



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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.
JUSTICE MORAWETZ

)
)
)

FRIDAY, THE 3rd
DAY OF JANUARY, 2014

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

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

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

RECOGNITION ORDER

THIS MOTION, made by LightSquared LP in its capacity as the foreign representative (the "**Foreign Representative**") of the Chapter 11 Debtors, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order substantially in the form attached as Schedule "A" to the notice of motion of the Foreign Representative dated December 18, 2013 (the "**Notice of**

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

ON READING the Notice of Motion, the affidavit of Elizabeth Creary sworn December 18, 2013, the eleventh report of Alvarez & Marsal Canada Inc., in its capacity as court-appointed information officer of the Chapter 11 Debtors (the “**Information Officer**”), dated December 23, 2013 (the “**Eleventh Report**”), the affidavit of Christopher Blake Moran sworn December 23, 2013 and on hearing the submissions of counsel for the Foreign Representative, counsel for the Information Officer, counsel for the ad hoc secured group of LightSquared LP Lenders and ~~counsel to L-Band Acquisition, LLC~~, no one else appearing although duly served as appears from the affidavit of service of Neha Singh sworn December 18, 2013 and Christopher Blake Moran sworn December 27, 2013, filed,

SERVICE

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

RECOGNITION OF FOREIGN ORDER

2. **THIS COURT ORDERS** that the following orders (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 Modifying Previously Scheduled Hearing Dates and Deadlines in Connection with Chapter 11 Plan Process; and

- (b) Order Amending Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay;

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

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



ENTERED AT / INSCRIT A TORONTO
ON / ROUÉ NO:
LE / DANS LE REGISTRE NO.:

JAN 03 2014

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SCHEDULE "A"

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

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

**ORDER MODIFYING PREVIOUSLY SCHEDULED HEARING DATES AND
DEADLINES IN CONNECTION WITH CHAPTER 11 PLAN PROCESS**

Upon the oral motion (the “Motion”) presented by 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”), at the direction of the special committee of the boards of directors (the “Special Committee”) of LightSquared Inc. and LightSquared GP Inc., at the status conference held before this Court on November 25, 2013 (the “Conference”) for entry of an order modifying certain of the hearing dates and deadlines established by the (i) *Order Scheduling Certain Hearing Dates and Establishing Deadlines in Connection with Chapter 11 Plan Process* [Docket No. 772] (the “Scheduling Order”), (ii) *Order (A) Establishing Bid Procedures, (B) Scheduling Date and Time for Auction, (C) Approving Assumption and Assignment Procedures, (D) Approving Form of Notice, and (E) Granting Related Relief* [Docket No. 892] (the “Bid Procedures Order”), and (iii) *Order (I) Approving*

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



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Disclosure Statements, (II) Approving Solicitation and Notice Procedures with Respect to Confirmation of Competing Plans, (III) Approving Forms of Various Ballots and Notices in Connection Therewith, (IV) Approving Scheduling of Certain Dates in Connection with Confirmation of Competing Plans, and (V) Granting Related Relief [Docket No. 936] (the “Disclosure Statement Order”) due to the current facts and circumstances in these Chapter 11 Cases; and responses to the Motion having been orally presented to the Court at the Conference by (x) U.S. Bank National Association and MAST Capital Management, LLC, on behalf of itself and its management funds and accounts, (y) the ad hoc secured group of Prepetition LP Lenders,² and (z) L-Band Acquisition Corp. and SP Special Opportunities, LLC (together, the “Responses”); and the Court having considered the Motion and the Responses and having heard arguments with respect to the Motion and the Responses at the Conference; and it appearing, and the Court having found, that the relief requested in the Motion is in the best interests of LightSquared, its estates, its creditors, and other parties in interest; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The Scheduling Order, Bid Procedures Order, and Disclosure Statement Order are modified to the extent set forth herein.
2. The following modified dates are established in the Chapter 11 Cases:
 - (a) Bid Deadline for Harbinger Capital Partners, LLC and/or its non-Debtor affiliates and subsidiaries only: November 26, 2013 at 4:00 p.m. (prevailing Eastern time).

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the (a) *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], (b) *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], (c) Bid Procedures Order, and (d) Disclosure Statement Order, as applicable.

- (b) Deadline for Harbinger Capital Partners, LLC to submit a revised chapter 11 plan and accompanying disclosure statement: December 11, 2013.
- (c) Deadline by which LightSquared shall notify the Qualified Bidders of the Qualified Bid or Bids it believes to represent the then highest or otherwise best bid(s):³ December 5, 2013 at 12:00 p.m. (prevailing Eastern time).
- (d) Auction: Shall commence on December 11, 2013 at 10:00 a.m. (prevailing Eastern time) and shall conclude by such date.⁴
- (e) Deadline for Debtors to disclose (i) the proposed transaction, if any, to be implemented under the Debtors' existing chapter 11 plan and (ii) modifications, if any, to the Debtors' existing chapter 11 plan and accompanying disclosure statement: December 24, 2013 at 5:00 p.m. (prevailing Eastern time).
- (f) Plan Supplement Date: December 30, 2013 at 4:00 p.m. (prevailing Eastern time).
- (g) Plan Objection Deadline, Highest Bidder Objection Deadline, and Financial Wherewithal Objection Deadline: December 30, 2013 at 4:00 p.m. (prevailing Eastern time).
- (h) Voting Deadline: December 30, 2013 at 4:00 p.m. (prevailing Pacific time).
- (i) Pre-Trial Conference: January 3, 2013 at 10:00 a.m. (prevailing Eastern time) subject to the Court's calendar.
- (j) Deadline to submit Voting Report: January 3, 2014 at 4:00 p.m. (prevailing Eastern time).
- (k) Deadline to submit confirmation briefs in support of chapter 11 plan(s) and in response to Plan Objections, Highest Bidder Objections, and Financial Wherewithal Objections: January 7, 2014 at 9:00 p.m. (prevailing Eastern time).

³ Notwithstanding the foregoing, the rights of the Special Committee to determine that no Qualified Bid is the highest or otherwise best bid are fully preserved.

⁴ Notwithstanding the commencement and conclusion of the Auction and the selection at the Auction of the highest and otherwise best bid(s) for LightSquared's Assets, or any grouping or subset thereof, all rights of the Special Committee to pursue alternative transactions (consistent with its fiduciary obligations) are fully preserved.

(l) Confirmation Hearing: January 9, 2014 at 10:00 a.m. (prevailing Eastern time).⁵

3. The dates in this Order may be adjourned or continued from time to time by the Court upon further notice (either announced in open court or by a notice of adjournment filed with, and at the direction of, the Court and served in accordance with the *Order Establishing Certain Notice, Case Management, and Administrative Procedures* [Docket No. 121]). Any party's request to adjourn the dates set forth herein shall, to the extent practicable, be on notice (including shortened notice) for cause shown.

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

Dated: December 3, 2013
New York, New York

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

⁵ The deadlines set forth in subparagraphs (f)-(l) in this paragraph 2 shall apply only to chapter 11 plans currently on file and shall not apply to any chapter 11 plans that are filed or materially modified after the date hereof, as to which all parties reserve their rights under the Bankruptcy Code and Bankruptcy Rules.

SCHEDULE “B”

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

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

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

Upon the initial motion (the “Initial Motion”)² of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, “LightSquared” or the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), seeking entry of an interim order and a final order, under sections 105, 361, 362, 363(c), and 507 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”), Rules 2002, 4001, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 4001-2 of the Local Rules for the United States Bankruptcy Court for the Southern District of New York (the “Local Rules”), *inter alia*:

- (a) authorizing the use of Cash Collateral (within the meaning of section 363(a) of the Bankruptcy Code) of the Prepetition Secured Parties and providing adequate

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

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

protection to the Prepetition Secured Parties for any diminution in value of their interests in the Prepetition Collateral, pursuant to sections 361, 362, and 363 of the Bankruptcy Code;

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

The Court having considered the Initial Motion, the *Declaration of Marc R.*

*Montagner, Chief Financial Officer and Interim Co-Chief Operating Officer of LightSquared Inc., (A) in Support of First Day Pleadings and (B) Pursuant to Rule 1007-2 of Local Bankruptcy Rules for United States Bankruptcy Court for Southern District of New York [Docket No. 3], the exhibits and schedules attached thereto, and the evidence submitted at the Final Hearing; and notice of the Final Hearing having been given in accordance with Bankruptcy Rules 4001(b) and (d) and 9014; and the Final Hearing to consider the relief requested in the Initial Motion having been held and concluded; and all objections, if any, to the relief requested in the Initial Motion having been withdrawn, resolved, or overruled by the Court; and the Court having entered the *Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay [Docket No. 136]* (the “Initial Cash Collateral Order”) on June 13, 2012 upon consent of LightSquared, the Ad Hoc Secured LP Group, and the Prepetition Secured Parties; and the Ad Hoc Secured LP Group having agreed to permit LightSquared to amend the Initial Cash Collateral Order to continue to use the Prepetition LP Lenders’ Cash Collateral through and including December 31, 2013 on substantially similar terms as currently set forth in the Initial Cash Collateral Order in connection*

with that certain *Order Pursuant to 11 U.S.C. § 1121(d) Further Extending LightSquared's Exclusive Periods To File a Plan of Reorganization and Solicit Acceptances Thereof* [Docket No. 522] (the "Second Exclusivity Extension Order"); and the Court having entered the *Amended Agreed Final Order (A) Authorizing Debtors To Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay* [Docket No. 544] (the "First Amended Cash Collateral Order"); and the Court having considered the subsequent motion (the "Motion") of LightSquared, submitted at the request, direction, and with the full support of the special committee of the boards of directors (the "Special Committee") of LightSquared Inc. and LightSquared GP Inc., seeking entry of an order (this "Order"), pursuant to sections 105, 361, 362, 363, and 507 of the Bankruptcy Code, Bankruptcy Rules 2002, 4001, and 9014, and Local Rule 4001-2 amending the First Amended Cash Collateral Order to permit the LP Obligors to continue to use the Prepetition LP Lenders' Cash Collateral through and including January 31, 2014 on substantially similar terms as currently set forth in the First Amended Cash Collateral Order; and all objections, if any, to the relief requested in the Motion having been withdrawn, resolved, or overruled by the Court; 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 operation 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 First Amended Cash Collateral Order shall remain in full force and effect pursuant to the terms thereof, except to the extent modified by this Order.

2. Paragraph 14(n) of the First Amended Cash Collateral Order is hereby amended by deleting the words "December 31, 2013" and inserting the words "January 31, 2014."

3. The authorization of the Debtors to use the Prepetition LP Lenders' Cash Collateral on a consensual basis under this Amended Final Order shall automatically terminate two (2) business days after any of the Debtors or any party in interest supporting the development of a standalone plan of reorganization for the Debtors seeks to adjourn or delay the hearing on the confirmation of the chapter 11 plan filed by the Ad Hoc LP Secured Group in these Chapter 11 Cases [Docket No. 970] scheduled for January 9, 2014; provided, however, that the Ad Hoc LP Secured Group hereby consents to the Debtors or any other party in interest seeking relief from the termination of the consensual use of the Prepetition LP Lenders' Cash Collateral on an expedited basis.

4. The Budget attached as Schedule 1 to the First Amended Cash Collateral Order is hereby replaced in its entirety by the Budget attached hereto as Schedule 1.

5. The last sentence of paragraph F(ii) of the First Amended Cash Collateral Order is hereby amended in its entirety as follows: "Notwithstanding anything to the contrary in this Amended Final Order, capital expenditure lines (e.g., Qualcomm, Alcatel Lucent S-BTS, HNS, BandRich, AnyData, Boeing Payments, and Current Network Maintenance/Capex) totaling \$500,000 may be used on an aggregate basis at any time until January 31, 2014."

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: December 20, 2013
New York, New York

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

Schedule 1
Budget

LightSquared LP Standalone Monthly Cash Forecast

(\$ in 000s)

Month		Jan-14
Beginning Cash Balance		12,372
Sources		
	Satellite Revenue	2,022
	Terrestrial Revenue	-
	Interest Income	2
	Equity Financing	-
	Debt Financing	-
	Financing Fees	-
	Other	-
Total Sources		2,024
Uses (OPEX)	In-Orbit / Launch Insurance	-
	ISAT Coop Agmt	-
	L-Band network infrastructure	12
	ERP	22
	Spectrum Management	-
	Staffing Related (entire company)	2,625
	Legal / Regulatory / Lobbying / International	1,177
	Facilities/Telecom	658
	G&A	336
	Travel Expenses (entire company)	50
	Other Items	1,350
	Subtotal - USES (OPEX)	6,230
Uses (CAPEX)	Boeing Payments	-
	Qualcomm	380
	Alcatel Lucent S-BTS	-
	1.6 GHz related (other than spectrum)	-
	Current Network Maintenance/Capex	-
Subtotal - USES (CAPEX)		380
Debt Service	Cash Interest	-
Restructuring Related	Restructuring Prof exclud W&C / Blackstone	1,846
	LP Adequate Protection Payments	6,250
Total Uses		14,706
LP Group Ending Cash Balance		-
TMI Beginning Cash Balance		11,459
Use of TMI Cash		(310)
TMI Ending Cash Balance		11,149
LP Group Ending Cash Balance including Cash at TMI		11,149

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

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
TORONTO

**RECOGNITION ORDER
(JANUARY 3, 2013)**

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