, and (ix) amend, modify, or waive any Conditions to Reduced Delayed Draw Funding set forth in paragraph 2(c)(ii) with respect to the making of the Delayed Draw Tranche A Loans, without the written consent of each LP DIP Lender with a Delayed Draw Replacement DIP Loan Commitment. As used herein, “Required Lenders” shall mean, as of any date of determination, the DIP Lenders holding (or deemed to hold) more than 66 2/3% of the sum of the (a) aggregate outstanding amount of all Eighth Replacement DIP Loans (after giving effect to any borrowings and prepayments or repayments) and (b) the aggregate unused Delayed Draw Replacement DIP Loan Commitment. Notwithstanding the foregoing, (i) the Inc. DIP Obligors Conditions Precedent, and any reference thereto, shall not be

amended, modified, waived, or deleted without the consent of MAST Capital Management, LLC and the New Investors, (ii) nothing in paragraph 21 shall be amended, modified, waived, or deleted without the consent of the New Investors, and (iii) this sentence shall not be amended, modified, waived, or deleted without the consent of MAST Capital Management, LLC and the New Investors.

(j) **Priority of Terms.** To the extent of any conflict between or among (i) any of the express terms or provisions of the Motion, any order of this Court (other than this Order or the Inc. DIP Order (or, if applicable, an order approving a New Investor New Inc. DIP Facility (as defined in the Plan)) prior to the indefeasible payment in full of all Inc. DIP Loans other than the SIG Inc. DIP Loans), or any other agreements, on the one hand, and (ii) the express terms and provisions of this Order, on the other hand, unless such term or provision herein is phrased in terms of “defined in” or “as set forth in” another order of this Court or agreement, the terms and provisions of this Order shall govern; provided, that subject to the satisfaction of the Inc. DIP Obligors Conditions Precedent and the incurrence of the Tranche B Loans on the Delayed Draw Funding Date, the Inc. DIP Order (or, if applicable, an order approving a New Investor New Inc. DIP Facility (as defined in the Plan)), to the extent applicable, shall control in all respects over the terms of this Order solely with respect to the Inc. DIP Obligors and the Inc. DIP Collateral. For the avoidance of doubt, Annex A hereto shall constitute, and form a part of, this Order.

(k) **Survival of Order.** The provisions of this Order and any actions taken pursuant hereto shall survive entry of any order which may be entered (i) confirming any plan of reorganization in the Chapter 11 Cases of any DIP Obligor, (ii) converting any of the Chapter 11 Cases of any DIP Obligor to a case under chapter 7 of the Bankruptcy Code, (iii) to the extent

authorized by applicable law, dismissing any of the Chapter 11 Cases of any DIP Obligor, (iv) withdrawing of the reference of any of the Chapter 11 Cases of any DIP Obligor from this Court, or (v) providing for abstention from handling or retaining of jurisdiction of any of the Chapter 11 Cases of any DIP Obligor in this Court. The terms and provisions of this Order, including the DIP Liens and DIP Superpriority Claims granted pursuant to this Order, and any protections granted to or for the benefit of the DIP Lenders, shall continue in full force and effect notwithstanding the entry of such order, and such DIP Liens and DIP Superpriority Claims shall maintain their priority as provided by this Order and the other Eighth Replacement DIP Credit Documents until all of the Eighth Replacement DIP Obligations have been indefeasibly paid and satisfied in full, in cash and discharged. Prior to the satisfaction of the Inc. DIP Obligors Conditions Precedent and the incurrence of the Tranche B Loans on the Delayed Draw Funding Date, the provisions of this paragraph shall not be applicable in the Inc. DIP Obligors' Chapter 11 Cases.

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

(m) **No Waivers or Modification of Order.** The Debtors irrevocably waive any right to seek any modification or extension of this Order other than as set forth in paragraph 18(i).

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

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

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

19. **Inc. DIP Order Remains in Full Force and Effect**. Notwithstanding anything contained herein to the contrary, the Inc. DIP Order (or, if applicable, an order approving a New Investor New Inc. DIP Facility (as defined in the Plan)) shall remain in full force and effect and the rights and obligations provided thereunder shall not otherwise be affected or impaired in any respect by the terms of this Order unless and until the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date.

20. **Survival of the New Investor Commitment Documents**. Nothing in this Order shall be deemed to amend, alter, impair or otherwise affect, in any way, the terms of the New Investor Commitment Documents, and the New Investors acknowledge that, as of the date of entry of this Order, the New Investor Commitment Documents are in full force and effect in all respects.

21. **Consent of the New Investors**. Notwithstanding anything herein to the contrary, the DIP Lenders, the Backstop Parties, and the Debtors acknowledge and agree that (a) the Delayed Draw Funding Date and the incurrence of the Tranche B Loans is subject to, and shall not occur unless and until, the Debtors' receipt of written consent (which the Debtors shall promptly thereafter deliver to the DIP Lenders), from each of the New Investors (as defined in the Plan) (the "New Investor Consent"), which consent has not been given as of the date of entry of this Order, (b) unless the Debtors receive the New Investor Consent, the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. Debtors shall not be obligated or otherwise liable for any of the LP DIP Obligations or any other obligations arising under this Order, nor shall any of the Inc. Debtors'

assets constitute DIP Collateral hereunder or otherwise be security for the repayment of the Eighth Replacement DIP Obligations, and (c) unless the Debtors receive the New Investor Consent, the Inc. DIP Obligors Conditions Precedent are satisfied, and the Tranche B Loans are incurred on the Delayed Draw Funding Date, the Inc. Debtors' rights shall not be prejudiced or otherwise affected by entry of this Order, and no party in interest shall have any rights, remedies, or privileges against the Inc. Debtors as a result of entry of this Order.

Dated: January 30, 2015  
New York, New York

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



ANNEX A

DIP FACILITY TERMS AND CONDITIONS

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

1. Terms of Borrowing.

(a) Subject to the terms and conditions of this Order, (i) each Initial DIP Lender agrees, severally and not jointly, to make Initial DIP Loans to the LP DIP Borrower on the Initial Borrowing Date, in an aggregate principal amount not to exceed its Relevant Percentage of \$285,000,000 and, (ii) (A) each Delayed Draw LP DIP Lender agrees, severally and not jointly, to make Eighth Replacement DIP Loans under Tranche A of the Eighth Replacement DIP Facility to the LP DIP Borrower either (x) upon the satisfaction of all Conditions to Combined Delayed Draw Funding set forth in subparagraph 2(c)(ii) of the Order, in an aggregate principal amount not to exceed its Relevant Percentage of \$155,000,000 or (y) upon the satisfaction of the Conditions to Reduced Delayed Draw Funding set forth in subparagraph 2(c)(ii) of the Order, in an aggregate principal amount not to exceed its Relevant Percentage of \$30,000,000 (in the case of either clause (x) or clause (y), the "Delayed Draw Tranche A Loans") and (B) each Tranche B Lender agrees, severally and not jointly, to make Eighth Replacement DIP Loans to the Inc. DIP Borrower upon the satisfaction of all Conditions to Combined Delayed Draw Funding set forth in subparagraph 2(c)(ii) of the Order, in an aggregate principal amount not to exceed its Relevant Percentage of \$210,000,000 (the "Tranche B Loans" and, Tranche B Loans and the Delayed Draw Tranche A Loans shall individually and collectively be referred to as, the "Delayed Draw Replacement DIP Loans", as the context may require); provided, that, in each case, no DIP Lender shall be responsible for the failure of any other DIP Lender to make any Eighth Replacement DIP Loan required to be made by such other DIP Lender.

(b) Each DIP Lender shall make each Eighth Replacement DIP Loan to be made by it hereunder by wire transfer of immediately available funds to an account directed by the applicable DIP Borrowers in writing; provided, that (i) each Initial DIP Lender may satisfy its obligations to make such Eighth Replacement DIP Loan by (A) funding in cash an amount equal to its Net Funding Amount set forth on Schedule I to this Annex A and (B) converting its Seventh Replacement LP DIP Obligations (including all accrued and unpaid interest) into Initial DIP Loans hereunder and, upon such conversion, the amount of such Seventh Replacement LP DP Obligations shall be deemed exchanged for, and thereafter constitute, Initial DIP Loans hereunder and (ii) (A) each Delayed Draw LP DIP Lender may satisfy its obligations to make such Eighth Replacement DIP Loan by funding in cash an amount equal to its Net Funding Amount set forth on Schedule II to this Annex A and (B) each Tranche B Lender may satisfy its obligations to make such Eighth Replacement DIP Loan by (1) funding in cash an amount equal to its Net Funding Amount set forth on Schedule III to this Annex A and (2) converting its Inc. DIP Loans (including all accrued and unpaid interest) into Tranche

B Loans hereunder and, upon such conversion, the amount of such Inc. DIP Loans shall be deemed exchanged for, and thereafter constitute, Tranche B Loans hereunder on a dollar-for-dollar basis.

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

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

2. Interest and Fees on Eighth Replacement DIP Loans.

(a) Subject to the provisions of Section 2(b) below and the conditions set forth in subparagraph 2(c)(i) and 2(c)(ii) of the Order, the Eighth Replacement DIP Loans shall bear interest at a rate *per annum* equal to 9.0%, payable in kind (including the increased amount thereof pursuant to this paragraph, the "PIK Interest"), by adding such accrued and unpaid interest to the unpaid principal amount of the Eighth Replacement DIP Loans on a monthly basis (whereupon from and after such date such additional amounts shall also accrue interest pursuant to this Section 2); provided, however, that if the Conditions to Combined Delayed Draw Funding set forth in subparagraph 2(c)(ii) of the Order have not been satisfied prior to or on April 30, 2015, the LP DIP Borrower may elect in writing, which shall be delivered to the DIP Lenders prior to or on April 30, 2015, to increase the *per annum* rate of the PIK Interest applicable to the Initial DIP Loans from 9.0% to 15.0%, and, (i) upon the delivery of such written election to the DIP Lenders, the Final Maturity Date applicable to the Eighth Replacement DIP Facility shall instead be December 30, 2015 and (ii) commencing on May 1, 2015, all Eighth Replacement DIP Loans under any Tranche hereunder shall bear interest at a rate *per annum* equal to 15.0%, payable in kind. All such PIK Interest so added shall be treated as principal of the Eighth Replacement DIP Loans for all purposes of this Order. The obligation of the DIP Borrowers to pay all such PIK Interest so added shall be automatically evidenced by this Order, and, if applicable, any applicable Eighth Replacement Notes.

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

(c) Interest Payment Dates. Accrued interest on each Eighth Replacement DIP Loan shall be payable (x) in kind on a monthly basis as set forth above in Section 2(a) and (y) in cash on the Final Maturity Date for such Eighth Replacement DIP Loan; provided, that (i) interest accrued pursuant to Section 2(b) shall be payable in cash on

demand and (ii) in the event of any repayment or prepayment of any Eighth Replacement DIP Loan, accrued interest on the principal amount repaid or prepaid shall be payable in cash on the date of such repayment or prepayment.

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

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

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

i. first, by reducing the amount or rate of interest required to be paid to the affected DIP Lender; and

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

(g) Commitment Fee. A non-refundable commitment fee equal to 0.625% of the aggregate principal amount of each applicable DIP Lender’s Delayed Draw Replacement DIP Loan Commitment (the “Commitment Fee”), in each case as set forth on Schedule IV to this Annex A, shall be earned by the applicable DIP Lenders and payable by the LP DIP Borrower on the Initial Borrowing Date in the form of additional Eighth Replacement DIP Loans, which shall be added to each applicable DIP Lender’s outstanding principal amount of Eighth Replacement Note on the Initial Borrowing Date.

3. Mandatory Commitment Reduction.

If the Delayed Draw Funding Date has not occurred on or prior to April 30, 2015, the Delayed Draw Replacement DIP Loan Commitment of each Delayed Draw LP DIP Lender shall terminate in its entirety and be of no further force and effect.

If solely the Conditions to Reduced Delayed Draw Funding have been satisfied on or prior to April 30, 2015, immediately prior to giving effect to the Delayed Draw Funding Date, the Delayed Draw Replacement DIP Loan Commitment shall be reduced to an aggregate principal amount equal to \$30,000,000 and such reduction shall be applied to proportionately reduce or terminate, as the case may be, the Delayed Draw Replacement DIP Loan Commitment of each Delayed Draw LP DIP Lender.

The Delayed Draw Replacement DIP Loan Commitment of each DIP Lender shall terminate in its entirety and be reduced to \$0 on the Delayed Draw Funding Date (after giving effect to the incurrence of Delayed Draw Replacement DIP Loans on such date).

4. Final Maturity Date.

Subject to subparagraph 2(a) of the Order, the Final Maturity Date shall be December 30, 2015.

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

5. Payment and Application of Proceeds.

Each payment from or on behalf of the DIP Borrowers in respect of any Eighth Replacement DIP Obligations hereunder, shall be applied to each DIP Lender entitled thereto pro rata based upon their respective shares, if any, of the Eighth Replacement DIP Obligations with respect to which such payment was received.

The proceeds received by the DIP Lenders in respect of any sale of, collection from, or other realization upon all or any part of the DIP Collateral (which shall only include Inc. DIP Collateral to the extent that the Inc. DIP Obligors Conditions Precedent are satisfied and the Tranche B Loans are incurred on the Delayed Draw Funding Date) pursuant to the exercise by such DIP Lenders of their remedies in accordance with this Order shall be applied, in full or in part, promptly by such DIP Lenders as follows:

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

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

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

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

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

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

#### 6. Amendments.

The Annexes to this Order and any other Eighth Replacement DIP Credit Documents (including this Order) may not be amended, modified, supplemented, altered, or waived unless such amendment, modification, supplement, alteration, or waiver is in writing signed by the Required Lenders and approved by the Court; provided that, no such amendment, modification,

supplement, alteration, or waiver shall: (i) extend or increase the commitment of any DIP Lender without the written consent of such DIP Lender, (ii) postpone any date scheduled for, or reduce the amount of, any payment of principal or interest, without the written consent of each DIP Lender directly and adversely affected thereby, (iii) reduce or forgive the principal of, or the rate of interest specified herein on, any Eighth Replacement DIP Loan, or any fees or other amounts payable hereunder or under any other Eighth Replacement DIP Credit Documents (or extend the timing of payments of such fees or other amounts) without the written consent of each DIP Lender directly and adversely affected thereby; provided that, for the avoidance of doubt, only the consent of the Required Lenders, and approval by the Court, shall be necessary to amend Section 2(b) or to waive any obligation of the DIP Borrowers to pay interest at the rate set forth in Section 2(b), (iv) change any provision of this Section 6, paragraph 18(i) of the Order or the definition of "Required Lenders," without the written consent of each DIP Lender directly affected thereby (it being understood that each DIP Lender shall be directly and adversely affected by a change to the "Required Lenders" definition), (v) other than in connection with the indefeasible payment and satisfaction in full, in cash of all Eighth Replacement DIP Obligations, release all or substantially all of the DIP Collateral in any transaction or series of related transactions, without the written consent of each DIP Lender, (vi) other than in connection with the indefeasible payment and satisfaction in full, in cash of all Eighth Replacement DIP Obligations, release all or substantially all of the aggregate value of the guaranties from the DIP Guarantors, without the written consent of each DIP Lender, (vii) change any provision of Section 5, without the written consent of each DIP Lender, (viii) amend, modify, or waive any Conditions to Combined Delayed Draw Funding set forth in paragraph 2(c)(ii) of the Order with respect to the making of the Delayed Draw Replacement DIP Loans, without the written consent of each DIP Lender with a Delayed Draw Replacement DIP Loan Commitment and (ix) amend, modify, or waive any Conditions to Reduced Delayed Draw Funding set forth in paragraph 2(c)(ii) of the Order with respect to the making of the Delayed Draw Tranche A Loans, without the written consent of each LP DIP Lender with a Delayed Draw Replacement DIP Loan Commitment. Notwithstanding the foregoing, (i) the Inc. DIP Obligors Conditions Precedent, and any reference thereto, shall not be amended, modified, waived, or deleted without the consent of MAST Capital Management, LLC and the New Investors, (ii) nothing in paragraph 21 shall be amended, modified, waived, or deleted without the consent of the New Investors, and (iii) this sentence shall not be amended, modified, waived, or deleted without the consent of MAST Capital Management, LLC and the New Investors.

#### 7. Assignments.

No DIP Lender may assign or otherwise transfer any of its rights or obligations hereunder except to an Eligible Assignee; provided that, such assignment of any DIP Lender's rights and obligations hereunder shall not be effective until the date on which (a) the applicable DIP Borrower has received written notice of such assignment, together with such information with respect to the identity of such assignee as may be reasonably requested in order to confirm that such assignee is not an Ineligible Person and (b) the applicable DIP Borrower has recorded such permitted assignment to such Eligible Assignee in their records (such date, the "Effective Date"); provided, further, that the applicable DIP Borrower shall, within two business days after delivery of the notice of such assignment in accordance with the notice provisions set forth in clause (a) above, record any assignment complying with the requirements of this Order and advise the

assignor and assignee of the Effective Date; provided that, to the extent any such assignment to an Eligible Assignee has not been recorded by the second business day after receipt of such notice such assignment shall be deemed effective, and such second business day shall be deemed the Effective Date. In connection with any such assignment, the Borrower is authorized to cancel and reissue any Eighth Replacement Note to reflect such assignment.

Notwithstanding the foregoing, any DIP Lender may at any time, without the consent of, or notice to, the DIP Borrowers or any other DIP Lender, sell participations to any person (other than an Ineligible Person or an Affiliate (as such term is defined in the Prepetition LP Credit Agreement) thereof that is not a financial institution, private equity firm, bona fide debt fund, or hedge fund (other than, to the extent applicable, SPSO or any SPSO Affiliate, each as defined in the Plan)) (each, a "Participant") in all or a portion of such DIP Lender's rights and/or obligations under this Order (including all or a portion of the Eighth Replacement DIP Loans owing to it); provided, that (a) such DIP Lender's obligations under this Order shall remain unchanged, (b) such DIP Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (c) the DIP Borrowers and the other DIP Lenders shall continue to deal solely and directly with such DIP Lender in connection with such DIP Lender's rights and obligations under this Order. Any agreement or instrument pursuant to which a DIP Lender sells such a participation shall provide that the relevant participant shall not be permitted to sell sub-participations to any natural person, the DIP Borrowers or any of their Affiliates or any Disqualified Company or an Affiliate thereof that is not a financial institution, private equity firm, bona fide debt fund, or hedge fund.

8. Integration.

This Order, the other Eighth Replacement DIP Credit Documents, and the Final Cash Collateral Order constitute the entire contract among the DIP Obligors and the DIP Lenders relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof, other than the Inc. DIP Order, to the extent applicable, which shall continue to control over this Order solely with respect to the Inc. DIP Obligors and the Inc. DIP Collateral, the other Eighth Replacement DIP Credit Documents, and the Final Cash Collateral Order until the satisfaction of the Inc. DIP Obligors Conditions Precedent and the incurrence of the Tranche B Loans on the Delayed Draw Funding Date.

9. Governing Law; Jurisdiction; Venue.

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

(b) Submission to Jurisdiction. Each DIP Obligor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the

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

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

#### 10. Waiver of Jury Trial.

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

#### 11. Interest Rate Limitation.

Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Eighth Replacement DIP Loan, together with all fees, charges, and other amounts which are treated as interest on such Eighth Replacement DIP Loan under applicable requirements of law (collectively, the "Charges"), shall exceed the maximum lawful rate (the "Maximum Rate") which may be contracted for, charged, taken, received, or reserved by the DIP Lender holding such Eighth Replacement DIP Loan in accordance with applicable requirements of law, the rate



of interest payable in respect of such Eighth Replacement DIP Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate, and, to the extent lawful, the interest and Charges that would have been payable in respect of such Eighth Replacement DIP Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such DIP Lender in respect of other Eighth Replacement DIP Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System of the United States arranged by federal funds brokers to the date of repayment, shall have been received by such DIP Lender.

#### 12. Currency Due.

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

#### 13. Additional Defined Terms.

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

"Delayed Draw Funding Date" shall mean the first date on or before April 30, 2015 that either (x) all of the Conditions to Combined Delayed Draw Funding set forth in subparagraph 2(c)(ii) of this Order are satisfied or waived and the Delayed Draw Replacement DIP Loans (including, for the avoidance of doubt, the Tranche B Loans) are made and/or converted in accordance with this Order (including, for the avoidance of doubt, this Annex A) and which date shall be the same date as the Inc. Facilities Claims Purchase Closing Date (as defined in the Plan) or (y) solely to the extent the Conditions to Reduced Delayed Draw Funding set forth in subparagraph

2(c)(ii) of this Order are satisfied (and for the avoidance of doubt, the Conditions to Combined Delayed Draw Funding are not satisfied) and the Delayed Draw Tranche A Loans are made in accordance with this Order (including, for the avoidance of doubt, this Annex A). For the avoidance of doubt, the Delayed Draw Funding Date as defined in subsection (x) above shall be deemed to occur only if, contemporaneously therewith, the following occur (collectively, the "Inc. DIP Obligors Conditions Precedent"): (i) the indefeasible repayment in full, in cash of all Inc. DIP Loans (as defined herein), other than the SIG Inc. DIP Loans (as defined herein) (which shall be converted on a dollar-for-dollar basis into, and be deemed, Tranche B Loans), (ii) the consummation of the transactions contemplated by the JPM Inc. Facilities Claims Purchase Agreement (as defined herein), pursuant to which, among other things SIG shall, subject to the terms and conditions thereof, purchase from MAST the Inc. Facility Non-Subordinated Claims and \$41,000,000 of DIP Inc. Claims (each as defined in the Plan), (iii) the payment of all accrued and unpaid DIP Inc. Fee Claims and Prepetition Inc. Fee Claims (each as defined in the Plan) (including, if necessary, estimates of such DIP Inc. Fee Claims and Prepetition Inc. Fee Claims through and including the Delayed Draw Funding Date), and (iv) the Debtors receive the New Investor Consent.

"Delayed Draw Replacement DIP Loan Commitment" shall mean the commitment of each DIP Lender set forth opposite its name on Schedule IV hereto.

"Eighth Replacement Notes" shall mean any promissory note(s) evidencing the Eighth Replacement DIP Loans in the form set forth in Annex C or D hereto, as applicable.

"Eligible Assignee" shall mean, any DIP Lender, any Affiliate of any DIP Lender and any commercial bank, insurance company, investment or mutual fund, or other entity that is an "accredited investor" (as defined in Regulation D of Securities Act) and which regularly engages in making, purchasing, or investing in loans, securities, or other financial assets, in each case, that is not an Ineligible Person.

"Ineligible Person" shall mean any of the following: (i) any natural person, (ii) any DIP Borrower or any of Affiliate of any DIP Borrower, (iii) any Disqualified Company (as such term is defined in the Prepetition LP Credit Agreement) or any Affiliate of any Disqualified Company, or (iv) any Prohibited Transferee (as defined in the Plan).

"Net Funding Amount" shall mean, as to any DIP Lender, (i) with respect to the Initial DIP Loans, the dollar amount set forth opposite such DIP Lender's name (in the column entitled "Net Funding Amount") in the table set forth in Schedule I to this Annex A and (ii) (x) with respect to the Tranche B Loans, the dollar amount set forth opposite such Tranche B Lender's name (in the column entitled "Net Funding Amount") in the table set forth in Schedule III to this Annex A and (y) with respect to the Delayed Draw Tranche A Loans the dollar amount set forth opposite such LP DIP Lender's name (in the column entitled "Net Funding Amount") in the table set forth in Schedule II to this Annex A.

"Prepetition LP Collateral" shall mean (a) substantially all of the assets of LightSquared LP and the Prepetition LP Subsidiary Guarantors, (b) the equity interests of LightSquared LP and the Prepetition LP Parent Guarantors (except LightSquared Inc.), (c) certain equity interests owned by the Pledgors (as defined in the applicable Security Document (as defined in the Prepetition LP

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

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

“Tranche” shall mean, with respect to the Eighth Replacement DIP Loans, whether such Eighth Replacement DIP Loans are Tranche A Loans or Tranche B Loans.

**SCHEDULE I TO ANNEX A**

**Initial DIP Loan Allocation Schedule<sup>1</sup>**

Name of DIP Lender	Relevant Percentage	Initial Principal Outstanding Under Seventh Replacement LP DIP Facility	Accrued Interest Under Seventh Replacement LP DIP Facility as of 1/30/2015	Initial DIP Loan Amount	Net Funding Amount
SPSO	-	87,637,750.17	2,727,839.66	\$0.00	(\$90,365,589.82)
Capital Research	30.4%	32,209,738.88	1,002,570.27	86,576,354.68	53,364,045.53
Fortress Credit Co LLC	17.2%	18,606,057.21	579,137.88	49,137,931.03	29,952,735.94
Cyrus Opportunities Fund II, LP	3.2%	-	-	9,051,572.34	9,051,572.34
CYR Fund, L.P.	3.8%	-	-	10,894,608.89	10,894,608.89
Cyrus Select Opportunities Fund, L.P.	0.3%	-	-	742,107.71	742,107.71
Cyrus Heartland, L.P.	1.7%	-	-	4,913,793.10	4,913,793.10
Cyrus Opportunities Master Fund II, Ltd.	-	7,796,111.68	242,664.18	-	(8,038,775.86)
CRS Master Fund, L.P.	-	2,132,158.18	66,366.21	-	(2,198,524.38)
Crescent I, L.P.	-	2,341,449.64	72,880.68	-	(2,414,330.32)
Cyrus Select Opportunities Master Fund, Ltd.	-	811,004.87	25,243.59	-	(836,248.46)
CM Finance SPV Ltd.	6.1%	-	-	17,283,958.84	17,283,958.84
Nomura Corporate Funding Americas	8.2%	-	-	23,399,014.78	23,399,014.78
SOLA LTD	21.8%	6,305,632.71	196,271.07	62,007,389.16	55,505,485.38
KKR Echo Investments I Limited	-	276,060.21	8,592.74	-	(284,652.94)
KKR Credit Relative Value Mast Fund LP	-	230,050.17	7,160.61	-	(237,210.79)
ULTRA MASTER LTD	3.3%	1,190,933.26	37,069.36	9,359,605.91	8,131,603.29
Solus Sr. High Income Fund LP	1.2%	355,865.55	11,076.78	3,509,852.22	3,142,909.89
Fernwood Associates LLC (Intermarket)	1.3%	1,017,525.37	31,671.81	3,736,953.21	2,687,756.04
Fernwood Restructurings Ltd. (Intermarket)	1.3%	1,017,525.37	31,671.81	3,736,953.21	2,687,756.04
Fernwood Foundation Fund LLC (Intermarket)	0.2%	-	-	649,904.90	649,904.90
Aurelius Capital Master, Ltd.	-	1,337,146.68	41,620.44	-	(1,378,767.12)
ACP Master, Ltd.	-	926,856.61	28,849.62	-	(955,706.23)
Aurelius Convergence Master, Ltd.	-	330,908.26	10,299.95	-	(341,208.21)
<b>Total</b>	<b>100.0%</b>	<b>164,522,774.80</b>	<b>5,120,986.66</b>	<b>\$285,000,000.00</b>	<b>\$115,356,238.54</b>

<sup>1</sup> Exclusive of Commitment Fee.

**SCHEDULE II TO ANNEX A**

**Delayed Draw Replacement DIP Loan Allocation Schedule**

**Delayed Draw Tranche A DIP Loans<sup>1</sup>**

Name of DIP Lender	Relevant Percentage	Initial Principal Outstanding Under Eighth Replacement DIP Facility <sup>(1)</sup>	Accrued Interest Under Eighth Replacement DIP Facility as of 4/30/2015 <sup>(1)</sup>	Tranche A DIP Amount <sup>(1)</sup>	Net Funding Amount
Capital Research	30.4%	86,576,354.68	1,962,592.46	135,624,333.02	47,085,385.88
Fortress Credit Co LLC	17.2%	49,137,931.04	1,113,903.83	76,975,972.75	26,724,137.93
Cyrus Opportunities Fund II, LP	3.2%	9,051,572.34	205,189.37	14,179,546.66	4,922,784.96
CYR Fund, L.P.	3.8%	10,894,608.89	246,969.02	17,066,716.08	5,925,138.17
Cyrus Select Opportunities Fund, L.P.	0.3%	742,107.71	16,822.78	1,162,532.93	403,602.44
Cyrus Heartland, L.P.	1.7%	4,913,793.10	111,390.38	7,697,597.28	2,672,413.79
CM Finance SPV Ltd.	6.1%	17,283,958.84	391,808.68	27,075,815.31	9,400,047.79
Nomura Corporate Funding Americas	8.2%	23,399,014.78	530,430.39	36,655,225.14	12,725,779.97
SOLA LTD	21.8%	62,007,389.16	1,405,640.54	97,136,346.62	33,723,316.91
ULTRA MASTER LTD	3.3%	9,359,805.91	212,172.16	14,662,090.06	5,090,311.99
Solus Sr. High Income Fund LP	1.2%	3,509,852.22	79,564.56	5,498,283.77	1,908,867.00
Fernwood Associates LLC (Intermarket)	1.3%	3,736,953.21	84,712.69	5,854,043.97	2,032,378.06
Fernwood Restructurings Ltd. (Intermarket)	1.3%	3,736,953.21	84,712.69	5,854,043.97	2,032,378.06
Fernwood Foundation Fund LLC (Intermarket)	0.2%	649,904.90	14,732.64	1,018,094.60	359,457.05
<b>Total</b>	<b>100.0%</b>	<b>285,000,000.00</b>	<b>6,460,642.20</b>	<b>\$446,460,642.20</b>	<b>\$155,000,000.00</b>

<sup>1</sup> Exclusive of Commitment Fee.

**SCHEDULE III TO ANNEX A**

**Delayed Draw Replacement DIP Loan Allocation Schedule**

**Tranche B Loans**

<b>Name of DIP Lender</b>	<b>Relevant Percentage</b>	<b>Tranche B Loan Amount</b>	<b>Net Funding Amount</b>
Capital Research	24.4%	51,338,259.44	51,338,259.44
Fortress Credit Co LLC	13.9%	29,137,931.03	29,137,931.03
Cyrus Opportunities Fund II, LP	2.6%	5,367,423.60	5,367,423.60
CYR Fund, L.P.	3.1%	6,460,311.94	6,460,311.94
Cyrus Select Opportunities Fund, L.P.	0.2%	440,056.85	440,056.85
Cyrus Heartland, L.P.	1.4%	2,913,793.10	2,913,793.10
CM Finance SPV Ltd.	4.9%	10,249,084.37	10,249,084.37
Nomura Corporate Funding Americas	6.6%	13,875,205.25	13,875,205.25
SOIA LTD	17.5%	36,769,293.92	36,769,293.92
ULTRA MASTER LTD	2.6%	5,550,082.10	5,550,082.10
Solus Sr. High Income Fund LP	1.0%	2,081,280.79	2,081,280.79
Fernwood Associates LLC (Intermarket)	1.1%	2,215,947.70	2,215,947.70
Fernwood Restructurings Ltd. (Intermarket)	1.1%	2,215,947.70	2,215,947.70
Fernwood Foundation Fund LLC (Intermarket)	0.2%	385,382.21	385,382.21
IPM	19.5%	41,000,000.00	41,000,000.00
<b>Total</b>	<b>100.0%</b>	<b>\$210,000,000.00</b>	<b>\$210,000,000.00</b>

**SCHEDULE IV TO ANNEX A**

**Delayed Draw Replacement DIP Loan Commitment**

Institution	Amount	Percentage	Applicable Commitment Fee
Capital Research	98,423,645.32	27.0%	615,147.78
Fortress Credit Co LLC	55,862,068.97	15.3%	349,137.93
Cyrus Opportunities Fund II, LP	10,290,208.55	2.8%	64,313.80
CYR Fund, L.P.	12,385,450.11	3.4%	77,409.06
Cyrus Select Opportunities Fund, L.P.	843,659.29	0.2%	5,272.87
Cyrus Heartland, L.P.	5,586,206.90	1.5%	34,913.79
CM Finance SPV Ltd.	19,649,132.16	5.4%	122,807.08
Nomura Corporate Funding Americas	26,600,985.22	7.3%	166,256.16
SOLA LTD	70,492,610.84	19.3%	440,578.82
ULTRA MASTER LTD	10,640,394.09	2.9%	66,502.46
Solus Sr. High Income Fund LP	3,990,147.78	1.1%	24,938.42
Fernwood Associates LLC (Intermarket)	4,248,325.76	1.2%	26,552.04
Fernwood Restructurings Ltd. (Intermarket)	4,248,325.76	1.2%	26,552.04
Fernwood Foundation Fund LLC (Intermarket)	738,839.26	0.2%	4,617.75
JPM	41,000,000.00	11.2%	-
<b>Total</b>	<b>\$365,000,000.00</b>	<b>100.0%</b>	<b>\$2,025,000.00</b>

**ANNEX B**

**EIGHTH REPLACEMENT DIP BUDGET**



Dollars in thousands

Quarter Month	2Q15			3Q15			4Q15				
	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
<b>Beginning Cash Balance</b>	13,892	88,703	70,488	8,524	129,579	113,864	104,172	77,365	64,634	52,386	24,349
<b>Sources</b>											
Satellite Revenue	1,308	1,236	1,285	1,272	1,223	1,348	1,484	1,271	1,267	1,341	1,207
Interest Income	0	1	2	1	2	3	3	2	2	1	1
Equity Financing	-	-	-	-	-	-	-	-	-	-	-
Net Debt Financing	115,000	-	-	155,000	-	-	-	-	-	-	-
Financing Fees	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources</b>	<b>116,309</b>	<b>1,237</b>	<b>1,287</b>	<b>156,273</b>	<b>1,225</b>	<b>1,351</b>	<b>1,487</b>	<b>1,274</b>	<b>1,269</b>	<b>1,342</b>	<b>1,208</b>
In-Orbit Insurance	-	-	-	-	-	-	-	-	-	-	2,056
ISAT Coop Agmt	17,500	-	-	17,500	-	-	17,875	-	-	-	17,875
Spectrum (NOAA)	-	-	-	-	-	-	-	-	-	-	-
Staffing Related (entire company)	6,038	1,867	2,271	2,939	1,837	2,227	1,815	2,208	1,802	1,802	2,280
Legal / Regulatory / Lobbying / International	1,105	978	870	870	1,458	934	937	1,255	1,512	934	946
Facilities/Telecom	671	671	671	671	671	671	671	671	671	671	671
G&A	1,798	456	336	4,267	1,336	1,336	1,336	1,336	1,471	336	446
Travel Expenses (entire company)	50	50	50	50	50	50	50	50	50	50	50
Boeing Related Expenses	212	212	637	212	232	676	239	239	676	239	239
Other Items	793	671	1,370	1,567	784	656	878	1,010	1,014	924	743
<b>Subtotal - USES (OPEX)</b>	<b>28,167</b>	<b>4,905</b>	<b>6,204</b>	<b>28,077</b>	<b>6,368</b>	<b>6,550</b>	<b>23,801</b>	<b>6,768</b>	<b>7,195</b>	<b>24,886</b>	<b>5,375</b>
Boeing	-	2,560	1,400	-	2,606	-	-	2,653	-	-	2,700
Qualcomm	-	-	-	-	-	-	-	-	-	-	-
Alcatel Lucent S-BTS	-	-	-	-	-	-	-	-	-	-	-
Current Network Maintenance / Capex	150	150	150	150	150	150	150	150	150	150	150
<b>Subtotal - USES (CAPEX)</b>	<b>150</b>	<b>2,710</b>	<b>1,550</b>	<b>150</b>	<b>2,756</b>	<b>150</b>	<b>150</b>	<b>2,803</b>	<b>150</b>	<b>150</b>	<b>2,850</b>
Cash Interest	-	-	-	-	-	-	-	-	-	-	-
Restructuring Professionals	6,930	5,587	5,497	6,990	7,815	4,344	4,344	4,434	6,171	4,344	4,434
LP Adequate Protection Payments	6,250	6,250	6,250	-	-	-	-	-	-	-	-
LP Adequate Protection Payments Catch-up	-	-	43,750	-	-	-	-	-	-	-	-
<b>Total Uses</b>	<b>41,497</b>	<b>19,452</b>	<b>63,251</b>	<b>35,218</b>	<b>16,939</b>	<b>11,043</b>	<b>28,294</b>	<b>14,004</b>	<b>13,516</b>	<b>29,380</b>	<b>12,659</b>
<b>Net Uses (Total Sources - Total Uses)</b>	<b>74,812</b>	<b>(18,215)</b>	<b>(61,964)</b>	<b>121,055</b>	<b>(15,715)</b>	<b>(9,692)</b>	<b>(26,808)</b>	<b>(12,731)</b>	<b>(12,247)</b>	<b>(28,037)</b>	<b>(11,451)</b>
<b>LP Group Ending Cash Balance (excl. Cash at TMI)</b>	<b>88,703</b>	<b>70,488</b>	<b>8,524</b>	<b>129,579</b>	<b>113,864</b>	<b>104,172</b>	<b>77,365</b>	<b>64,634</b>	<b>52,386</b>	<b>24,349</b>	<b>12,898</b>

Note: Does not include any costs associated with NOAA spectrum; does not include any amounts for employee retention  
 (1) Forecast does not capture fees that could potentially be incurred in connection with the Working Capital Facility  
 (2) Includes unapproved KEIP payment

# LightSquared-India-Group of Companies Budget for the Year Ending December 31, 2015

Pg 79 of 92

Dollars in thousands

Quarter Month	2Q15			3Q15			4Q15		
	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	
<b>Beginning Cash Balance</b>	1,926	34,425	28,203	23,457	19,085	16,725	6,742	4,588	
<b>Sources</b>									
Satellite Revenue	-	-	-	-	-	-	-	-	
Interest Income	0	0	1	1	1	0	0	0	
Equity Financing	-	-	-	-	-	-	-	-	
Net Debt Financing	39,000	-	-	-	-	-	-	-	
Financing Fees	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	
<b>Total Sources</b>	<b>39,000</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Uses (OPEX)</b>									
In-Orbit / Launch Insurance	-	-	-	-	-	-	-	-	
ISAT Coop Agmt	-	-	-	-	-	-	-	-	
1.6 GHz Spectrum Lease Payments	-	-	-	-	-	7,150	-	-	
1.6 GHz Related Payments	180	75	361	75	75	361	75	75	
1.6 GHz Additional OpEx for 50% Build	556	556	826	826	826	810	837	837	
Spectrum (NOAA)	-	-	-	-	-	-	-	-	
Staffing Related (entire company)	-	-	-	-	-	-	-	-	
Legal / Regulatory / Lobbying / International	64	129	64	64	64	129	64	64	
Facilities/Telecom	-	-	-	-	-	-	-	-	
G&A	597	80	80	111	80	80	112	80	
Auditing / Tax Professionals	250	250	250	250	250	-	-	-	
Travel Expenses	-	-	-	-	-	-	-	-	
Other Items	-	-	-	-	-	-	-	-	
<b>Subtotal - USES (OPEX)</b>	<b>1,648</b>	<b>1,090</b>	<b>1,581</b>	<b>1,326</b>	<b>1,295</b>	<b>8,529</b>	<b>1,088</b>	<b>1,056</b>	
Boeing	-	-	-	-	-	-	-	-	
Qualcomm	-	-	-	-	-	-	-	-	
Alcatel Lucent S-BTS	-	-	-	-	-	-	-	-	
1.6 GHz Related (other than spectrum)	-	-	-	-	-	-	-	-	
1.6 GHz Additional CapEx for 50% Build (2)	3,453	3,453	2,075	1,980	-	-	-	-	
Current Network Maintenance/CapEx	30	30	30	30	30	30	30	30	
BandRich	-	-	-	-	-	-	-	-	
<b>Subtotal - USES (CAPEX)</b>	<b>3,483</b>	<b>3,483</b>	<b>2,105</b>	<b>2,010</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	
<b>Debt Service</b>									
Cash Interest	1,369	1,649	1,061	1,036	1,036	1,424	1,036	1,061	
Restructuring Professionals	-	-	-	-	-	-	-	-	
<b>Total Uses</b>	<b>6,501</b>	<b>6,223</b>	<b>4,747</b>	<b>4,372</b>	<b>2,361</b>	<b>9,984</b>	<b>2,154</b>	<b>2,147</b>	
<b>Inc Group Ending Cash Balance (excl. Cash at TMI)</b>	<b>34,425</b>	<b>28,203</b>	<b>23,457</b>	<b>19,085</b>	<b>16,725</b>	<b>6,742</b>	<b>4,588</b>	<b>2,441</b>	

Note: Does not include any costs associated with NOAA spectrum  
 (1) Forecast does not capture fees that could potentially be incurred in connection with Working Capital Facility  
 (2) CapEx for build-out of 1.6GHz network to cover 50% of PoPs by 9/30/2015



**ANNEX C**

**FORM OF LP DIP TERM NOTE**

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

New York, New York  
\_\_\_\_\_, 2015

FOR VALUE RECEIVED, **LIGHTSQUARED LP**, a Delaware limited partnership, a debtor and debtor-in-possession under Chapter 11 of the Bankruptcy Code (the "**LP DIP Borrower**"), hereby promises to pay to [\_\_\_\_\_] [or its registered assigns] (the "**DIP Lender**"), in lawful money of the United States of America in immediately available funds the principal sum of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_), as such amount may be increased by the addition of interest that has been paid in kind in accordance with the Final Order (A) Authorizing 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. \_\_\_] (the "**Eighth Replacement DIP Order**")<sup>1</sup> or, if less, the unpaid principal amount of all Eighth Replacement DIP Loans made by the DIP Lender under the Eighth Replacement DIP Facility in accordance with the Eighth Replacement DIP Order, payable at such times and in such amounts as provided for in the Eighth Replacement DIP Order.

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

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

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

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

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

**LIGHTSQUARED LP**

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

**ANNEX D**

**FORM OF INC. DIP TERM NOTE**

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

New York, New York  
\_\_\_\_\_, 2015

FOR VALUE RECEIVED, **LIGHTSQUARED INC.**, a Delaware corporation, a debtor and debtor-in-possession under Chapter 11 of the Bankruptcy Code (the "**Inc. DIP Borrower**"), hereby promises to pay to [\_\_\_\_\_] [or its registered assigns] (the "**DIP Lender**"), in lawful money of the United States of America in immediately available funds the principal sum of \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_), as such amount may be increased by the addition of interest that has been paid in kind in accordance with the Final Order (A) Authorizing 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. \_\_\_] (the "**Eighth Replacement DIP Order**")<sup>1</sup> or, if less, the unpaid principal amount of all Eighth Replacement DIP Loans made by the DIP Lender under the Eighth Replacement DIP Facility in accordance with the Eighth Replacement DIP Order, payable at such times and in such amounts as provided for in the Eighth Replacement DIP Order.

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

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

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

---

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

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

**LIGHTSQUARED INC.**

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

Name:

Title:

ANNEX E

FORM OF LP DIP OBLIGOR REAFFIRMATION

[DATE]

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

1. Reference is made to that certain 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. \_\_\_] (including all annexures, exhibits, and schedules thereto, the "Eighth Replacement DIP Order"), pursuant to which the DIP Lenders shall make Eighth Replacement DIP Loans to the DIP Borrowers on the terms and subject to the conditions set forth therein.

2. Each of the LP DIP Obligors hereby agrees that after the incurrence of the Delayed Draw Replacement DIP Loans:

(a) all of its obligations, liabilities, and indebtedness under the Eighth Replacement DIP Credit Documents, including guarantee obligations, are reaffirmed and shall be valid and enforceable and shall not be impaired or limited by the incurrence of the Delayed Draw Replacement DIP Loans; and

(c) all of the liens and security interests created and arising under such Eighth Replacement DIP Credit Documents remain in full force and effect on a continuous basis, and the perfected status and priority to the extent provided for in the Eighth Replacement DIP Order of each such lien and security interest continues in full force and effect on a continuous basis, unimpaired, uninterrupted, and undischarged as collateral security for the Eighth Replacement DIP Obligations (including, for the avoidance of doubt, the Delayed Draw Replacement DIP Loans), to the extent provided in the Eighth Replacement DIP Credit Documents.

3. THIS LP DIP OBLIGOR REAFFIRMATION SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

4. This LP DIP Obligor Reaffirmation is an Eighth Replacement DIP Credit Document.

6. This LP DIP Obligor Reaffirmation may be executed by one or more of the parties hereto on any number of separate counterparts (including by telecopy or other electronic transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

[Remainder of page intentionally left blank]



IN WITNESS WHEREOF, the parties hereto have caused this LP DIP Obligor Reaffirmation to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

Address:

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

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

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

as a LP DIP Obligor

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

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

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

Name:

Title:

[Accepted and Agreed to:

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

as DIP Lender

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

Name:

Title:

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

Name:

Title:]

**ANNEX F**

**FORM OF DIP OBLIGOR GUARANTY**

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

**WITNESSETH:**

WHEREAS, pursuant to that certain 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. \_\_\_] (including all annexures, exhibits, and schedules thereto, the “Eighth Replacement DIP Order”), the DIP Lenders shall make Eighth Replacement DIP Loans to the DIP Borrower on the terms and subject to the conditions set forth therein;

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

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

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

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

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

severally agree that if DIP Borrowers or any other DIP Guarantor(s) shall fail to pay in full, in cash when due (whether at stated maturity, by acceleration, or otherwise) any of the Eighth Replacement DIP Obligations, the DIP Guarantors will promptly pay the same in cash, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Eighth Replacement DIP Obligations, the same will be promptly paid in full, in cash when due (whether at extended maturity, by acceleration, or otherwise) in accordance with the terms of such extension or renewal.

2. OBLIGATIONS UNCONDITIONAL. The obligations of the DIP Guarantors under Section 1 shall constitute a guaranty of payment and, to the fullest extent permitted by applicable requirements of law, are absolute, irrevocable, and unconditional, joint and several, irrespective of the value, genuineness, validity, regularity, or enforceability of the Eighth Replacement DIP Obligations of the DIP Borrowers under the Eighth Replacement DIP Order, the Eighth Replacement Notes, or any other Eighth Replacement DIP Credit Documents, or any substitution, release, or exchange of any other guarantee of or security for any of the Eighth Replacement DIP Obligations, and, irrespective of any other circumstance whatsoever that might otherwise constitute a legal or equitable discharge or defense of a surety or DIP Guarantor (except for payment in full). Without limiting the generality of the foregoing, it is agreed that the occurrence of any one or more of the following shall not alter or impair the liability of the DIP Guarantors hereunder which shall remain absolute, irrevocable, and unconditional under any and all circumstances as described above:

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

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

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

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

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

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

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

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

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

5. REMEDIES. After the Final Maturity Date, the DIP Guarantors jointly and severally agree that, as between the DIP Guarantors and the DIP Lenders, the obligations of DIP Borrowers under the Eighth Replacement DIP Order and the Eighth Replacement Notes shall be due and payable as provided in the Eighth Replacement DIP

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

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

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

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

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

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

“.tif” or similar format) shall be effective as delivery of a manually executed counterpart hereof.

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

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

\* \* \*

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

Address:

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

[\_\_\_\_\_] \_\_\_\_\_,  
as a DIP Guarantor

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

Name:  
Title:

[Accepted and Agreed to:

[\_\_\_\_\_] \_\_\_\_\_,  
as DIP Lender

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

By: \_\_\_\_\_,  
Name:  
Title:]





Exhibit "C" to the Supplemental Affidavit of Elizabeth  
Creary, sworn before me this 6<sup>th</sup> day of April, 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*

---

*March 26, 2015*

---

*eScribers, LLC*  
*(973) 406-2250*  
*operations@escribers.net*  
*www.escribers.net*

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1 challenges attendant to the realization of the full 9.6 billion  
2 dollar valuation remains uncertain and precludes the definitive  
3 finding of the existence of the equity cushion that Mr. Ahuja  
4 has sought to establish.

5           Moreover, the Plan enables the Debtors to unlock  
6 significant value by combining the assets of the Inc. and the  
7 LP estates to operate as a going-concern enterprise with the  
8 support of the contributions of the New Investors. As counsel  
9 for the Debtors articulated so clearly during closing  
10 arguments, but for the contributions that are being made by the  
11 New Investors, the Debtors' creditors would not be paid  
12 anywhere in full. The fallacy of Mr. Ahuja's argument is that,  
13 without these considerations, there would be no value flowing  
14 to, let alone through, the Debtors' debt obligations to satisfy  
15 the claims of the creditors in full, creditors who are  
16 indisputably senior to Mr. Ahuja in the capital structure. For  
17 example, the Plan transaction with respect to SIG will take  
18 almost 400 million dollars of secured debt at LightSquared Inc.  
19 and convert it into equity at a Reorganized LightSquared Inc.,  
20 relieving the Inc. estates of their secured obligations and a  
21 portion of their DIP financing. Without such a contribution,  
22 an equitization of debt in this matter would not otherwise be  
23 possible. Mr. Hootnick, moreover, has testified that the NOLs  
24 have no value to the Debtors, and while their value in the  
25 hands of SIG is unclear, that's of no moment. Centerbridge and

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

**ONTARIO**

**SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT  
TORONTO

**SUPPLEMENTAL AFFIDAVIT OF  
ELIZABETH CREARY  
(Sworn April 6, 2015)**

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

**John Salmas / Sara-Ann Van Allen**

LSUC No.: 42336B / 56016C  
Tel: 416 863-4737 / 863-4402  
Fax: (416) 863-4592  
Email: john.salmas@dentons.com  
sara.vanallen@dentons.com

**Lawyers 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 9th  
DAY OF APRIL, 2015

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

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

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

**ORDER  
(PLAN CONFIRMATION)**

**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 orders 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, confirm the Debtors’ *Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, dated March 26, 2015 (as may be further amended, supplemented, or modified pursuant to the terms thereof, the “**Plan**”), 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, the Affidavit of Elizabeth Creary sworn April 2, 2015, the Supplemental Affidavit of Elizabeth Creary, sworn April 6, 2015, the Affidavit of [NAME], sworn April ●, 2015, the Twenty-Fourth Report of Alvarez & Marsal Canada Inc., in its capacity as court-appointed information officer of the Chapter 11 Debtors (the “**Information Officer**”), dated April ●, 2014 (the “**Twenty-Fourth Report**”), and on hearing the submissions of counsel for the Foreign Representative, counsel for the Information Officer, counsel to certain lenders of the Chapter 11 Debtors, no one else appearing although duly served as appears from the affidavit of service of ● sworn April ●, 2015, filed,

**DEFINITIONS**

1. **THIS COURT ORDERS** that any capitalized terms not otherwise defined in this Order shall have the meanings ascribed to such terms in the Plan or Confirmation Order (as defined below).

**SERVICE**

2. **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 ORDERS**

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

- (a) *Order Confirming Modified Second Amended Joint Plan Pursuant To Chapter 11 Of Bankruptcy Code (the “Confirmation Order”)* [U.S. Bankruptcy Court Docket No. 2276];
- (b) *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* [U.S. Bankruptcy Court Docket No. 2273];
- (c) *Order Authorizing Payment of Alternative Transaction Fee in Connection with Proposed Plan of Reorganization* [U.S. Bankruptcy Court Docket No. 2275];
- (d) *Order (A) Authorizing Use of Cash Collateral, if any, Through Plan Effective Date, (B) Establishing that Prepetition Secured Parties are Adequately Protected and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. ●]; and
- (e) *Order Amending Final Order (A) Authorizing DIP Obligors To Obtain Eighth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. ●].

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

#### **IMPLEMENTATION OF PLAN**

4. **THIS COURT ORDERS** that the Chapter 11 Debtors are authorized, directed and permitted to take all such steps and actions, and do all things necessary or appropriate to implement the Plan and the transactions contemplated thereby in accordance with and subject to the terms of the Plan, and to enter into, execute, deliver, implement and consummate all the steps, transactions and agreements contemplated by the Plan.



5. **THIS COURT ORDERS AND DECLARES** that, upon the occurrence of the Effective Date, the terms of the Plan and Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Chapter 11 Debtors, the Reorganized Debtors, any and all Holders of Claims or Equity Interests, all Entities that are parties or 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-Chapter 11 Debtor parties to Executory Contracts or Unexpired Leases with the Chapter 11 Debtors.

6. **THIS COURT ORDERS** that, subject to the terms of the Plan, and effective on the Effective Date, all Executory Contracts and Unexpired Leases listed on the Schedule of Assumed Agreements shall be and remain in full force and effect, unamended, as at the Effective Date, and be enforceable by the Reorganized Debtors, as applicable, in accordance with their terms notwithstanding any provision in such Executory Contract that purports to prohibit, restrict, or condition such assumption and no person shall, following the Effective Date, accelerate, terminate, rescind, refuse to perform or otherwise repudiate their obligations under, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such Executory Contract or Unexpired Lease, by reason of:

- (a) any event that occurred on or prior to the Effective Date that would have entitled any person thereto to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of the Chapter 11 Debtors);
- (b) the fact that the Chapter 11 Debtors have: (i) sought or obtained relief under the CCAA or the Chapter 11 Cases, or (ii) commenced or completed this proceeding or the Chapter 11 Cases;
- (c) the implementation of the Plan, or the completion of any of the steps, transactions or things contemplated by the Plan; or
- (d) any compromises, arrangements, transactions, releases or discharges effected pursuant to the Plan.

7. **THIS COURT ORDERS** that, to the extent, (a) all Plan Transactions have occurred or have been consummated prior to or on the Effective Date, and (b) provided by the Confirmation

Order and the Plan, from and after the Effective Date, all persons shall be deemed to have waived, (i) any and all defaults then existing or previously committed by the Chapter 11 Debtors, or caused by the Chapter 11 Debtors, and (ii) non-compliance by the Chapter 11 Debtors with any covenant, warranty, representation, term, provision, condition or obligation, express or implied, in any contract, instrument, credit document, guarantee, agreement for sale, lease or other agreement, written or oral, and any and all amendments or supplements thereto (each, an “**Agreement**”), existing between such person and the Chapter 11 Debtors or any other person, and any and all notices of default and demands for payment under any Agreement shall be deemed to be of no further force or effect; provided that nothing in this paragraph shall excuse or be deemed to excuse the Chapter 11 Debtors from performing any of their obligations subsequent to the date of this proceeding, including, without limitation, obligations under the Plan.

8. **THIS COURT ORDERS** that, as of the Effective Date, to the extent all Plan Transactions have occurred or have been consummated prior to or on the Effective Date, each creditor of the Chapter 11 Debtors shall be deemed to have consented and agreed to all of the provisions of the Plan in their entirety and, in particular, each creditor shall be deemed:

- (a) to have executed and delivered to the Chapter 11 Debtors all consents, releases or agreements required to implement and carry out the Plan in its entirety; and
- (b) to have agreed that if there is any conflict between, (i) the provisions, express or implied, of any agreement or other arrangement, written or oral, existing between such creditors and the Chapter 11 Debtors as of the Effective Date, and (ii) the provisions of the Plan and Confirmation Order, the provisions of the Plan Confirmation Order take precedence and priority and the provisions of such agreement or other arrangement shall be deemed to be amended accordingly.

## **RELEASES AND INJUNCTIONS**

9. **THIS COURT ORDERS** that, without limiting anything in this Order, the releases, exculpations and injunctions set forth in the Confirmation Order and set out in Article VIII of the Plan be, and the same are, hereby approved and shall be effective in Canada immediately or on

the Effective Date, as applicable, in accordance with the Confirmation Order and the Plan, without further act or order.

### **STAY OF PROCEEDINGS**

10. **THIS COURT ORDERS** that the Stay Period (as defined in the Initial Recognition Order, dated May 18, 2012 (the “**Initial Recognition Order**”) and the Supplemental Recognition Order, dated May 18, 2012 (the “**Supplemental Recognition Order**”)) be and is terminated as of the Effective Date.

### **INITIAL RECOGNITION ORDER AND SUPPLEMENTAL RECOGNITION ORDER**

11. **THIS COURT ORDERS** that, except to the extent that the Initial Recognition Order or the Supplemental Recognition Order has been varied by or is inconsistent with this Order or any further Order of this Court, the provisions of the Initial Recognition Order and the Supplemental Recognition Order shall remain in full force and effect until the Effective Date, provided that the protections granted in favour of the Information Officer pursuant to the Initial Recognition Order and the Supplemental Recognition Order shall continue in full force and effect after the Effective Date.

12. **THIS COURT ORDERS** that, despite anything to the contrary herein, nothing in this Order, the Plan, or any order confirmed or made herein prevents a person from seeking or obtaining benefits under a government-mandated workers’ compensation system, or a government agency or insurance company from seeking or obtaining reimbursement, contribution, subrogation, or indemnity as a result of payments made to or for the benefit of such person under such a system or for fees and expenses incurred under any insurance policies, laws, or regulations covering workers’ compensation claims.

### **INFORMATION OFFICER REPORTS**

13. **THIS COURT ORDERS** that the Twenty-Third Report of the Information Officer, dated January 30, 2015, and the Twenty-Fourth Report, and the activities of the Information Officer described therein be and are hereby approved.

**AID AND ASSISTANCE**

14. **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.

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**SCHEDULE "A"**  
**(CONFIRMATION ORDER)**

**SCHEDULE "B"**  
**(JEFFERIES EXIT FINANCING ORDER)**

**SCHEDULE "C"**  
**(ALTERNATIVE TRANSACTION FEE ORDER)**

**SCHEDULE "D"**  
**(CASH COLLATERAL EXTENSION ORDER)**



**SCHEDULE "E"**  
**(AMENDED EIGHTH REPLACEMENT DIP 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  
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT  
TORONTO

**ORDER  
(PLAN CONFIRMATION)**

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Lawyers 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 9th  
  
DAY OF APRIL, 2015

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

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

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

**ORDER  
(PLAN CONFIRMATION)**

**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 orders 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, confirm the Debtors’ *Modified Second Amended Joint Plan Pursuant to Chapter 11 of Bankruptcy Code*, dated March 26, 2015 (as may be further amended, supplemented, or modified pursuant to the terms thereof, the “**Plan**”), 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, the ~~affidavit~~Affidavit of Elizabeth Creary sworn April 2, 2015, ~~the Supplemental Affidavit of Elizabeth Creary, sworn April 6, 2015, the Affidavit of [NAME], sworn April ●, 2015,~~ the Twenty-Fourth Report of Alvarez & Marsal Canada Inc., in its capacity as court-appointed information officer of the Chapter 11 Debtors (the “**Information Officer**”), dated April ●, 2014 (the “**Twenty-Fourth Report**”), and on hearing the submissions of counsel for the Foreign Representative, counsel for the Information Officer, counsel to certain lenders of the Chapter 11 Debtors, no one else appearing although duly served as appears from the affidavit of service of ● sworn April ●, 2015, filed,

**DEFINITIONS**

1. **THIS COURT ORDERS** that any capitalized terms not otherwise defined in this Order shall have the meanings ascribed to such terms in the Plan or Confirmation Order (as defined below).

**SERVICE**

2. **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 ORDERS**

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

- (a) *Order Confirming Modified Second Amended Joint Plan Pursuant To Chapter 11 Of Bankruptcy Code (the “Confirmation Order”)* [U.S. Bankruptcy Court Docket No. 2276];
- (b) *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* [U.S. Bankruptcy Court Docket No. 2273];
- (c) *Order Authorizing Payment of Alternative Transaction Fee in Connection with Proposed Plan of Reorganization* [U.S. Bankruptcy Court Docket No. 2275]; and
- (d) *Order (A) Authorizing Use of Cash Collateral, if any, Through Plan Effective Date, (B) Establishing that Prepetition Secured Parties are Adequately Protected and (C) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. ●]; and
- (e) *Order Amending Final Order (A) Authorizing DIP Obligors To Obtain Eighth Replacement Superpriority Senior Secured Priming Postpetition Financing, (B) Granting Superpriority Liens and Providing Superpriority Administrative Expense Status, (C) Granting Adequate Protection, and (D) Modifying Automatic Stay* [U.S. Bankruptcy Court Docket No. ●].

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

#### **IMPLEMENTATION OF PLAN**

4. **THIS COURT ORDERS** that the Chapter 11 Debtors are authorized, directed and permitted to take all such steps and actions, and do all things necessary or appropriate to implement the Plan and the transactions contemplated thereby in accordance with and subject to

the terms of the Plan, and to enter into, execute, deliver, implement and consummate all the steps, transactions and agreements contemplated by the Plan.

5. **THIS COURT ORDERS AND DECLARES** that, upon the occurrence of the Effective Date, the terms of the Plan and Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Chapter 11 Debtors, the Reorganized Debtors, any and all Holders of Claims or Equity Interests, all Entities that are parties or 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-Chapter 11 Debtor parties to Executory Contracts or Unexpired Leases with the Chapter 11 Debtors.

6. **THIS COURT ORDERS** that, subject to the terms of the Plan, and effective on the Effective Date, all Executory Contracts and Unexpired Leases listed on the Schedule of Assumed Agreements shall be and remain in full force and effect, unamended, as at the Effective Date, and be enforceable by the Reorganized Debtors, as applicable, in accordance with their terms notwithstanding any provision in such Executory Contract that purports to prohibit, restrict, or condition such assumption and no person shall, following the Effective Date, accelerate, terminate, rescind, refuse to perform or otherwise repudiate their obligations under, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such Executory Contract or Unexpired Lease, by reason of:

- (a) any event that occurred on or prior to the Effective Date that would have entitled any person thereto to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of the Chapter 11 Debtors);
- (b) the fact that the Chapter 11 Debtors have: (i) sought or obtained relief under the CCAA or the Chapter 11 Cases, or (ii) commenced or completed this proceeding or the Chapter 11 Cases;
- (c) the implementation of the Plan, or the completion of any of the steps, transactions or things contemplated by the Plan; or
- (d) any compromises, arrangements, transactions, releases or discharges effected pursuant to the Plan.

7. **THIS COURT ORDERS** that, to the extent, (a) all Plan Transactions have occurred or have been consummated prior to or on the Effective Date, and (b) provided by the Confirmation Order and the Plan, from and after the Effective Date, all persons shall be deemed to have waived, (i) any and all defaults then existing or previously committed by the Chapter 11 Debtors, or caused by the Chapter 11 Debtors, and (ii) non-compliance by the Chapter 11 Debtors with any covenant, warranty, representation, term, provision, condition or obligation, express or implied, in any contract, instrument, credit document, guarantee, agreement for sale, lease or other agreement, written or oral, and any and all amendments or supplements thereto (each, an “**Agreement**”), existing between such person and the Chapter 11 Debtors or any other person, and any and all notices of default and demands for payment under any Agreement shall be deemed to be of no further force or effect; provided that nothing in this paragraph shall excuse or be deemed to excuse the Chapter 11 Debtors from performing any of their obligations subsequent to the date of this proceeding, including, without limitation, obligations under the Plan.

8. **THIS COURT ORDERS** that, as of the Effective Date, to the extent all Plan Transactions have occurred or have been consummated prior to or on the Effective Date, each creditor of the Chapter 11 Debtors shall be deemed to have consented and agreed to all of the provisions of the Plan in their entirety and, in particular, each creditor shall be deemed:

- (a) to have executed and delivered to the Chapter 11 Debtors all consents, releases or agreements required to implement and carry out the Plan in its entirety; and
- (b) to have agreed that if there is any conflict between, (i) the provisions, express or implied, of any agreement or other arrangement, written or oral, existing between such creditors and the Chapter 11 Debtors as of the Effective Date, and (ii) the provisions of the Plan and Confirmation Order, the provisions of the Plan Confirmation Order take precedence and priority and the provisions of such agreement or other arrangement shall be deemed to be amended accordingly.

## **RELEASES AND INJUNCTIONS**

9. **THIS COURT ORDERS** that, without limiting anything in this Order, the releases, exculpations and injunctions set forth in the Confirmation Order and set out in Article VIII of the



Plan be, and the same are, hereby approved and shall be effective in Canada immediately or on the Effective Date, as applicable, in accordance with the Confirmation Order and the Plan, without further act or order.

### **STAY OF PROCEEDINGS**

10. **THIS COURT ORDERS** that the Stay Period (as defined in the Initial Recognition Order, dated May 18, 2012 (the “**Initial Recognition Order**”) and the Supplemental Recognition Order, dated May 18, 2012 (the “**Supplemental Recognition Order**”)) be and is terminated as of the Effective Date.

### **INITIAL RECOGNITION ORDER AND SUPPLEMENTAL RECOGNITION ORDER**

11. **THIS COURT ORDERS** that, except to the extent that the Initial Recognition Order or the Supplemental Recognition Order has been varied by or is inconsistent with this Order or any further Order of this Court, the provisions of the Initial Recognition Order and the Supplemental Recognition Order shall remain in full force and effect until the Effective Date, provided that the protections granted in favour of the Information Officer pursuant to the Initial Recognition Order and the Supplemental Recognition Order shall continue in full force and effect after the Effective Date.

12. **THIS COURT ORDERS** that, despite anything to the contrary herein, nothing in this Order, the Plan, or any order confirmed or made herein prevents a person from seeking or obtaining benefits under a government-mandated workers’ compensation system, or a government agency or insurance company from seeking or obtaining reimbursement, contribution, subrogation, or indemnity as a result of payments made to or for the benefit of such person under such a system or for fees and expenses incurred under any insurance policies, laws, or regulations covering workers’ compensation claims.

### **INFORMATION OFFICER REPORTS**

13. **THIS COURT ORDERS** that the Twenty-Third Report of the Information Officer, dated January 30, 2015, and the Twenty-Fourth Report, and the activities of the Information Officer described therein be and are hereby approved.

**AID AND ASSISTANCE**

14. **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.

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**SCHEDULE "A"**  
**(CONFIRMATION ORDER)**

**SCHEDULE "B"**  
**(JEFFERIES EXIT FINANCING ORDER)**

**SCHEDULE "C"**  
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**SCHEDULE "D"**  
**(CASH COLLATERAL EXTENSION ORDER)**

**SCHEDULE "E"**  
**(AMENDED EIGHTH REPLACEMENT DIP ORDER)**

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

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT  
TORONTO

**ORDER  
(PLAN CONFIRMATION)**

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

**ONTARIO**

**SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT  
TORONTO

**SUPPLEMENTAL  
MOTION RECORD  
(Returnable April 9, 2015)**

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