



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

THE HONOURABLE
JUSTICE MORAWETZ

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)
)

THURSDAY, THE 14th
DAY OF JUNE, 2012

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

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

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

RECOGNITION ORDER

THIS MOTION, made by LightSquared LP in its capacity as the foreign representative (the "**Foreign Representative**") of the Chapter 11 Debtors, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order substantially in the form attached as Schedule "A" to the notice of motion of the Foreign Representative dated June 7, 2012 (the "**Notice of Motion**"), recognizing certain orders granted by the United States Bankruptcy Court for the Southern District of New York (the "**U.S. Bankruptcy Court**") in the cases commenced by the Chapter 11 Debtors under chapter 11 of title 11 of the United States Code, 11

U.S.C. §§ 101-1532 (the “**Chapter 11 Cases**”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the affidavit of Elizabeth Creary sworn June 7, 2012, the supplemental affidavit of Kate H. Stigler sworn June 12, 2012, the supplemental affidavit of Jarvis H. Hetu sworn June 14, 2012 and the first report of Alvarez & Marsal Canada Inc., in its capacity as court-appointed information officer (the “**Information Officer**”) of the Chapter 11 Debtors, dated June 13, 2012 (the “**First Report**”) and on hearing the submissions of counsel for the Foreign Representative and counsel for the Information Officer, no one else appearing although duly served as appears from the affidavits of service of Jarvis H. Héту sworn June 7, 2012 and June 13, 2012 and the affidavits of service of Stephanie Waugh sworn June 13, 2012 and June 14, 2012,

SERVICE

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

RECOGNITION OF FOREIGN ORDERS

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

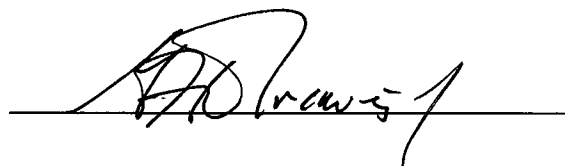
- (a) Order Authorizing Restrictions on Certain Transfers of Interests and Claims in the Debtors and Establishing Notification Procedures Relating Thereto Pursuant to Sections 105(a) and 362 of the Bankruptcy Code;
- (b) Order Determining Adequate Assurance of Payment for Future Utility Services;

- (c) Agreed Final Order (A) Authorizing Debtors to Use Cash Collateral, (B) Granting Adequate Protection to Prepetition Secured Parties, and (C) Modifying Automatic Stay;
- (d) Final Order Authorizing LightSquared LP to Act as Foreign Representative Pursuant to 11 U.S.C. § 1505;
- (e) 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 Sections 345(b) of Bankruptcy Code;
- (f) Final Order (A) Authorizing, But Not Directing, Debtors to (I) Pay Certain Prepetition Wages and Reimbursable Employee Expenses, (II) Pay and Honor Employee Benefits, and (III) Continue Employee Benefits Programs and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests;
- (g) Final Order (A) Authorizing, But Not Directing, (I) Continuation of Debtors' Insurance Policies and (II) Payment of Certain Obligations in Respect Thereof and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests; and
- (h) Final Order (A) Authorizing, But Not Directing, Debtors to Pay Taxes and Fees and (B) Authorizing and Directing Financial Institutions to Honor All Related Checks and Electronic Payment Requests;

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

INFORMATION OFFICER'S REPORT

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

A handwritten signature, appearing to read "A. D. Brown", is written over a horizontal line.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

JUN 14 2012

Handwritten initials, possibly "MB", are written below the date.

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 AUTHORIZING RESTRICTIONS ON
CERTAIN TRANSFERS OF INTERESTS AND CLAIMS IN THE DEBTORS AND
ESTABLISHING NOTIFICATION PROCEDURES RELATING THERETO
PURSUANT TO SECTIONS 105(a) AND 362 OF THE BANKRUPTCY CODE**

Upon the motion (the “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”), for entry of an order (the “Order”), pursuant to sections 105(a) and 362 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”), authorizing the Debtors to establish procedures to protect the potential value of LightSquared’s consolidated net operating tax loss carryforwards and certain other tax attributes, including, potentially, a net unrealized built-in loss in its assets; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant

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

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion or the Montagner Declaration (as defined herein), as applicable.

to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and 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 “Montagner Declaration”) and, following an interim hearing held on May 15, 2012, the Court having entered an interim order on May 16, 2012; the Court also having reviewed (a) the objection to the Motion filed by the Ad Hoc Secured Group of LightSquared LP Lenders (the “Ad Hoc Group Objection”) and the Declaration of Steven Zelin in Support of the Ad Hoc Group Objection [Docket No. 64], (b) the Statement of U.S. Bank National Association [Docket No. 65], and (c) responsive pleadings thereto [Docket Nos. 70 and 71]; and the Court having heard arguments and testimony in support of and in opposition to the Motion at a final hearing held before the Court on May 29, 2012 (the “Final Hearing”); and the Court having determined that the legal and factual bases set forth in the Motion and at the Final Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion, as modified herein, is in the best interests of the Debtors’ estates, their creditors and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby FOUND that:

A. LightSquared’s consolidated net operating loss carryforwards (the “NOLs”) and certain other tax attributes described in the Motion (together with the NOLs, the

“Tax Attributes”) are property of the Debtors’ estates and are protected by the automatic stay prescribed in section 362 of the Bankruptcy Code;

B. Unrestricted trading of certain equity interests in LightSquared during the pendency of the bankruptcy could severely limit the Debtors’ ability to utilize the Tax Attributes for purposes of title 26 of the United States Code (the “Tax Code”);

C. Under certain circumstances, the accumulation of Debt Securities prior to the potential emergence of the Debtors from chapter 11 could, following any such emergence, severely limit the Debtors’ (or their successors’) ability to use the Tax Attributes;

D. The notification procedures and restrictions on transfers of, or exchanges or conversions into, LightSquared Stock and options to acquire such stock are necessary and proper to preserve the Tax Attributes and therefore are in the best interests of the Debtors, their estates and their creditors;

E. The procedures approved in this Order are necessary and proper to preserve the availability of the Tax Attributes following the Debtors’ (or their successors’) emergence, and are therefore in the best interests of the Debtors, their estates and their creditors; and

F. The relief granted herein is authorized under sections 105(a) and 362 of the Bankruptcy Code.

THEREFORE, it is hereby ORDERED that:

1. The Motion is granted on a final basis to the extent set forth herein.
2. The provisions of this Order shall be effective, *nunc pro tunc*, to the date of the Motion.

3. Any acquisition, disposition or other transfer in violation of the restrictions set forth herein shall be null and void *ab initio* as an act in violation of the automatic stay prescribed in section 362 of the Bankruptcy Code and pursuant to this Court's equitable power prescribed in section 105(a) of the Bankruptcy Code, or, if appropriate, shall cause a subject holder of Debt Securities to be subject to the Equity Forfeiture Provision; provided, however, that the foregoing provision shall be applicable to Debt Securities only to the extent that any restrictions are set forth in a Sell-Down Order. For purposes of this Order, any trades made before the filing of the Motion (the "Motion Date") shall not be subject to this Order.

4. The following procedures and restrictions shall apply to trading in LightSquared Stock:

- (a) Acquisition of LightSquared Stock or Options.³ At least twenty (20) calendar days prior to the proposed date of any transfer of, or exchange or conversion into, equity securities (including Options, as defined below, to acquire such securities) that would result in an increase in the amount of LightSquared Stock beneficially owned by any person who is a Substantial Equityholder (as defined below), that would result in a person or Entity becoming a Substantial Equityholder, or that would result in the conversion of a person's preferred units in LightSquared LP, LightSquared Series A Preferred or LightSquared Series B Preferred into LightSquared Common Stock (a "Proposed Equity Acquisition Transaction"), such person, Entity or Substantial Equityholder (a "Proposed Equity Transferee") shall file with the Court, and serve upon the Debtors and Debtors' counsel, a Notice of Intent to Purchase, Acquire or Otherwise Accumulate LightSquared Stock (an "Equity Acquisition Notice"), in the form attached as Schedule 2 to the Order, specifically and in detail describing the proposed transaction in which LightSquared Stock would be acquired. At the holder's election, the Equity Acquisition Notice to be filed with the Court may be redacted to exclude such holder's taxpayer identification number and the number of shares of LightSquared Stock that such holder beneficially owns and proposes to purchase or otherwise acquire.

³ Capitalized terms used in Paragraphs (a)-(e) but not otherwise defined herein shall have the meaning ascribed to them in Paragraph (e).

- (b) Disposition of LightSquared Stock or Options. At least twenty (20) calendar days prior to the proposed date of any transfer of equity securities (including Options to acquire such securities) that would result in a decrease in the amount of LightSquared Stock beneficially owned by a Substantial Equityholder or that would result in a person or Entity ceasing to be a Substantial Equityholder (a “Proposed Equity Disposition Transaction” and, together with a Proposed Equity Acquisition Transaction, a “Proposed Equity Transaction”), such person, Entity or Substantial Equityholder (a “Proposed Equity Transferor”) shall file with the Court, and serve upon the Debtors and Debtors’ counsel, a Notice of Intent to Sell, Trade or Otherwise Transfer LightSquared Stock (an “Equity Disposition Notice” and, together with an Equity Acquisition Notice, an “Equity Trading Notice”), in the form attached as Schedule 3 to the Order, specifically and in detail describing the proposed transaction in which LightSquared Stock would be transferred. At the holder’s election, the Equity Disposition Notice to be filed with the Court may be redacted to exclude such holder’s taxpayer identification number and the number of shares of LightSquared Stock that such holder beneficially owns and proposes to sell or otherwise transfer.
- (c) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Proposed Equity Transaction. A Proposed Equity Transaction that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of an Equity Trading Notice shall be deemed rejected and shall not be effective unless approved by a final and non-appealable order of this Court.
- (d) Unauthorized Transactions in LightSquared Stock or Options. Effective as of the Motion Date and until further order of the Court to the contrary, any acquisition, disposition or other transfer of beneficial ownership of LightSquared Stock, including Options to acquire LightSquared Stock, in violation of the procedures set forth herein shall be null and void *ab initio* as an act in violation of the automatic stay under sections 362 and 105(a) of the Bankruptcy Code.
- (e) Definitions. For purposes of the Order:
 - (i) Substantial Equityholder. A “Substantial Equityholder” is any person or Entity that beneficially owns at least:
 - (A) 4.50% of the outstanding shares of LightSquared’s common stock (“LightSquared Common Stock”); or

- (B) 4.50% of the outstanding shares of LightSquared's Series A preferred stock ("LightSquared Series A Preferred"); or
 - (C) 4.50% of the outstanding shares of LightSquared's Series B preferred stock ("LightSquared Series B Preferred").
- (ii) Beneficial Ownership. "Beneficial ownership" (or any variation thereof of LightSquared Stock and Options to acquire LightSquared Stock) shall be determined in accordance with applicable rules under section 382 of the Tax Code, the U.S. Department of Treasury regulations (the "Treasury Regulations") promulgated thereunder and rulings issued by the Internal Revenue Service (the "IRS"), and, thus, to the extent provided in those rules, from time to time shall include, without limitation, (A) direct and indirect ownership (e.g., a holding company would be considered to beneficially own all stock owned or acquired by its wholly-owned subsidiaries), (B) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of stock and (C) in certain cases, the ownership of an Option to acquire LightSquared Stock;
- (iii) Option. An "Option" to acquire stock includes any contingent purchase, warrant, convertible or exchangeable security, put, call, stock subject to risk of forfeiture, contract to acquire stock or similar interest regardless of whether it is contingent or otherwise not currently exercisable; and
- (iv) LightSquared Stock. "LightSquared Stock" shall mean LightSquared Common Stock, LightSquared Series A Preferred, and LightSquared Series B Preferred. For the avoidance of doubt, by operation of the definition of beneficial ownership, an owner of an Option to acquire LightSquared Stock may be treated as the owner of such LightSquared Stock.
- (f) Confidentiality. Except to the extent information contained in an Equity Trading Notice or a Notice of Intent to Claim a Worthless Securities Deduction (as defined below) is public or in connection with an audit or other investigation by the IRS or other taxing authority, the Debtors shall keep such notices and any additional information provided with respect to a Proposed Equity

Transaction or a Worthless Securities Deduction pursuant to the Order strictly confidential; provided, however, that the Debtors may disclose the information in an Equity Trading Notice or a Notice of Intent to Claim a Worthless Securities Deduction to their counsel and professional advisors and those of any other person(s) that are subject to a nondisclosure agreement with the Debtors (as applicable), each of whom shall keep all such notices strictly confidential.

- (g) Except for notice required to be given by the Debtors pursuant to this Order, including but not limited to, notice of a Sell-Down Motion, the Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in the Order.

5. The following procedures and restrictions shall apply for claiming a worthless securities deduction under section 165(g) of the Tax Code (a “Worthless Securities Deduction”) respecting LightSquared Stock:

- (a) Notice of Intent to Claim Worthless Securities Deduction. At least fifteen (15) business days before a Majority Shareholder files any federal income tax return, or any amendment to such a return, claiming a Worthless Securities Deduction with respect to its LightSquared Stock for a tax year of the Majority Shareholder ending before the effective date of the Debtors’ chapter 11 plan, such Majority Shareholder must file with the Court, and serve on the Debtors and counsel to the Debtors, advance written notice of the intended tax deduction, in the form attached as Schedule 7 to the Order (the “Notice of Intent to Claim a Worthless Securities Deduction”).
- (b) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Majority Shareholder’s proposed Worthless Stock Deduction. A Worthless Stock Deduction that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of a Notice of Intent to Claim a Worthless Securities Deduction shall be deemed rejected and shall not be effective unless approved by a final and non-appealable order of this Court.
- (c) For purposes of this Order: a “Majority Shareholder” is any person that owns, or has owned during the three (3)-year period ending on the Motion Date, fifty percent (50%) or more of any class or series

of LightSquared Stock (within the meaning of section 382(g)(4)(D) of the Tax Code).

- (d) Violation of Procedures. In the event that a Majority Shareholder claims a Worthless Securities Deduction in violation of the procedures set forth herein, such Worthless Securities Deduction shall be null and void *ab initio* as an act in violation of the automatic stay under sections 105(a) and 362 of the Bankruptcy Code, and such shareholder shall be required to file an amended federal income tax return revoking such deduction.
- (e) Debtors' Right To Waive. Except for notice required to be given by the Debtors pursuant to this Order, including but not limited to, notice of a Sell-Down Motion, the Debtors may waive, in writing and in their sole and absolute discretion, any restrictions, sanctions, remedies of the Debtors, stays or notification procedures contained in this Order.

6. The following procedures and restrictions shall apply to transfers of Debt

Securities:

- (a) Notice of 382(l)(5) Plan; Amended Notice of 382(l)(5) Plan.⁴
 - (i) Notice of 382(l)(5) Plan. Upon filing a chapter 11 plan and disclosure statement that contemplates the potential utilization of section 382(l)(5) of the Tax Code (a "382(l)(5) Plan"), the Debtors may, if they determine that the application of section 382(l)(5) of the Tax Code is reasonably likely to be beneficial to the reorganized Debtors (or any successors thereto), (A) publish (or arrange for publication of) a notice and provide a written notice to the Debt Notice Parties (the "Notice of 382(l)(5) Plan"), disclosing the filing of such 382(l)(5) Plan, the potential issuance of a Sell-Down Notice (as defined in Paragraph 6(c)(i) below) in connection therewith, and requesting beneficial ownership information on the website established by the Debtors' claims and noticing agent, Kurtzman Carson Consultants LLC (www.kccllc.net/LightSquared) and in the national edition of *The Wall Street Journal* (a "Notice of 382(l)(5) Plan"),

⁴ Capitalized terms used in Paragraphs (a)-(g) but not otherwise defined herein shall have the meanings ascribed in Paragraph (g).

(B) identify the classes of Debt Securities that are potentially subject to a Sell-Down Notice and (C) identify the applicable Threshold Amounts (by class or other applicable breakdown) for status as a Substantial Securityholder.

- (ii) Amended Notice of 382(l)(5) Plan. The Debtors may determine subsequent to the date of the Notice of 382(l)(5) Plan or an Amended Notice of 382(l)(5) Plan (as defined below), to (A) adjust the Threshold Amount or (B) identify additional classes of Debt Securities that are potentially subject to a Sell-Down Notice. In that case, the Debtors shall publish and provide notice of such additional amount and/or such additional class of Debt Securities in the same manner as the Notice of 382(l)(5) Plan and such notice shall be an “Amended Notice of 382(l)(5) Plan.” The Amended Notice of 382(l)(5) Plan shall require (X) any person or Entity that previously served a Notice of Substantial Securityholder Status to update information regarding such Substantial Securityholder’s Beneficial Ownership of Debt Securities and (Y) any person or Entity that is a Substantial Securityholder as of the date of the most recent Amended Notice of 382(l)(5) Plan, but that was not previously required to serve a Notice of Substantial Securityholder Status (an “Additional Substantial Securityholder”), to serve upon the Debtors and counsel for the Debtors a notice of such status in the manner prescribed in Paragraph 6(b) below within fifteen (15) calendar days of the date of the Amended Notice of 382(l)(5) Plan.
 - (iii) Early Notice. The Debtors reserve the right, in order to assist in determining their eligibility for section 382(l)(5) of the Tax Code, to request in a manner consistent with the publication of the Notice of 382(l)(5) Plan described above, information regarding the Beneficial Ownership of Debt Securities prior to the filing of the Notice of 382(l)(5) Plan.
- (b) Notice of Substantial Securityholder Status. Following a request for Beneficial Ownership information pursuant to (i) a Notice of 382(l)(5) Plan, (ii) an Amended Notice of 382(l)(5) Plan or (iii) Paragraph a(iii) above, any person or Entity that as of the date such request is made (the “Request Date”) is or becomes a Substantial Securityholder shall serve upon the Debtors and counsel for the Debtors, a notice of such status (a “Notice of Substantial Securityholder Status”), in the form attached as Schedule 4 to the Order within twenty (20) calendar days of the

later of (i) the Request Date and (ii) the date such person becomes a Substantial Securityholder.

(c) Sell-Down Notices.

- (i) Sell-Down Notices. Following the issuance of a Notice of 382(l)(5) Plan, but no earlier than sixty (60) days prior to the then-scheduled hearing with respect to the 382(l)(5) Plan, if the Debtors determine it to be reasonably necessary to require the sale or transfer of all or a portion of the Beneficial Ownership of Debt Securities held by a Substantial Securityholder on the basis that such sale or transfer is appropriate to reasonably ensure that the requirements of section 382(l)(5) of the Tax Code will be satisfied, the Debtors may file a motion (the "Sell-Down Motion") requesting that the Court enter an order (the "Sell-Down Order"), as appropriate under applicable law, approving the issuance of a notice (the "Sell-Down Notice") that such Substantial Securityholder must sell, cause to sell or otherwise transfer all or a portion of its Beneficial Ownership of Debt Securities (by class or other applicable breakdown) in excess of the Maximum Amount for such Substantial Securityholder (such excess amount, an "Excess Amount") to Permitted Transferees. The Debtors shall provide a copy of the Sell-Down Motion to each person described in clause (D) of the definition of "Debt Notice Parties," and any party in interest may object to the Sell-Down Motion. For any such Sell-Down Order to be entered, the Debtors must demonstrate that, (a) the relief requested is appropriate under applicable law, (b) any requested Sell-Down Notices are fairly allocated among the holders of Debt Securities, and (c) the relief requested is consistent with the provisions of this Order and qualification under Section 382(l)(5) of the Tax Code and is being sought for such purpose. If the Court enters a Sell-Down Order approving the Debtors' issuance of a Sell-Down Notice, the Debtors shall provide a copy of such Sell-Down Order to each person described in clause (D) of the definition of "Debt Notice Parties."
- (ii) Requirement to Sell Down. Prior to (A) the effective date of the 382(l)(5) Plan or (B) such earlier date set forth in the Sell-Down Order, which shall not be earlier than the day after the entry of the order confirming the 382(l)(5) Plan as may be specified by the Debtors (the "Sell-Down Date"), each Substantial Securityholder shall sell, cause to sell or otherwise transfer an amount of the Beneficial Ownership

of Debt Securities (if any) necessary to comply with the Sell-Down Notice (the “Sell-Down”); provided, however, that notwithstanding anything to the contrary in the Order and for the avoidance of doubt, no Substantial Securityholder shall be required to sell, cause to sell or otherwise transfer any Beneficial Ownership of Debt Securities if such sale would result in such holder having Beneficial Ownership of an aggregate amount of Debt Securities (by class or other applicable breakdown) that is less than such holder’s Protected Amount (as hereinafter defined). Each Substantial Securityholder shall sell, cause to sell or otherwise transfer its Beneficial Ownership of Debt Securities subject to the Sell-Down to Permitted Transferees; provided, however, that such Substantial Securityholder shall not have a reasonable basis to believe that any such Permitted Transferee would own, immediately after the contemplated transfer, an Excess Amount of Debt Securities.

- (iii) Notice of Compliance. A Substantial Securityholder subject to the Sell-Down shall, within seven (7) calendar days after the later of (A) entry of an order approving the 382(l)(5) Plan, (B) the Sell-Down Date, and (C) such other date specified in the Sell-Down Notice, as applicable, but in all events before the effective date of the 382(l)(5) Plan, and as a condition to receiving Affected Equity, serve upon the Debtors and counsel for the Debtors, a notice substantially in the form attached as Schedule 5 to the Order that such Substantial Securityholder has complied with the terms and conditions set forth in this Paragraph 6(c) and that such Substantial Securityholder does not and will not hold an Excess Amount of Debt Securities as of the Sell-Down Date and at all times through the effective date of the 382(l)(5) Plan (the “Notice of Compliance”); provided, however, that if the Substantial Securityholder has complied but for the fact that the Substantial Securityholder still holds an Excess Amount of Debt Securities as of the Sell-Down Date, the Notice of Compliance shall disclose such Excess Amount. Any Substantial Securityholder who fails to comply with this provision shall not receive Affected Equity with respect to the entirety of its Excess Amount of Debt Securities as determined under Paragraph 6(c), regardless of any sales made in accordance with this Paragraph 6(c).

- (d) Advance Approval of Acquisitions. Any proposed transfer or acquisition of Debt Securities from and after the date of the Sell-

Down Order shall be subject to the following advance approval procedures:

- (i) Acquisition of Securities. At least twenty (20) calendar days prior to the proposed date of any transfer of Debt Securities that would result in (A) an increase in the dollar amount of Debt Securities Beneficially Owned by a Substantial Securityholder or (B) any person or Entity becoming a Substantial Securityholder (each, a “Proposed Securities Acquisition Transaction”), such person, Entity, or Substantial Securityholder (each a “Proposed Securities Transferee”) must serve upon the Debtors and counsel for the Debtors, a Notice of Request to Purchase, Acquire or Otherwise Accumulate a Security (a “Securities Acquisition Request”), in the form attached as Schedule 6 to the Order, which describes specifically and in detail the intended acquisition of Debt Securities, regardless of whether such transfer would be subject to the filing, notice and hearing requirements of Bankruptcy Rule 3001.
- (ii) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Securities Acquisition Request. A Securities Acquisition Request that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of a Securities Acquisition Request shall be deemed rejected.
- (e) Equity Forfeiture Provision.
 - (i) Equity Forfeiture Provision. Any Substantial Securityholder that violates its obligations under the Sell-Down Notice shall, pursuant to the Order, be precluded from receiving, directly or indirectly, any consideration consisting of a beneficial ownership of equity (as determined in accordance with the applicable rules of section 382 of the Tax Code, including Options, whether or not treated as exercised under Treasury Regulations section 1.382-4) of the Debtors (or any successor to the Debtors, including as determined for U.S. federal income tax purposes) that is attributable to the Excess Amount of Debt Securities for such Substantial Securityholder as of the Sell-Down Date, including any consideration in lieu thereof; provided, however, that the forfeiture shall only apply to any Excess Amount of Debt Securities still owned as of the Sell-Down Date if the holder has complied with Paragraph 6(c)(iii); provided, further, that such Substantial

Securityholder may be entitled to receive any other consideration to which such holder may be entitled by virtue of holding Debt Securities (the "Equity Forfeiture Provision"). Any purported acquisition of, or other increase in the Beneficial Ownership of, equity of the Debtors (or any successor) that is precluded by the Equity Forfeiture Provision will be an acquisition of "Forfeited Equity." Any acquirer of Forfeited Equity shall, immediately upon becoming aware of such fact, return or cause to return the Forfeited Equity to the Debtors (or any successor to the Debtors) or, if all of the equity consideration properly issued to such acquirer and all or any portion of such Forfeited Equity shall have been sold prior to the time such acquirer becomes aware of such fact, such acquirer shall return or cause to return to the Debtors (or any successor to the Debtors) (A) any Forfeited Equity still held by such acquirer and (B) the proceeds attributable to the sale of Forfeited Equity, calculated by treating the most recently sold equity as Forfeited Equity. Any acquirer that receives Forfeited Equity and deliberately fails to comply with the preceding sentence shall be subject to such additional sanctions as the Court may determine. Any Forfeited Equity returned to the Debtors shall be distributed (including a transfer to charity) or extinguished, in the Debtors' sole discretion, in furtherance of the 382(l)(5) Plan.

- (ii) Notification Requirement. In effecting any sale or other transfer of Debt Securities pursuant to a Sell-Down Notice, a Substantial Securityholder shall, to the extent that it is reasonably feasible to do so within the normal constraints of the market in which such sale takes place, notify the acquirer of such Debt Securities of the existence of the Order and the Equity Forfeiture Provision (it being understood that, in all cases in which there is direct communication between a salesperson and a customer, including, without limitation, communication via telephone, e-mail, and instant messaging, the existence of the Order and the Equity Forfeiture Provision shall be included in such salesperson's summary of the transaction).

(f) Miscellaneous.

- (i) No Disclosure of Participation. To permit reliance by the Debtors on Treasury Regulation section 1.382-9(d)(3), any person or Entity that participates in formulating any chapter 11 plan of, or on behalf of, the Debtors (which shall

include, without limitation, making any suggestions or proposals to the Debtors or their advisors with regard to such a plan), shall not, and shall not be asked to, disclose (or otherwise make evident unless compelled to do so by an order of a court of competent jurisdiction or some other applicable legal requirement) to the Debtors that any Debt Securities in which such person or Entity has a Beneficial Ownership are Newly Traded Securities. For this purpose, the Debtors acknowledge and agree that the following activities shall not constitute participation in formulating a chapter 11 plan if, in pursuing such activities, the relevant person or Entity does not disclose (or otherwise make evident) to the Debtors that such person or Entity has Beneficial Ownership of Newly Traded Securities: filing an objection to a proposed disclosure statement or to confirmation of a proposed chapter 11 plan; voting to accept or reject a proposed chapter 11 plan; reviewing or commenting on a proposed business plan; providing information on a confidential basis to counsel for the Debtors or counsel for the Creditors' Committee (if any) unconnected with the formulation of the chapter 11 plan; general membership on an official committee or an ad hoc committee or taking any action required by order of the Court.

- (ii) Confidentiality. Except to the extent necessary to demonstrate to the Court the need for the issuance of a Sell-Down Notice, other than information contained in the Notice of Substantial Securityholder Status that is public or in connection with an audit or other investigation by the IRS or other taxing authority, the Debtors shall keep such notices and any additional information provided by a Substantial Securityholder pursuant to the Order strictly confidential and shall not disclose the identity of the Substantial Securityholder to any other person or Entity; provided, however, that the Debtors may disclose the identity of the Substantial Securityholder to their respective counsel and professional advisors and those of any other person(s) that are subject to a nondisclosure agreement with the Debtors (as applicable), each of whom shall keep all such notices strictly confidential and shall not disclose the identity of the Substantial Securityholder to any other person or Entity subject to further order of the Court; and provided, further, that to the extent the Debtors reasonably determine such confidential information is necessary to demonstrate to the Court the need for the issuance of a Sell-Down Notice, the Debtors shall seek to file such

confidential information (determined by, among other things, whether such information was redacted in any public filing) under seal.

- (iii) Exception. No person or Entity shall be subject to the advance approval provisions, or in the case of Debt Securities that are part of a transferor's Protected Amount, the sell-down provisions, with respect to any transfer described in Treasury Regulation section 1.382-9(d)(5)(ii); provided that such transfer is not for a principal purpose of obtaining stock in the reorganized Debtors (or any successor) or permitting the transferee to benefit from the losses of the Debtors within the meaning of Treasury Regulation section 1.382-9(d)(5)(iii) (a "Qualified Transfer"); provided, further, that any such transferee who becomes a Substantial Securityholder following a Request Date shall serve upon the Debtors and counsel for the Debtors, a statement that the transfer is a Qualified Transfer and a notice of such Substantial Securityholder status in the manner prescribed in Paragraph 6(b) above within twenty (20) calendar days of the later of (A) the day of the entry of the Order by the Court and (B) the date on which such person or Entity becomes a Substantial Securityholder.

- (g) Definitions. For purposes of the Order, the following terms have the following meanings:

- (i) Affected Equity. Means the stock or other equity of the reorganized Debtors (or their successors), including Options, to be issued and distributed pursuant to the 382(l)(5) Plan but shall not include stock described in section 1504(a)(4) of the Tax Code.
- (ii) Applicable Percentage. Means, if only one class of Affected Equity is to be issued pursuant to the terms of the 382(l)(5) Plan and holders within any class of Debt Securities will receive a pro-rata distribution of the Affected Equity, 4.5% of the number of such shares or equity interests that the Debtors reasonably estimate will be issued at the effective date of such 382(l)(5) Plan (in the discretion of the Debtors, with respect to any Substantial Equityholder or holder of LightSquared LP Series A Preferred Units receiving Affected Equity in respect of Debt Securities and in respect of its LightSquared Stock or LightSquared LP Series A Preferred Units, such percentage shall be determined for such person by taking into account shares received for its LightSquared Stock or its preferred

units of LightSquared LP, as applicable), as determined for U.S. federal income tax purposes. If more than one class of Affected Equity is to be distributed pursuant to the terms of the 382(l)(5) Plan or holders with a class of Debt Securities may receive a disproportionate distribution of such Affected Equity relative to other holders in the same class, the Applicable Percentage shall be determined by the Debtors in their reasonable judgment in a manner consistent with the estimated range of values for the equity to be distributed reflected in the valuation analysis set forth in the 382(l)(5) Plan and disclosure statement, and shall be expressed in a manner that makes clear the number of shares or other equity interests in each class of Affected Equity that would constitute the Applicable Percentage.

(iii) Beneficial Ownership of a Security. Means:

(A) the beneficial ownership of a Debt Security as determined in accordance with applicable rules under section 382 of the Tax Code (for such purpose, treating a Debt Security as if it is stock), and, to the extent provided in those rules from time to time, shall include (X) direct and indirect ownership (determined without regard to the rule that treats stock of an Entity to which the constructive ownership rules apply as no longer owned by that Entity); and (Y) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of Debt Securities and/or stock; and

(B) the beneficial ownership of an Option (irrespective of the purpose for which such option was issued, created or acquired).

For the avoidance of doubt, beneficial ownership of a Debt Security also includes the beneficial ownership of any right to receive any equity consideration to be distributed in respect of a Debt Security pursuant to a chapter 11 plan or applicable bankruptcy court order. Variations of the term "Beneficial Ownership" shall have correlative meanings.

(iv) Creditors' Committee. Means any official committee of unsecured creditors appointed pursuant to section 1102 of the Bankruptcy Code in the Debtors' Chapter 11 Cases.

- (v) Debt Notice Parties. Means (A) the Office of the United States Trustee for the Southern District of New York (the “U.S. Trustee”); (B) U.S. Bank National Association, as successor administrative agent to UBS AG, Stamford Branch, under that certain Credit Agreement dated as of July 1, 2011, between LightSquared Inc., as borrower, the subsidiary guarantors thereto and the lenders party thereto (the “2011 Administrative Agent”); (C) UBS AG, Stamford Branch, as administrative agent under that certain Credit Agreement dated as of October 1, 2010, between LightSquared LP, as borrower, LightSquared Inc and other parent guarantors party thereto, the subsidiary guarantors party thereto and the lenders party thereto (the “2010 Administrative Agent” and together with the 2011 Administrative Agent, the “Administrative Agents”) and (D) any Substantial Securityholder or Additional Substantial Securityholder who has properly given notice of such status.
- (vi) Debt Security. Means any claim against any of the Debtors, including, without limitation, any claim against any of the Debtors as a guarantor by any party with respect to Debt Securities of the Debtors.
- (vii) Entity. Has the meaning given to such term under Treasury Regulations section 1.382-3(a), including a group of persons who have a formal or informal understanding among themselves to make a coordinated acquisition.
- (viii) Maximum Amount. Means for each person or Entity and by class or other applicable breakdown of Debt Securities, the greater of (A) the applicable Threshold Amount and (B) the Protected Amount (if any) for such Substantial Securityholder.
- (ix) Newly Traded Securities. Means Debt Securities (A) with respect to which an Entity acquired Beneficial Ownership after the date that was eighteen (18) months before the Petition Date; and (B) that are not “ordinary course” claims, within the meaning of Treasury Regulations section 1.382-9(d)(2)(iv) of which the same Entity has always had Beneficial Ownership.
- (x) Option. Has the meaning given to such term under Treasury Regulations section 1.382-4(d)(9)(i) with respect to the acquisition of a Debt Security or any consideration (including equity) distributed in respect of any Debt

Security pursuant to a chapter 11 plan or applicable bankruptcy court order.

- (xi) Permitted Transferee. Means with respect to a Substantial Securityholder is a person that is not a Related Person and whose holding of a Security would not result in such Substantial Securityholder having Beneficial Ownership of such Security.
- (xii) Protected Amount. Means the amount of Debt Securities (by class or other applicable breakdown) of which a holder had Beneficial Ownership on the Motion Date, increased by the amount of Debt Securities of which such holder acquires, directly or indirectly, Beneficial Ownership pursuant to trades entered into before the Motion Date that had not yet closed as of the Motion Date minus the amount of Debt Securities of which such holder sells, directly or indirectly, Beneficial Ownership pursuant to trades entered into before the Motion Date that had not yet closed as of the Motion Date.
- (xiii) Related Person. Persons (including Entities) are “Related Persons” if: (A) the person bears a relationship to the other person described in sections 267(b) or 707(b) of the Tax Code, or (B) the persons are members of a group acting in concert with respect to the acquisition of Debt Securities or equity in the reorganized Debtors.
- (xiv) Substantial Securityholder. Means any person or Entity that Beneficially Owns an aggregate dollar amount of Debt Securities, or any Entity controlled by such person or Entity through which such person or Entity Beneficially Owns Debt Securities, of more than the Threshold Amount.

For the avoidance of doubt, section 382 of the Tax Code, the Treasury Regulations promulgated thereunder and all relevant IRS and judicial authority shall apply in determining whether the Debt Securities of several persons and/or Entities must be aggregated when testing for Substantial Securityholder status and treating Debt Securities as if they were stock.

- (xv) Threshold Amount. Means the amount of Debt Securities, as set forth in the Notice of 382(l)(5) Plan (as revised by any Amended Notice of 382(l)(5) Plan, as applicable) sufficient, in the determination of the Debtors, to entitle the Beneficial Owner thereof to the Applicable Percentage of

the Affected Equity. The amount determined in the preceding sentence shall be disclosed in the Notice of 382(l)(5) Plan and may be adjusted thereafter as contemplated by this Order or any future order of the Court.

(xvi) Treasury Regulations. Means the U.S. Department of Treasury regulations promulgated under the Tax Code, as amended from time to time.

(h) Noncompliance with the Trading Procedures. Any purchase, sale or other transfer of Debt Securities in violation of the procedures set forth herein shall be null and void *ab initio* and shall confer no rights on the transferee or shall, as applicable, be subject to the Equity Forfeiture Provision.

(i) Debtors' Right to Waive. Except for notice required to be given by the Debtors pursuant to this Order, including but not limited to, notice of a Sell-Down Motion, the Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in this Order.

7. Any person or Entity acquiring, disposing of or transferring LightSquared Stock in violation of the restrictions set forth herein, or failing to comply with the "Equity Acquisition Notice" or "Equity Disposition Notice" requirements, as may be the case, shall be subject to such sanctions as the Court may consider appropriate pursuant to this Court's equitable power prescribed in section 105(a) of the Bankruptcy Code.

8. Any person or Entity acquiring and/or failing to dispose of Debt Securities in violation of the restrictions set forth herein, or failing to comply with the "Notice of Substantial Securityholder Status," "Securities Acquisition Request" and/or "Notice of Compliance" requirements, as may be the case, shall be subject to such sanctions as the Court may consider appropriate pursuant to this Court's equitable power prescribed in section 105(a) of the Bankruptcy Code.

9. The notices substantially in the form attached hereto as Schedule 2, Schedule 3, Schedule 4, Schedule 5, Schedule 6 and Schedule 7 are approved.

10. Except for notice required to be given by the Debtors pursuant to this Order, including but not limited to, notice of a Sell-Down Motion, the Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in this Order.

11. The Debtors shall post notice of the entry of this Order substantially in the form attached hereto as Schedule 1 (the “Procedures Notice”) on the Bloomberg newswire service and on the website established by the Debtors’ claims and noticing agent, Kurtzman Carson Consultants LLC (www.kccllc.net/LightSquared) and in the national edition of *The Wall Street Journal*.

12. Any transfer agent or indenture trustee that executes a transfer as instructed, in its capacity as transfer agent or indenture trustee, shall not incur liability to any party in the event such transfer is determined to be in violation of this Order.

13. Nothing herein shall preclude any person or entity that desires to purchase or transfer any LightSquared Stock or Debt Securities from requesting relief from this Order in this Court subject to the Debtors’ rights to object to such relief.

14. The requirements set forth in this Order are in addition to the requirements of Rule 3001(e) of the Federal Rules of Bankruptcy Procedure and applicable securities, corporate and other laws, and do not excuse compliance therewith.

15. The relief granted in this Order is intended solely to permit the Debtors to protect, preserve and maximize the value of the Tax Attributes. Accordingly, except to the extent the Order expressly conditions or restricts trading in LightSquared Stock or Debt Securities, nothing in this Order or in the Motion shall or shall be deemed to prejudice, impair or otherwise alter or affect the rights of any holders of interests in the Debtors, including in connection with the treatment of any such interests during the pendency of the Debtors’

bankruptcy cases. No party's rights, defenses, or objections to any Sell-Down Motion are affected as a result of the approval of the procedures described in Paragraph 6 of this Order, and nothing contained in this Order shall be construed or interpreted as establishing the appropriate standard applicable to a Sell-Down Order.

16. The Court may schedule a hearing to determine if the relief described in Paragraph 6 of this Order shall be vacated for cause shown upon the filing of a motion of a holder of Debt Securities not earlier than six (6) months from the date hereof.

17. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Order.

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

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

Dated: June 4, 2012
New York, New York

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

Schedule 1

Procedures Notice

Matthew S. Barr
Steven Z. Szanzer
Karen Gartenberg
MILBANK, TWEED, HADLEY & M^CCLOY LLP
One Chase Manhattan Plaza
New York, NY 10005-1413
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Proposed Counsel to Debtors and Debtors in Possession

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

In re:

LIGHTSQUARED INC., *et al.*,

Debtors.¹

)

) Chapter 11

)

) Case No. 12-12080 (SCC)

)

) Joint Administration Requested

)

**NOTICE OF ORDER APPROVING RESTRICTIONS ON
CERTAIN TRANSFERS OF INTERESTS AND CLAIMS IN THE DEBTORS' ESTATES
AND ESTABLISHING NOTIFICATION PROCEDURES RELATING THERETO**

TO ALL PERSONS OR ENTITIES HOLDING EQUITY INTERESTS OR DEBT
SECURITIES IN LIGHTSQUARED INC. OR ANY OF ITS DEBTOR AFFILIATES WHOSE
CASES UNDER CHAPTER 11 OF TITLE 11 OF THE UNITED STATES CODE ARE, OR
SUBSEQUENTLY BECOME, JOINTLY ADMINISTERED WITH CASE NO. 12-12080
(SCC):

PLEASE TAKE NOTICE that commencing on May 14, 2012, LightSquared Inc.
and its subsidiaries in the above-referenced chapter 11 cases, as debtors and debtors in
possession (collectively, "LightSquared" the "Debtors"),² commenced a case under chapter 11 of

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

² All capitalized terms not expressly defined herein shall have the meaning ascribed to them in the Motion (as defined below).

title 11 of the United States Code (the “Bankruptcy Code”). Section 362(a) of the Bankruptcy Code operates as a stay of any act to obtain possession of property of the Debtors’ estates or of property from the Debtors’ estates or to exercise control over property of the Debtors’ estates.

PLEASE TAKE FURTHER NOTICE that on May [], 2012, the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”), having jurisdiction over these Chapter 11 Cases, upon motion of the Debtors (the “Motion”), entered an order (the “Order”) (a) finding that LightSquared’s consolidated net operating loss carryforwards (“NOLs”) and certain other tax attributes (together with the NOLs, the “Tax Attributes”) are property of the Debtors’ estates and are protected by the automatic stay prescribed in section 362(a) of the Bankruptcy Code; (b) finding that unrestricted trading in LightSquared Stock (as defined below) or Debt Securities (as defined below) could severely limit the Debtors’ (or their successors’) ability to use the Tax Attributes for purposes of title 26 of the United States Code (the “Tax Code”) and (c) approving the procedures set forth below to preserve the Tax Attributes pursuant to sections 105(a) and 362(a) of the Bankruptcy Code.

PLEASE TAKE FURTHER NOTICE that the following procedures and restrictions have been approved by the Bankruptcy Court in the Order and shall apply to holding and trading in LightSquared Stock and Debt Securities:

1. **With Respect to LightSquared Stock:**

- (a) Acquisition of LightSquared Stock or Options. At least twenty (20) calendar days prior to the proposed date of any transfer of, or exchange or conversion into, equity securities (including Options, as defined below, to acquire such securities) that would result in an increase in the amount of LightSquared Stock beneficially owned by any person who is a Substantial Equityholder (as defined below), that would result in a person or Entity becoming a Substantial Equityholder, or that would result in the conversion of a person’s preferred units in LightSquared LP, LightSquared Series A Preferred or LightSquared Series B Preferred into LightSquared Common Stock (a “Proposed Equity Acquisition Transaction”) such person, Entity or Substantial Equityholder (a “Proposed Equity Transferee”) shall file with the Court, and serve upon the Debtors and Debtors’ counsel, a Notice of Intent to Purchase, Acquire or Otherwise Accumulate LightSquared Stock (an “Equity Acquisition Notice”), in the form attached as Schedule 2 to the Order, specifically and in detail describing the proposed transaction in which LightSquared Stock would be acquired. At the holder’s election, the Equity Acquisition Notice to be filed with the Court may be redacted to exclude such holder’s taxpayer identification number and the number of shares of LightSquared Stock that such holder beneficially owns and proposes to purchase or otherwise acquire.
- (b) Disposition of LightSquared Stock or Options. At least twenty

(20) calendar days prior to the proposed date of any transfer of equity securities (including Options to acquire such securities) that would result in a decrease in the amount of LightSquared Stock beneficially owned by a Substantial Equityholder or that would result in a person or Entity ceasing to be a Substantial Equityholder (a “Proposed Equity Disposition Transaction” and, together with a Proposed Equity Acquisition Transaction, a “Proposed Equity Transaction”), such person, Entity or Substantial Equityholder (a “Proposed Equity Transferor”) shall file with the Court, and serve upon the Debtors and Debtors’ counsel, a Notice of Intent to Sell, Trade or Otherwise Transfer LightSquared Stock (an “Equity Disposition Notice” and, together with an Equity Acquisition Notice, an “Equity Trading Notice”), in the form attached as Schedule 3 to the Order, specifically and in detail describing the proposed transaction in which LightSquared Stock would be transferred. At the holder’s election, the Equity Disposition Notice to be filed with the Court may be redacted to exclude such holder’s taxpayer identification number and the number of shares of LightSquared Stock that such holder beneficially owns and proposes to sell or otherwise transfer.

- (c) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Proposed Equity Transaction. A Proposed Equity Transaction that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of an Equity Trading Notice shall be deemed rejected and shall not be effective unless approved by a final and non-appealable order of this Court.
- (d) Unauthorized Transactions in LightSquared Stock or Options. Effective as of the date of the filing of the Motion (the “Motion Date”) and until further order of the Court to the contrary, any acquisition, disposition or other transfer of beneficial ownership of LightSquared Stock, including Options to acquire LightSquared Stock, in violation of the procedures set forth herein shall be null and void *ab initio* as an act in violation of the automatic stay under sections 362 and 105(a) of the Bankruptcy Code.
- (e) Definitions. For purposes of the Order:
 - (i) Substantial Equityholder. A “Substantial Equityholder” is any person or Entity that beneficially owns at least:
 - (A) 4.50% of the outstanding shares of LightSquared’s common stock (“LightSquared Common Stock”);
 - (B) 4.50% of the outstanding shares of LightSquared’s

Series A preferred stock ("LightSquared Series A Preferred"); or

- (C) 4.50% of the outstanding shares of LightSquared's Series B preferred stock ("LightSquared Series B Preferred").
- (ii) Beneficial Ownership. "Beneficial ownership" (or any variation thereof of LightSquared Stock and Options to acquire LightSquared Stock) shall be determined in accordance with applicable rules under section 382 of the Tax Code, the U.S. Department of Treasury regulations (the "Treasury Regulations") promulgated thereunder and rulings issued by the Internal Revenue Service (the "IRS"), and, thus, to the extent provided in those rules, from time to time shall include, without limitation, (A) direct and indirect ownership (e.g., a holding company would be considered to beneficially own all stock owned or acquired by its wholly-owned subsidiaries), (B) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of stock and (C) in certain cases, the ownership of an Option to acquire LightSquared Stock;
- (iii) Option. An "Option" to acquire stock includes any contingent purchase, warrant, convertible or exchangeable security, put, call, stock subject to risk of forfeiture, contract to acquire stock or similar interest regardless of whether it is contingent or otherwise not currently exercisable; and
- (iv) LightSquared Stock. "LightSquared Stock" shall mean LightSquared Common Stock, LightSquared Series A Preferred, and LightSquared Series B Preferred. For the avoidance of doubt, by operation of the definition of beneficial ownership, an owner of an Option to acquire LightSquared Stock may be treated as the owner of such LightSquared Stock.
- (f) Confidentiality. Except to the extent information contained in an Equity Trading Notice or a Notice of Intent to Claim a Worthless Securities Deduction (as defined below) is public or in connection with an audit or other investigation by the IRS or other taxing authority, the Debtors shall keep such notices and any additional information provided with respect to a Proposed Equity Transaction or a Worthless Securities Deduction pursuant to the Order strictly confidential; provided, however, that the Debtors

may disclose the information in an Equity Trading Notice or a Notice of Intent to Claim a Worthless Securities Deduction to their counsel and professional advisors and those of any other person(s) that are subject to a nondisclosure agreement with the Debtors (as applicable), each of whom shall keep all such notices strictly confidential.

- (g) Except for notice required to be given by the Debtors pursuant to the Order, including but not limited to notice of a Sell-Down Motion, the Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in the Order.

2. **With Respect to Majority Shareholders of LightSquared Stock:**

- (a) Notice of Intent to Claim Worthless Securities Deduction. At least fifteen (15) business days before a Majority Shareholder files any federal income tax return, or any amendment to such a return, claiming a Worthless Securities Deduction with respect to its LightSquared Stock for a tax year of the Majority Shareholder ending before the effective date of the Debtors' chapter 11 plan, such Majority Shareholder must file with the Court, and serve on the Debtors and counsel to the Debtors, advance written notice of the intended tax deduction, in the form attached as Schedule 7 to the Order (the "Notice of Intent to Claim a Worthless Securities Deduction").
- (b) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Majority Shareholder's proposed Worthless Stock Deduction. A Worthless Stock Deduction that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of a Notice of Intent to Claim a Worthless Securities Deduction shall be deemed rejected and shall not be effective unless approved by a final and non-appealable order of this Court.
- (c) For purposes of this Motion: a "Majority Shareholder" is any person that owns, or has owned during the three (3)-year period ending on the Motion Date, fifty percent (50%) or more of any class or series of LightSquared Stock (within the meaning of section 382(g)(4)(D) of the Tax Code).
- (d) Violation of Procedures. In the event that a Majority Shareholder claims a Worthless Securities Deduction in violation of the procedures set forth herein, such Worthless Securities Deduction shall be null and void *ab initio* as an act in violation of the automatic stay under sections 105(a) and 362 of the Bankruptcy

Code, and such shareholder shall be required to file an amended federal income tax return revoking such deduction.

- (e) Debtors' Right To Waive. Except for notice required to be given by the Debtors pursuant to the Order, including but not limited to, notice of a Sell-Down Motion, the Debtors may waive, in writing and in their sole and absolute discretion, any restrictions, sanctions, remedies of the Debtors, stays or notification procedures contained in the Order.

3. With Respect to LightSquared Debt Securities:

- (a) Notice of 382(l)(5) Plan; Amended Notice of 382(l)(5) Plan.³
 - (i) Notice of 382(l)(5) Plan. Upon filing a chapter 11 plan and disclosure statement that contemplates the potential utilization of section 382(l)(5) of the Tax Code (a "382(l)(5) Plan"), the Debtors may, if they determine that the application of section 382(l)(5) of the Tax Code is reasonably likely to be beneficial to the reorganized Debtors (or any successors thereto), (A) publish (or arrange for publication of) a notice and provide a written notice to the Debt Notice Parties (the "Notice of 382(l)(5) Plan"), disclosing the filing of such 382(l)(5) Plan, the potential issuance of a Sell-Down Notice (as defined in Paragraph 3(c)(i) below) in connection therewith, and requesting beneficial ownership information on the website established by the Debtors' claims and noticing agent, Kurtzman Carson Consultants LLC (www.kccllc.net/LightSquared) and in the national editions of *The Wall Street Journal* (a "Notice of 382(l)(5) Plan"), (B) identify the classes of Debt Securities that are potentially subject to a Sell-Down Notice and (C) identify the applicable Threshold Amounts (by class or other applicable breakdown) for status as a Substantial Securityholder.
 - (ii) Amended Notice of 382(l)(5) Plan. The Debtors may determine subsequent to the date of the Notice of 382(l)(5) Plan or an Amended Notice of 382(l)(5) Plan (as defined below), to (A) adjust the Threshold Amount or (B) identify additional classes of Debt Securities that are potentially subject to a Sell-Down Notice. In that case, the Debtors shall publish and provide notice of such additional amount

³ Capitalized terms used in Paragraphs (a)-(g) but not otherwise defined herein shall have the meanings ascribed to them in Paragraph (g).

and/or such additional class of Debt Securities in the same manner as the Notice of 382(l)(5) Plan and such notice shall be an "Amended Notice of 382(l)(5) Plan." The Amended Notice of 382(l)(5) Plan shall require (X) any person or Entity that previously served a Notice of Substantial Securityholder Status to update information regarding such Substantial Securityholder's Beneficial Ownership of Debt Securities and (Y) any person or Entity that is a Substantial Securityholder as of the date of the most recent Amended Notice of 382(l)(5) Plan, but that was not previously required to serve a Notice of Substantial Securityholder Status (an "Additional Substantial Securityholder"), to serve upon the Debtors and counsel for the Debtors, a notice of such status in the manner prescribed in Paragraph 3(b) below within fifteen (15) calendar days of the date of the Amended Notice of 382(l)(5) Plan.

- (iii) Early Notice. The Debtors reserve the right, in order to assist in determining their eligibility for section 382(l)(5) of the Tax Code, to request in a manner consistent with the publication of the Notice of 382(l)(5) Plan described above, information regarding the Beneficial Ownership of Debt Securities prior to the filing of the Notice of 382(l)(5) Plan.
- (b) Notice of Substantial Securityholder Status. Following a request for Beneficial Ownership information pursuant to (i) a Notice of 382(l)(5) Plan, (ii) an Amended Notice of 382(l)(5) Plan or (iii) Paragraph (a)(iii) above, any person or Entity that as of the date such request is made (the "Request Date") is or becomes a Substantial Securityholder shall serve upon the Debtors and counsel for the Debtors, a notice of such status (a "Notice of Substantial Securityholder Status"), in the form attached as Schedule 4 to the Order within twenty (20) calendar days of the later of (i) the Request Date and (ii) the date such person becomes a Substantial Securityholder.
- (c) Sell-Down Notices.
 - (i) Sell-Down Notices. Following the issuance of a Notice of 382(l)(5) Plan, but no earlier than sixty (60) days prior to the then-scheduled hearing with respect to the 382(l)(5) Plan, if the Debtors determine it to be reasonably necessary to require the sale or transfer of all or a portion of the Beneficial Ownership of Debt Securities held by a Substantial Securityholder on the basis that such sale or transfer is appropriate to reasonably ensure that the

requirements of section 382(l)(5) of the Tax Code will be satisfied, the Debtors may file a motion (the "Sell-Down Motion") requesting that the Court enter an order (the "Sell-Down Order"), as appropriate under applicable law, approving the issuance of a notice (the "Sell-Down Notice") that such Substantial Securityholder must sell, cause to sell or otherwise transfer all or a portion of its Beneficial Ownership of Debt Securities (by class or other applicable breakdown) in excess of the Maximum Amount for such Substantial Securityholder (such excess amount, an "Excess Amount") to Permitted Transferees. The Debtors shall provide a copy of the Sell-Down Motion to each person described in clause (D) of the definition of "Debt Notice Parties," and any party in interest may object to the Sell-Down Motion. For any such Sell-Down Order to be entered, the Debtors must demonstrate that, (a) the relief requested is appropriate under applicable law, (b) any requested Sell-Down Notices are fairly allocated among the holders of Debt Securities, and (c) the relief requested is consistent with the provisions of the Order and qualification under Section 382(l)(5) of the Tax Code and is being sought for such purpose. If the Court enters a Sell-Down Order approving the Debtors' issuance of a Sell-Down Notice, the Debtors shall provide a copy of such Sell-Down Order to each person described in clause (D) of the definition of "Debt Notice Parties."

- (ii) Requirement to Sell Down. Prior to (A) the effective date of the 382(l)(5) Plan or (B) such earlier date set forth in the Sell-Down Order, which shall not be earlier than the day after the entry of the order confirming the 382(l)(5) Plan as may be specified by the Debtors (the "Sell-Down Date"), each Substantial Securityholder shall sell, cause to sell or otherwise transfer an amount of the Beneficial Ownership of Debt Securities (if any) necessary to comply with the Sell-Down Notice (the "Sell-Down"); provided, however, that notwithstanding anything to the contrary in the Order and for the avoidance of doubt, no Substantial Securityholder shall be required to sell, cause to sell or otherwise transfer any Beneficial Ownership of Debt Securities if such sale would result in such holder having Beneficial Ownership of an aggregate amount of Debt Securities (by class or other applicable breakdown) that is less than such holder's Protected Amount (as hereinafter defined). Each Substantial Securityholder shall sell, cause to sell or otherwise transfer its Beneficial Ownership of Debt Securities subject to the Sell-Down to Permitted

Transferees; provided, however, that such Substantial Securityholder shall not have a reasonable basis to believe that any such Permitted Transferee would own, immediately after the contemplated transfer, an Excess Amount of Debt Securities.

(iii) Notice of Compliance. A Substantial Securityholder subject to the Sell-Down shall, within seven (7) calendar days after the later of (A) entry of an order approving the 382(l)(5) Plan, (B) the Sell-Down Date, and (C) such other date specified in the Sell-Down Notice, as applicable, but in all events before the effective date of the 382(l)(5) Plan, and as a condition to receiving Affected Equity, serve upon the Debtors and counsel for the Debtors, a notice substantially in the form attached as Schedule 5 to the Order that such Substantial Securityholder has complied with the terms and conditions set forth in this Paragraph 3(c) and that such Substantial Securityholder does not and will not hold an Excess Amount of Debt Securities as of the Sell-Down Date and at all times through the effective date of the 382(l)(5) Plan (the “Notice of Compliance”); provided, however, that if the Substantial Securityholder has complied but for the fact that the Substantial Securityholder still holds an Excess Amount of Debt Securities as of the Sell-Down Date, the Notice of Compliance shall disclose such Excess Amount. Any Substantial Securityholder who fails to comply with this provision shall not receive Affected Equity with respect to the entirety of its Excess Amount of Debt Securities as determined under Paragraph 3(c), regardless of any sales made in accordance with this Paragraph 3(c).

(d) Advance Approval of Acquisitions. Any proposed transfer or acquisition of Debt Securities from and after the date of the Sell-Down Order shall be subject to the following advance approval procedures:

(i) Acquisition of Securities. At least twenty (20) calendar days prior to the proposed date of any transfer of Debt Securities that would result in (A) an increase in the dollar amount of Debt Securities Beneficially Owned by a Substantial Securityholder or (B) any person or Entity becoming a Substantial Securityholder (a “Proposed Securities Acquisition Transaction”), such person, Entity or Substantial Securityholder (each, a “Proposed Securities Transferee”) must serve upon the Debtors and counsel for the Debtors, a Notice of Request to Purchase, Acquire or

Otherwise Accumulate a Security (a "Securities Acquisition Request"), in the form attached as Schedule 6 to the Order, which describes specifically and in detail the intended acquisition of Debt Securities, regardless of whether such transfer would be subject to the filing, notice and hearing requirements of Bankruptcy Rule 3001.

(ii) Approval Procedures. The Debtors may determine, in furtherance of the purposes of the provisions herein, whether to approve a Securities Acquisition Request. A Securities Acquisition Request that is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of a Securities Acquisition Request shall be deemed rejected.

(e) Equity Forfeiture Provision.

(i) Equity Forfeiture Provision. Any Substantial Securityholder that violates its obligations under the Sell-Down Notice shall, pursuant to the Order, be precluded from receiving, directly or indirectly, any consideration consisting of a beneficial ownership of equity (as determined in accordance with the applicable rules of section 382 of the Tax Code, including Options, whether or not treated as exercised under Treasury Regulations section 1.382-4) of the Debtors (or any successor to the Debtors, including as determined for U.S. federal income tax purposes) that is attributable to the Excess Amount of Debt Securities for such Substantial Securityholder as of the Sell-Down Date, including any consideration in lieu thereof; provided, however, that the forfeiture shall only apply to any Excess Amount of Debt Securities still owned as of the Sell-Down Date if the holder has complied with (c)(iii); provided, further, that such Substantial Securityholder may be entitled to receive any other consideration to which such holder may be entitled by virtue of holding Debt Securities (the "Equity Forfeiture Provision"). Any purported acquisition of, or other increase in the Beneficial Ownership of, equity of the Debtors (or any successor) that is precluded by the Equity Forfeiture Provision will be an acquisition of "Forfeited Equity." Any acquirer of Forfeited Equity shall, immediately upon becoming aware of such fact, return or cause to return the Forfeited Equity to the Debtors (or any successor to the Debtors) or, if all of the equity consideration properly issued to such acquirer and all or any portion of such Forfeited Equity shall have been sold

prior to the time such acquirer becomes aware of such fact, such acquirer shall return or cause to return to the Debtors (or any successor to the Debtors) (A) any Forfeited Equity still held by such acquirer and (B) the proceeds attributable to the sale of Forfeited Equity, calculated by treating the most recently sold equity as Forfeited Equity. Any acquirer that receives Forfeited Equity and deliberately fails to comply with the preceding sentence shall be subject to such additional sanctions as the Court may determine. Any Forfeited Equity returned to the Debtors shall be distributed (including a transfer to charity) or extinguished, in the Debtors' sole discretion, in furtherance of the 382(l)(5) Plan.

- (ii) Notification Requirement. In effecting any sale or other transfer of Debt Securities pursuant to a Sell-Down Notice, a Substantial Securityholder shall, to the extent that it is reasonably feasible to do so within the normal constraints of the market in which such sale takes place, notify the acquirer of such Debt Securities of the existence of the Order and the Equity Forfeiture Provision (it being understood that, in all cases in which there is direct communication between a salesperson and a customer, including, without limitation, communication via telephone, e-mail, and instant messaging, the existence of the Order and the Equity Forfeiture Provision shall be included in such salesperson's summary of the transaction).

(f) Miscellaneous.

- (i) No Disclosure of Participation. To permit reliance by the Debtors on Treasury Regulation section 1.382-9(d)(3), any person or Entity that participates in formulating any chapter 11 plan of, or on behalf of, the Debtors (which shall include, without limitation, making any suggestions or proposals to the Debtors or their advisors with regard to such a plan), shall not, and shall not be asked to, disclose (or otherwise make evident unless compelled to do so by an order of a court of competent jurisdiction or some other applicable legal requirement) to the Debtors that any Debt Securities in which such person or Entity has a Beneficial Ownership are Newly Traded Securities. For this purpose, the Debtors acknowledge and agree that the following activities shall not constitute participation in formulating a chapter 11 plan if, in pursuing such activities, the relevant person or Entity does not disclose (or otherwise make evident) to the Debtors that such person or Entity has

Beneficial Ownership of Newly Traded Securities: filing an objection to a proposed disclosure statement or to confirmation of a proposed chapter 11 plan; voting to accept or reject a proposed chapter 11 plan; reviewing or commenting on a proposed business plan; providing information on a confidential basis to counsel for the Debtors or counsel for the Creditors' Committee (if any) unconnected with the formulation of the chapter 11 plan; general membership on an official committee or an *ad hoc* committee or taking any action required by order of the Court.

- (ii) Confidentiality. Except to the extent necessary to demonstrate to the Court the need for the issuance of a Sell-Down Notice, other than information contained in the Notice of Substantial Securityholder Status that is public or in connection with an audit or other investigation by the IRS or other taxing authority, the Debtors shall keep such notices and any additional information provided by a Substantial Securityholder pursuant to the Order strictly confidential and shall not disclose the identity of the Substantial Securityholder to any other person or Entity; provided, however, that the Debtors may disclose the identity of the Substantial Securityholder to their respective counsel and professional advisors and those of any other person(s) that are subject to a nondisclosure agreement with the Debtors (as applicable), each of whom shall keep all such notices strictly confidential and shall not disclose the identity of the Substantial Securityholder to any other person or Entity subject to further order of the Court; and provided, further, that to the extent the Debtors reasonably determine such confidential information is necessary to demonstrate to the Court the need for the issuance of a Sell-Down Notice, the Debtors shall seek to file such confidential information (determined by, among other things, whether such information was redacted in any public filing) under seal.
- (iii) Exception. No person or Entity shall be subject to the advance approval provisions, or in the case of Debt Securities that are part of a transferor's Protected Amount, the sell-down provisions, with respect to any transfer described in Treasury Regulation section 1.382-9(d)(5)(ii); *provided* that such transfer is not for a principal purpose of obtaining stock in the reorganized Debtors (or any successor) or permitting the transferee to benefit from the losses of the Debtors within the meaning of Treasury

Regulation section 1.382-9(d)(5)(iii) (a “Qualified Transfer”); provided, further, that any such transferee who becomes a Substantial Securityholder following a Request Date shall serve upon the Debtors and counsel for the Debtors, a statement that the transfer is a Qualified Transfer and a notice of such Substantial Securityholder status in the manner prescribed in Paragraph 3(b) above within twenty (20) calendar days of the later of (A) the day of the entry of the Order by the Court and (B) the date on which such person or Entity becomes a Substantial Securityholder.

(g) Definitions. For purposes of the Order, the following terms have the following meanings:

- (i) Affected Equity. Means the stock or other equity of the reorganized Debtors (or their successors), including Options, to be issued and distributed pursuant to the 382(l)(5) Plan but shall not include stock described in section 1504(a)(4) of the Tax Code.
- (ii) Applicable Percentage. Means, if only one class of Affected Equity is to be issued pursuant to the terms of the 382(l)(5) Plan and holders within any class of Debt Securities will receive a pro-rata distribution of the Affected Equity, 4.5% of the number of such shares or equity interests that the Debtors reasonably estimate will be issued at the effective date of such 382(l)(5) Plan (in the discretion of the Debtors, with respect to any Substantial Equityholder or holder of LightSquared LP Series A Preferred Units receiving Affected Equity in respect of Debt Securities and in respect of its LightSquared Stock or LightSquared LP Series A Preferred Units, such percentage shall be determined for such person by taking into account shares received for its LightSquared Stock or its preferred units of LightSquared LP, as applicable), as determined for U.S. federal income tax purposes. If more than one class of Affected Equity is to be distributed pursuant to the terms of the 382(l)(5) Plan or holders with a class of Debt Securities may receive a disproportionate distribution of such Affected Equity relative to other holders in the same class, the Applicable Percentage shall be determined by the Debtors in their reasonable judgment in a manner consistent with the estimated range of values for the equity to be distributed reflected in the valuation analysis set forth in the 382(l)(5) Plan and disclosure statement, and shall be expressed in a manner that makes clear the number of

shares or other equity interests in each class of Affected Equity that would constitute the Applicable Percentage.

(iii) Beneficial Ownership of a Security. Means:

(A) the beneficial ownership of a Debt Security as determined in accordance with applicable rules under section 382 of the Tax Code (for such purpose, treating a Debt Security as if it is stock), and, to the extent provided in those rules from time to time, shall include (X) direct and indirect ownership (determined without regard to the rule that treats stock of an Entity to which the constructive ownership rules apply as no longer owned by that Entity); and (Y) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of Debt Securities and/or stock; and

(B) the beneficial ownership of an Option (irrespective of the purpose for which such option was issued, created or acquired).

For the avoidance of doubt, beneficial ownership of a Debt Security also includes the beneficial ownership of any right to receive any equity consideration to be distributed in respect of a Debt Security pursuant to a chapter 11 plan or applicable bankruptcy court order. Variations of the term "Beneficial Ownership" shall have correlative meanings.

(iv) Creditors' Committee. Means any official committee of unsecured creditors appointed pursuant to section 1102 of the Bankruptcy Code in the Debtors' Chapter 11 Cases.

(v) Debt Notice Parties. Means (A) the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee"); (B) U.S. Bank National Association, as successor administrative agent to UBS AG, Stamford Branch, under that certain Credit Agreement dated as of July 1, 2011, between LightSquared Inc., as borrower, the subsidiary guarantors thereto and the lenders party thereto (the "2011 Administrative Agent"); (C) UBS AG, Stamford Branch, as administrative agent under that certain Credit Agreement dated as of October 1, 2010, between LightSquared LP, as borrower, LightSquared Inc and other parent guarantors party thereto, the subsidiary guarantors

party thereto and the lenders party thereto (the “2010 Administrative Agent” and together with the 2011 Administrative Agent, the “Administrative Agents”) and (D) any Substantial Securityholder or Additional Substantial Securityholder who has properly given notice of such status.

- (vi) Debt Security. Means any claim against any of the Debtors, including, without limitation, any claim against any of the Debtors as a guarantor by any party with respect to Debt Securities of the Debtors.
- (vii) Entity. Has the meaning given to such term under Treasury Regulations section 1.382-3(a), including a group of persons who have a formal or informal understanding among themselves to make a coordinated acquisition.
- (viii) Maximum Amount. Means for each person or Entity and by class or other applicable breakdown of Debt Securities, the greater of (A) the applicable Threshold Amount and (B) the Protected Amount (if any) for such Substantial Securityholder.
- (ix) Newly Traded Securities. Means Debt Securities (A) with respect to which an Entity acquired Beneficial Ownership after the date that was eighteen (18) months before the Petition Date; and (B) that are not “ordinary course” claims, within the meaning of Treasury Regulations section 1.382-9(d)(2)(iv), of which the same Entity has always had Beneficial Ownership.
- (x) Option. Has the meaning given to such term under Treasury Regulations section 1.382-4(d)(9)(i) with respect to the acquisition of a Debt Security or any consideration (including equity) distributed in respect of any Debt Security pursuant to a chapter 11 plan or applicable bankruptcy court order.
- (xi) Permitted Transferee. Means with respect to a Substantial Securityholder a person that is not a Related Person and whose holding of a Security would not result in such Substantial Securityholder having Beneficial Ownership of such Security.
- (xii) Protected Amount. Means the amount of Debt Securities (by class or other applicable breakdown) of which a holder had Beneficial Ownership on the Motion Date, increased

by the amount of Debt Securities of which such holder acquires, directly or indirectly, Beneficial Ownership pursuant to trades entered into before the Motion Date that had not yet closed as of the Motion Date minus the amount of Debt Securities of which such holder sells, directly or indirectly, Beneficial Ownership pursuant to trades entered into before the Motion Date that had not yet closed as of the Motion Date.

(xiii) Related Person. Persons (including Entities) are “Related Persons” if: (A) the person bears a relationship to the other person described in sections 267(b) or 707(b) of the Tax Code, or (B) the persons are members of a group acting in concert with respect to the acquisition of Debt Securities or equity in the reorganized Debtors.

(xiv) Substantial Securityholder. Means any person or Entity that Beneficially Owns an aggregate dollar amount of Debt Securities, or any Entity controlled by such person or Entity through which such person or Entity Beneficially Owns Debt Securities, of more than the Threshold Amount.

For the avoidance of doubt, section 382 of the Tax Code, the Treasury Regulations promulgated thereunder and all relevant IRS and judicial authority shall apply in determining whether the Debt Securities of several persons and/or Entities must be aggregated when testing for Substantial Securityholder status and treating Debt Securities as if they were stock.

(xv) Threshold Amount. Means the amount of Debt Securities, as set forth in the Notice of 382(l)(5) Plan (as revised by any Amended Notice of 382(l)(5) Plan, as applicable) sufficient, in the determination of the Debtors, to entitle the Beneficial Owner thereof to the Applicable Percentage of the Affected Equity. The amount determined in the preceding sentence shall be disclosed in the Notice of 382(l)(5) Plan and may be adjusted thereafter as contemplated by the Order or any future order of the Court.

(xvi) Treasury Regulations. Means the U.S. Department of Treasury regulations promulgated under the Tax Code, as amended from time to time.

(h) Noncompliance with the Trading Procedures. Any purchase, sale or other transfer of Debt Securities in violation of the procedures set forth herein shall be null and void *ab initio* and shall confer no

rights on the transferee or shall, as applicable, be subject to the Equity Forfeiture Provision.

- (i) Debtors' Right to Waive. Except for notice required to be given by the Debtors pursuant to the Order, including but not limited to notice of a Sell-Down Motion, the Debtors may waive, in writing, any and all restrictions, stays and notification procedures contained in the Order.

FAILURE TO FOLLOW THE PROCEDURES SET FORTH IN THIS NOTICE COULD CONSTITUTE A VIOLATION OF THE AUTOMATIC STAY PRESCRIBED BY SECTION 362 OF THE BANKRUPTCY CODE.

ANY PROHIBITED ACQUISITION, DISPOSITION OR OTHER TRANSFER OF LIGHTSQUARED STOCK IN VIOLATION OF THE ORDER WILL BE NULL AND VOID *AB INITIO* AND MAY LEAD TO CONTEMPT, COMPENSATORY DAMAGES, PUNITIVE DAMAGES, OR SANCTIONS BEING IMPOSED BY THE BANKRUPTCY COURT.

UPON THE ISSUANCE OF A SELL-DOWN ORDER, ANY PROHIBITED PURCHASE OR OTHER ACQUISITION OF DEBT SECURITIES OF THE DEBTORS IN VIOLATION OF THE ORDER COULD CAUSE SUCH PURCHASER TO BE SUBJECT TO THE EQUITY FORFEITURE PROVISION OR ANY OTHER REMEDY AS THE COURT MAY DEEM JUST AND PROPER.

EXCEPT FOR NOTICE REQUIRED TO BE GIVEN BY THE DEBTORS PURSUANT TO THE ORDER, INCLUDING BUT NOT LIMITED TO, NOTICE OF A SELL-DOWN MOTION, THE DEBTORS MAY WAIVE, IN WRITING, ANY AND ALL RESTRICTIONS, STAYS AND NOTIFICATION PROCEDURES CONTAINED IN THE ORDER.

PLEASE TAKE FURTHER NOTICE that any person or entity that desires to acquire an interest restricted by the Order may request relief for cause at any time and the Debtors may oppose such relief.

PLEASE TAKE FURTHER NOTICE that the requirements set forth in this Notice are in addition to the requirements of Rule 3001(e) of the Federal Rules of Bankruptcy Procedure and applicable securities, corporate, and other laws, and do not excuse compliance therewith.

Dated: May [], 2012
New York, New York

BY ORDER OF THE COURT

Schedule 2

Equity Acquisition Notice

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

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

**NOTICE OF INTENT TO PURCHASE,
ACQUIRE OR OTHERWISE ACCUMULATE STOCK**

PLEASE TAKE NOTICE THAT [Name of Prospective Acquirer] hereby provides notice of its intention to purchase, acquire or otherwise accumulate one or more shares of LightSquared Inc. ("LightSquared") common stock (the "LightSquared Common Stock"), LightSquared Series A preferred stock ("LightSquared Series A Preferred Stock") or LightSquared Series B preferred stock ("LightSquared Series B Preferred Stock" and, together with LightSquared Series A Preferred Stock and LightSquared Common Stock, "LightSquared Stock") or an Option (as defined below) with respect to any of the foregoing (the "Proposed Transfer").

PLEASE TAKE FURTHER NOTICE THAT [Name of Prospective Acquirer] currently beneficially owns:

- (i) _____ shares of LightSquared Common Stock and/or Options to acquire _____ shares of LightSquared Common Stock,
- [(ii) _____ shares of LightSquared Series A Preferred Stock and/or Options to acquire _____ shares of LightSquared Series A Preferred Stock,]

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

[(iii) _____ shares of LightSquared Series B Preferred Stock and/or
Options to acquire _____ shares of LightSquared Series B Preferred
Stock.]

PLEASE TAKE FURTHER NOTICE THAT, pursuant to the Proposed Transfer,
[Name of Prospective Acquirer] proposes to purchase, acquire or otherwise accumulate:

(i) _____ shares of LightSquared Common Stock and/or Options
to acquire _____ shares of LightSquared Common Stock,

[(ii) _____ shares of LightSquared Series A Preferred Stock and/or
Options to acquire _____ shares of LightSquared Series A Preferred
Stock,]

[(iii) _____ shares of LightSquared Series B Preferred Stock and/or
Options to acquire _____ shares of LightSquared Series B Preferred
Stock.]

If the Proposed Transfer is permitted to occur, [Name of Prospective Acquirer]
will own:

(i) _____ shares of LightSquared Common Stock and/or Options
to acquire _____ shares of LightSquared Common Stock,

[(ii) _____ shares of LightSquared Series A Preferred Stock and/or
Options to acquire _____ shares of LightSquared Series A Preferred
Stock,]

[(iii) _____ shares of LightSquared Series B Preferred Stock and/or
Options to acquire _____ shares of LightSquared Series B Preferred
Stock.]

PLEASE TAKE FURTHER NOTICE that the Debtors have fifteen (15) calendar
days after the filing of this Notice to approve the Proposed Transfer described herein. If the
Debtors do not approve the Proposed Transaction in this time, such Proposed Transfer shall be
deemed rejected.

PLEASE TAKE FURTHER NOTICE that any further transactions contemplated
by [Name of Prospective Acquirer] that may result in [Name of Prospective Acquirer]
purchasing, acquiring or otherwise accumulating shares of LightSquared Stock (or Options with
respect thereto) will each require an additional notice filed with the Court to be served in the
same manner as this Notice.

For purposes of this Notice, (a) "Ownership" (or any variation thereof) of
LightSquared Stock and Options to acquire LightSquared Stock) shall be determined in
accordance with applicable rules under section 382 of title 26 of the United States Code (the
"Tax Code"), the U.S. Department of Treasury regulations ("Treasury Regulations")
promulgated thereunder and rulings issued by the Internal Revenue Service, and, thus, to the

extent provided in those rules, from time to time shall include, without limitation, (i) direct and indirect ownership (*e.g.*, a holding company would be considered to beneficially own all stock owned or acquired by its subsidiaries), (ii) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of stock and (iii) in certain cases, the ownership of an Option to acquire LightSquared Stock, and (b) an "Option" to acquire stock includes any contingent purchase, warrant, convertible debt, put, stock subject to risk of forfeiture, contract to acquire stock or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

PLEASE TAKE FURTHER NOTICE THAT [Name of Prospective Acquirer]'s taxpayer identification number is _____.

PLEASE TAKE FURTHER NOTICE that, pursuant to that certain Debtors' Motion Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, New York 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), counsel to the Debtors.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, [Name of Prospective Acquirer] hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name]).

Respectfully submitted,

(Name of Prospective Acquirer)

By: _____

Name: _____

Title: _____

Address: _____

:

Telephone: _____

Facsimile: _____

Date: _____

Schedule 3

Equity Disposition Notice

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

In re:

LIGHTSQUARED INC., *et al.*,

Debtors.¹

)
) Chapter 11
)
) Case No. 12-12080 (SCC)
)
) Joint Administration Requested
)

**NOTICE OF INTENT TO SELL, TRADE
OR OTHERWISE TRANSFER LIGHTSQUARED STOCK**

PLEASE TAKE NOTICE THAT [Name of Prospective Seller] hereby provides notice of its intention to sell, trade or otherwise transfer one or more shares of LightSquared Inc. ("LightSquared") common stock (the "LightSquared Common Stock"), or LightSquared Series A preferred stock ("LightSquared Series A Preferred Stock") or LightSquared Series B preferred stock ("LightSquared Series B Preferred Stock" and, together with LightSquared Series A Preferred Stock and LightSquared Common Stock, "LightSquared Stock") or an Option with respect to any of the foregoing (the "Proposed Transfer").

PLEASE TAKE FURTHER NOTICE THAT [Name of Prospective Seller] currently beneficially owns:

- (i) _____ shares of LightSquared Common Stock and/or Options to acquire _____ shares of LightSquared Common Stock,
- [(ii) _____ shares of LightSquared Series A Preferred Stock and/or Options to acquire _____ shares of LightSquared Series A Preferred Stock,]
- [(iii) _____ shares of LightSquared Series B Preferred Stock and/or Options to acquire _____ shares of LightSquared Series B Preferred Stock.]

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

PLEASE TAKE FURTHER NOTICE THAT, pursuant to the Proposed Transfer, [Name of Prospective Seller] proposes to sell, trade or otherwise transfer:

- (i) _____ shares of LightSquared Common Stock and/or Options to acquire _____ shares of LightSquared Common Stock,
- [(ii) _____ shares of LightSquared Series A Preferred Stock and/or Options to acquire _____ shares of LightSquared Series A Preferred Stock,]
- [(iii) _____ shares of LightSquared Series B Preferred Stock and/or Options to acquire _____ shares of LightSquared Series B Preferred Stock.]

If the Proposed Transfer is permitted to occur, [Name of Prospective Seller] will own:

- (i) _____ shares of LightSquared Common Stock and/or Options to acquire _____ shares of LightSquared Common Stock,
- [(ii) _____ shares of LightSquared Series A Preferred Stock and/or Options to acquire _____ shares of LightSquared Series A Preferred Stock,]
- [(iii) _____ shares of LightSquared Series B Preferred Stock and/or Options to acquire _____ shares of LightSquared Series B Preferred Stock.]

PLEASE TAKE FURTHER NOTICE that the Debtors have fifteen (15) calendar days after the filing of this Notice to approve the Proposed Transfer described herein. If the Debtors do not approve the Proposed Transaction in this time, such Proposed Transfer shall be deemed rejected.

PLEASE TAKE FURTHER NOTICE that any further transactions contemplated by [Name of Prospective Seller] that may result in [Name of Prospective Seller] purchasing, acquiring or otherwise accumulating shares of LightSquared Stock (or Options with respect thereto) will each require an additional notice filed with the Court to be served in the same manner as this Notice.

PLEASE TAKE FURTHER NOTICE THAT the taxpayer identification number of [Name of Prospective Seller] is _____.

For purposes of this Notice, (a) "Ownership" (or any variation thereof) of LightSquared Stock and Options to acquire LightSquared Stock) shall be determined in accordance with applicable rules under section 382 of title 26 of the United States Code (the "Tax Code"), the U.S. Department of Treasury regulations ("Treasury Regulations") promulgated thereunder and rulings issued by the Internal Revenue Service, and, thus, to the

extent provided in those rules, from time to time shall include, without limitation, (i) direct and indirect ownership (*e.g.*, a holding company would be considered to beneficially own all stock owned or acquired by its subsidiaries), (ii) ownership by a holder's family members and any group of persons acting pursuant to a formal or informal understanding to make a coordinated acquisition of stock and (iii) in certain cases, the ownership of an Option to acquire LightSquared Stock, and (b) an "Option" to acquire stock includes any contingent purchase, warrant, convertible debt, put, stock subject to risk of forfeiture, contract to acquire stock or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

PLEASE TAKE FURTHER NOTICE THAT [Name of Prospective Acquirer]'s taxpayer identification number is _____.

PLEASE TAKE FURTHER NOTICE that, pursuant to that certain Debtors' Motion Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), counsel to the Debtors.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, [Name of Prospective Acquirer] hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name])

Respectfully submitted,

(Name of Prospective Seller)

By:_____

Name:_____

Title:_____

Address:_____

_____:

Telephone:_____

Facsimile:_____

Date:_____

Schedule 4

Notice of Substantial Securityholder Status

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

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

NOTICE OF SUBSTANTIAL SECURITYHOLDER STATUS

PLEASE TAKE NOTICE that [Name of Securityholder] ("Holder") is/has become a Substantial Securityholder with respect to Debt Securities of LightSquared Inc. ("LightSquared") and its subsidiaries in the above-referenced chapter 11 cases, as debtors and debtors in possession (collectively, the "Debtors") in Case No. 12-12080 (SCC), pending in the United States Bankruptcy Court for the Southern District of New York.

PLEASE TAKE FURTHER NOTICE that, pursuant to that certain Debtors' Motion for an Order Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being served upon (a) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), counsel to the Debtors.²

PLEASE TAKE FURTHER NOTICE that, as of [Insert Date], Holder Beneficially Owns Debt Securities in the aggregate amount of \$ _____ against the Debtors. As to such Debt Securities, the following table sets forth, by class or other applicable breakdown, the name of the Debtor issuer, a description of the Debt Securities (including the amount of the Debt Securities held of the issuer), and, if Holder's Beneficial Ownership of such

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

² All terms not expressly defined in this Notice shall be construed to have the same meaning as such terms have in the Order.

Debt Securities is attributable to the record or legal ownership by another person or Entity, the name of such record or legal owner:

Debtor Issuer	Class	Description and Amount of Security	Legal or Record Owner

(Attach additional page if necessary)

PLEASE TAKE FURTHER NOTICE that the following table sets forth a summary of the Protected Amount for each class (or other applicable breakdown) of Debt Securities listed above (as defined in the Order), and that Holder will provide any additional information in respect of the Debt Securities that the Debtors reasonably request.

Debtor Issuer	Class	Protected Amount

(Attach additional page if necessary)

PLEASE TAKE FURTHER NOTICE that [Name of Securityholder] currently beneficially owns:

- (i) _____ shares of LightSquared Common Stock and/or Options to acquire _____ shares of LightSquared Common Stock,
- [(ii) _____ shares of LightSquared Series A Preferred Stock and/or Options to acquire _____ shares of LightSquared Series A Preferred Stock,]
- [(iii) _____ shares of LightSquared Series B Preferred Stock and/or Options to acquire _____ shares of LightSquared Series B Preferred Stock,
- (iv) _____ LightSquared LP Series A Preferred Units and/or Options to acquire _____ LightSquared LP Series A Preferred Stock.]

PLEASE TAKE FURTHER NOTICE that the taxpayer identification number of Holder is _____.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, Holder hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments that purport to be part of this Notice are true, correct and complete.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name]).

Respectfully submitted,

(Name of Securityholder)

By: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

Date: _____

Schedule 5

Notice of Compliance

**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)	
	)	Joint Administration Requested

NOTICE OF COMPLIANCE

PLEASE TAKE NOTICE that, pursuant to that certain Debtors' Motion Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), counsel to the Debtors.²

PLEASE TAKE FURTHER NOTICE that [Name of Securityholder] ("Filer") hereby provides the following notice regarding compliance with the Sell-Down requirements set forth in the Order and in the Sell-Down Order applicable to it (collectively, its "Sell-Down Requirements"):

(Please check one of the following)

_____ Filer has complied in full with its Sell-Down Requirements and the Filer does not and will not hold an Excess Amount of Debt Securities as of the Sell-Down Date and at all times through the effective date of the 382(l)(5) Plan.

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

² All terms not expressly defined in this Notice shall be construed to have the same meanings as such terms have in the Order.

_____ Filer has not complied in full with its Sell-Down Requirements. As of the Sell-Down Date, the Filer Beneficially Owns the following Debt Securities:

Debtor Issuer	Class	Excess Amount of Debt Securities Beneficially Owned as of the Sell-Down Date

PLEASE TAKE FURTHER NOTICE that Filer's taxpayer identification number is _____.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, Filer hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

PLEASE TAKE FURTHER NOTICE that this Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name]).

Respectfully submitted,

(Name of Substantial Securityholder)

By: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

Date: _____

Schedule 6

Securities Acquisition Request

**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	)	Joint Administration Requested
)	

**NOTICE OF REQUEST TO PURCHASE,
ACQUIRE OR OTHERWISE ACCUMULATE A CLAIM**

PLEASE TAKE NOTICE that, pursuant to that certain Debtors' Motion Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, NY, New York 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), counsel to the Debtors.²

PLEASE TAKE FURTHER NOTICE THAT [Name of Prospective Acquirer] ("Filer") hereby provides a notice of request to purchase, acquire or otherwise accumulate a Debt Security or Debt Securities of LightSquared Inc. ("LightSquared") and its subsidiaries in the above-referenced chapter 11 cases, as debtors and debtors in possession (collectively, the "Debtors") (the "Proposed Transfer").

PLEASE TAKE FURTHER NOTICE THAT, if applicable, on [Prior Date(s)], Filer filed a Notice of Substantial Securityholder Status with the Court and served copies thereof on the Debtors.

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

² All terms not expressly defined in this Notice shall be construed to have the same meaning as such terms have in the Order.

PLEASE TAKE FURTHER NOTICE THAT Filer currently Beneficially Owns (as defined in the notice) Debt Securities in the aggregate amount of \$ _____. As to such Debt Securities, the following table sets forth, by class or other applicable breakdown, the name of the Debtor issuer, a description of the Debt Securities (including the amount of the Debt Securities held of such issuer) and, if Filer's Beneficial Ownership of such Debt Securities is attributable to the record or legal ownership by another person or Entity, the name of such record or legal owner.

Debtor Issuer	Class	Description and Amount of Claim	Legal or Record Owner

(Attach additional page if necessary)

PLEASE TAKE FURTHER NOTICE THAT, pursuant to the Proposed Transfer, Filer requests to purchase, acquire or otherwise accumulate Debt Securities in the aggregate amount of \$ _____ after the transfer. As to such Debt Securities, the following table sets forth, by class or other applicable breakdown, the name of the Debtor issuer, a description of the Debt Securities (whether the amount of the Debt Securities held of such issuer), and, if Filer's Beneficial Ownership of such Debt Securities will be attributable to the record or legal ownership by another person or Entity, the name of such record or legal owner:

Debtor Issuer	Class	Description and Amount of Claim	Legal or Record Owner

(Attach additional page if necessary)

PLEASE TAKE FURTHER NOTICE that the following table sets forth a summary of the Protected Amount for each class (or other applicable breakdown) of Debt Securities listed above (as defined in the Order),³ and that Filer will provide any additional information in respect of the Debt Securities that the Debtors reasonably request.

Debtor Issuer	Class	Protected Amount

(Attach additional page if necessary)

PLEASE TAKE FURTHER NOTICE that Filer hereby acknowledges that if the Proposed Transfer is not approved in writing by the Debtors within fifteen (15) calendar days after the filing of this Notice, such Proposed Transfer shall be deemed rejected and will not be effective *ab initio*. If the Debtors provide written authorization approving the Proposed Transfer prior to the end of such fifteen (15) calendar day period, then such Proposed Transfer may proceed solely as specifically described in this Notice.

PLEASE TAKE FURTHER NOTICE that any further transactions contemplated by Filer that may result in Filer purchasing, acquiring or otherwise accumulating additional Debt Securities of the Debtors will each require an additional notice filed with the Court to be served in the same manner as this Notice.

PLEASE TAKE FURTHER NOTICE THAT the taxpayer identification number of Filer is _____.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, Filer hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name]).

³ Only needs to be provided if no Notice of Substantial Securityholder Status has been previously filed with respect to such Claims.

Respectfully submitted,

(Name of Substantial Securityholder)

By: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

Date: _____

Schedule 7

Notice of Intent To Claim a Worthless Securities Deduction

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

In re:

LIGHTSQUARED INC., *et al.*,

Debtors.¹

)
) Chapter 11
)
) Case No. 12-12080 (SCC)
)
) Joint Administration Requested
)

NOTICE OF INTENT TO CLAIM A WORTHLESS SECURITIES DEDUCTION

PLEASE TAKE NOTICE that, pursuant to that certain Debtors' Motion Pursuant to Sections 105(a) and 362 of the Bankruptcy Code for an Order Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors (the "Motion") and the order of the Bankruptcy Court made pursuant to the Motion (the "Order"), this Notice is being (a) filed with the United States Bankruptcy Court for the Southern District of New York, and (b) served upon (i) the Debtors, c/o LightSquared, Inc., 450 Park Avenue, Suite 2201, New York, NY 10022 (Attn: Marc R. Montagner and Curtis Lu, Esq.); (ii) Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005 (Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq.), counsel to the Debtors.²

PLEASE TAKE NOTICE that _____ ("Filer") hereby provides notice of its intent to claim a Worthless Securities Deduction with respect to LightSquared Stock (such action, the "Proposed Deduction").

PLEASE TAKE FURTHER NOTICE that _____ currently owns (within the meaning of IRC section 382(g)(4)(D)) _____ shares of LightSquared Common Stock, _____ shares of LightSquared Series A Preferred Stock and _____ shares of LightSquared Series B Preferred Stock.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Proposed Deduction, _____ proposes to claim a Worthless Securities Deduction with respect to _____

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

² All terms not expressly defined in this Notice shall be construed to have the same meaning as such terms have in the Order.

shares of LightSquared Common Stock, _____ shares of LightSquared Series A Preferred Stock and _____ shares of LightSquared Series B Preferred Stock for its taxable year ended _____. If the Proposed Deduction is permitted to occur, Filer will be treated as having acquired _____ shares of LightSquared Common Stock, _____ shares of LightSquared Series A Preferred Stock and _____ shares of LightSquared Series B Preferred Stock on the first day of its next taxable year and shall be treated as never having owned such LightSquared Stock during any prior taxable year for the purposes of testing whether an ownership change has occurred within the meaning of section 382 of the Tax Code.

PLEASE TAKE FURTHER NOTICE that the Debtors have fifteen (15) calendar days after receipt of this Notice to approve the Proposed Deduction. If the Debtors do not so approve, such Proposed Deduction will not be effective unless approved by a final order of the Bankruptcy Court that becomes non-appealable. If the Debtors do approve the Proposed Deduction, then after expiration of the fifteen (15)-day period the Proposed Deduction may proceed solely as set forth in this Notice.

PLEASE TAKE FURTHER NOTICE that any further actions contemplated by Filer that may result in Filer claiming any Worthless Securities Deduction with respect to LightSquared Stock will each require an additional notice filed with the Bankruptcy Court to be served in the same manner as this Notice.

PLEASE TAKE FURTHER NOTICE THAT the taxpayer identification number of Filer is _____.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, Filer hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments which purport to be part of this Notice are true, correct and complete.

This Notice is given in addition to, and not as a substitute for, any requisite notice under Rule 3001(e) of the Federal Rules of Bankruptcy Procedure.

[IF APPLICABLE] I am represented by [name of the law firm], [address], [phone], (Attn: [name]).

Respectfully submitted,

(Name of Majority Shareholder)

By: _____

Name: _____

Address: _____

Telephone: _____

Facsimile: _____

_____, _____
Dated: _____

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 DETERMINING ADEQUATE
ASSURANCE OF PAYMENT FOR FUTURE UTILITY SERVICES**

Upon the motion (the “Motion”)² of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), for entry of an order (the “Order”), pursuant to section 366 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”), determining adequate assurance of payment for future utility services; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and the Montagner Declaration

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

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion or in the Montagner Declaration, as applicable.

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

1. The Motion is granted to the extent set forth herein.
2. Absent compliance with the procedures set forth herein, the Debtors'

Utility Providers are prohibited from altering, refusing, or discontinuing service on account of any unpaid prepetition charges or the commencement of these Chapter 11 Cases.

3. As adequate assurance, the Debtors shall deposit \$21,850 (the "Adequate Assurance Deposit") into a newly-created, segregated, interest-bearing bank account (the "Adequate Assurance Account"). The Adequate Assurance Deposit, in conjunction with the Debtors' cash position, (a) demonstrate the Debtors' ability to pay for future utility services in the ordinary course of business (the "Proposed Adequate Assurance") and (b) constitute adequate assurance to the Utility Providers.

4. The Debtors' Utility Providers are prohibited from requiring additional adequate assurance of payment other than in accordance with the following procedures (the "Adequate Assurance Procedures"):

- (a) The Debtors will deposit the Adequate Assurance Deposit in the Adequate Assurance Account within five (5) business days of entry of the Order; provided, however, that to the extent any Utility Provider receives any value from the Debtors as adequate assurance of payment, the Debtors may reduce the Adequate

Assurance Deposit maintained in the Adequate Assurance Account by such amount.

- (b) The portion of the Adequate Assurance Deposit attributable to each Utility Provider shall be returned to the Debtors on the earlier of (i) the Debtors' termination of services from such Utility Provider or (ii) the effective date of a chapter 11 plan for the Debtors, if not applied earlier.
- (c) Any Utility Provider desiring additional assurances of payment in the form of deposits, prepayments, or otherwise must serve a request for additional assurance (an "Additional Assurance Request") so that it is received by the following parties:
 - (i) LightSquared Inc., 450 Park Avenue, Suite 2201, New York, NY 10022, Attn: Marc R. Montagner and Curtis Lu, Esq.,
 - (ii) proposed counsel to the Debtors, Milbank, Tweed, Hadley & McCloy LLP, One Chase Manhattan Plaza, New York, NY 10005, Attn: Matthew S. Barr, Esq. and Karen Gartenberg, Esq., and
 - (iii) the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee"), 33 Whitehall Street, 21st Floor, New York, NY 10004 (collectively, the "Notice Parties").
- (d) Any Additional Assurance Request must (i) be made in writing, (ii) set forth the location for which utility services are provided, (iii) include a summary of the Debtors' payment history relevant to the affected account(s), including any security deposits, and (iv) set forth why the Utility Provider believes that the Proposed Adequate Assurance is not sufficient adequate assurance of future payment.
- (e) Any Additional Assurance Request must be made and ***actually received*** by all the Notice Parties listed above by no later than twenty-one (21) days after entry by the Court of this Order. If a Utility Provider fails to file and serve a timely Additional Assurance Request, it shall be: (i) forbidden to discontinue, alter or refuse service to, or discriminate against, the Debtors on account of any unpaid prepetition charges, or require additional assurance of payment other than the two (2)-week Proposed Adequate Assurance and (ii) deemed to have received adequate assurance of payment in compliance with section 366 of the Bankruptcy Code.
- (f) Upon the Debtors' receipt of any Additional Assurance Request at the addresses set forth above, the Debtors shall have the greater of (i) twenty (20) days from the receipt of such Additional Assurance Request or (ii) thirty (30) days from the Petition Date (collectively,

the “Resolution Period”) to negotiate with such Utility Provider to resolve such Utility Provider’s Additional Assurance Request.

- (g) The Debtors may, in their sole discretion, resolve any Additional Assurance Request by mutual agreement with the Utility Provider and without further order of this Court, and may, in connection with any such agreement, in their discretion, provide a Utility Provider with additional adequate assurance of future payment, including, but not limited to, cash deposits, prepayments, or other forms of security, without further order of this Court if the Debtors believe that such additional assurance is reasonable.
- (h) If the Debtors determine that the Additional Assurance Request is not reasonable and are not able to reach an alternative resolution with the Utility Provider during the Resolution Period, the Debtors, during or immediately after the Resolution Period, shall request a hearing before this Court to determine the adequacy of assurances of payment with respect to a particular Utility Provider (the “Determination Hearing”) pursuant to section 366(c)(3) of the Bankruptcy Code.
- (i) Pending resolution of such dispute at the Determination Hearing, the relevant Utility Provider shall be prohibited from discontinuing, altering, or refusing service to the Debtors on account of unpaid charges for prepetition services or on account of any objections to the Proposed Adequate Assurance.
- (j) The Debtors will fax, e-mail, serve by first class mail, or otherwise expeditiously send a copy of the Motion and this Order, which include the proposed Adequate Assurance Procedures, to each Utility Provider within three (3) business days after entry of this Order.

5. The Utility Providers have been provided with adequate assurance of payment within the meaning of section 366 of the Bankruptcy Code by virtue of the Proposed Adequate Assurance, (b) the Adequate Assurance Procedures as proposed are hereby approved, (c) the Utility Providers are prohibited from altering, refusing, or discontinuing utility services on account of prepetition amounts outstanding and on account of any perceived inadequacy of the Adequate Assurance Procedures, and (d) the Debtors are not required to provide any additional adequate assurance beyond what is stated in this Order.

6. A Utility Provider shall be deemed to have adequate assurance of payment within the meaning of section 366 of the Bankruptcy Code unless and until (a) the Debtors, in their sole discretion, agree to an alternative assurance of payment with the Utility Provider, or (b) the Court enters an order requiring that additional adequate assurance of payment be provided.

7. Any Utility Provider that fails to timely file an objection or make an Adequate Assurance Request pursuant to the Adequate Assurance Procedures is deemed to consent to the Proposed Adequate Assurance and shall be bound by this Order.

8. The Debtors are authorized, in their sole discretion, to amend the Utility Service List to add or delete any Utility Provider, and the Order shall apply to any Utility Provider that is subsequently added to the Utility Service List, regardless of when each Utility Provider is added to the Utility Service List, in accordance with the following procedures:

- (a) For those Utility Providers that are subsequently added to the Utility Service List, the Debtors will serve a copy of the Order on the subsequently added Utility Provider. Subsequently added Utility Providers will then have twenty (20) days from service of the Order to file an objection to the Motion and/or serve an Adequate Assurance Request on the Notice Parties.
- (b) Such subsequently added Utility Providers who object to the entry of this Order must file an objection in accordance with the Bankruptcy Rules, the Local Rules, and the Adequate Assurance Procedures.

9. Nothing in this Order or any action taken by the Debtors in furtherance of the implementation hereof shall be deemed to constitute an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code, and the Debtors' rights with respect to such matters are expressly reserved.

10. Nothing in this Order nor the Debtors' payment of claims pursuant to this Order shall be construed as (a) an agreement or admission by the Debtors as to the validity of

any claim on any grounds, (b) a waiver or impairment of any Debtor's rights to contest the validity or amount of any claim against its estate, (c) a promise to pay any claim, or (d) an implication or admission by the Debtors that such claim is payable pursuant to this Order.

11. The notice requirements of Bankruptcy Rules 6004(a) and 6004(h) are hereby waived, and the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

12. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

13. The requirements set forth in Local Rule 9013-1(a) are satisfied.

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

Dated: June 11, 2012
New York, New York

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

SCHEDULE “C”

**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

**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 motion (the “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 (the “Interim Order”) and a final order (the “Final Order” and, together with the Interim Order, the “Cash Collateral Orders”), 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*:

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

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

- (a) authorizing the use of Cash Collateral (within the meaning of section 363(a) of the Bankruptcy Code) of the Prepetition Secured Parties (as defined herein) and providing adequate 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 this Final Order, as limited pursuant hereto;
- (c) scheduling, pursuant to Bankruptcy Rule 4001, an interim hearing (the "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 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, 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 Motion having been held and concluded; 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 granting the relief requested 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 adequate protection being provided on account of the interests in and liens on property of the estates on which liens are granted subject to the full reservations of rights set forth herein; and after due deliberation and consideration, and for good and sufficient cause appearing therefor;

BASED UPON THE CONSENT SET FORTH HEREIN OF THE PARTIES AND SUBJECT TO THE FULL RESERVATIONS OF RIGHTS, AND UPON THE RECORD ESTABLISHED AT

THE FINAL HEARING BY THE DEBTORS, 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/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 (the "Committee") in these Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code.

E. Debtors' Debt Structure.

(i) Inc. Debt Structure. Subject to paragraph 12 of this Final Order, the Debtors acknowledge, admit, represent, stipulate, and agree that:

(a) Prepetition Inc. Credit Facility. Pursuant to that certain Credit Agreement, dated as of July 1, 2011 (as amended, supplemented, amended and restated, or otherwise modified from time to time, the "Prepetition Inc. Credit Agreement" and, together with all related credit and security documents, the "Prepetition Inc. Credit Documents"), between

LightSquared Inc., as borrower, the subsidiary guarantors party thereto, namely One Dot Four Corp., One Dot Six Corp., and One Dot Six TVCC Corp. (collectively, the "Prepetition Inc. Subsidiary Guarantors") and, together with LightSquared Inc., the "Inc. Obligors"), the lenders party thereto (collectively, the "Prepetition Inc. Lenders") and U.S. Bank National Association, as successor administrative agent to UBS AG, Stamford Branch (in such capacity, the "Prepetition Inc. Agent"), the Prepetition Inc. Lenders provided term loans to or for the benefit of LightSquared Inc. (the "Prepetition Inc. Credit Facility").

(b) Prepetition Inc. Obligations. The Prepetition Inc. Credit Facility provided LightSquared Inc. with term loans in the aggregate principal amount of \$278,750,000. As of the Petition Date, an aggregate principal amount of approximately \$322,333,494 was outstanding under the Prepetition Inc. Credit Agreement (collectively, with any amounts unpaid, incurred, or accrued prior to the Petition Date in accordance with the Prepetition Inc. Credit Documents (including unpaid principal, accrued, and unpaid interest, any fees, expenses, and disbursements), indemnification obligations, and other charges, amounts, and costs of whatever nature owing, whether or not contingent, whenever arising, accrued, accruing, due, owing, or chargeable in respect of any of the Inc. Obligors' obligations pursuant to the Prepetition Inc. Credit Documents, including all "Obligations" as described in the Prepetition Inc. Credit Agreement, the "Prepetition Inc. Obligations").

(c) Prepetition Inc. Collateral. To secure the Prepetition Inc. Obligations, the Inc. Obligors granted to the Prepetition Inc. Agent for the benefit of the Prepetition Inc. Lenders first-priority security interests in and liens (the "Prepetition Inc. Liens") on (a) the One Dot Six Lease (as defined in the Prepetition Inc. Credit Documents), (b) the One Dot Four Lease (as

defined in the Prepetition Inc. Credit Documents),³ (c) the capital stock of each Prepetition Inc. Subsidiary Guarantor, and (d) all proceeds and products of each of the foregoing whether obtained prepetition or postpetition (collectively, the “Prepetition Inc. Collateral”). The Prepetition Inc. Collateral does not include cash other than proceeds of the Prepetition Inc. Collateral.

(d) Notwithstanding anything contained in this Final Order to the contrary, the Prepetition Inc. Agent and the Prepetition Inc. Lenders have asserted that interest on the Prepetition Inc. Obligations is accruing at the default rate of 17% (as opposed to the non-default contract rate of 15%) as of April 30, 2012 and will increase to 20% on June 29, 2012. The Debtors dispute that there was a prepetition default under the Prepetition Inc. Credit Facility. The Debtors and the Prepetition Inc. Agent have agreed that pending entry of an order of this Court approving postpetition financing for the Inc. Obligors, in form and substance acceptable to the Prepetition Inc. Agent and the Prepetition Inc. Lenders, on or before June 30, 2012 (the “DIP Order”), interest on the Prepetition Inc. Obligations shall accrue at the non-default contract rate under the Prepetition Inc. Credit Facility, as of the Petition Date, and upon entry of the DIP Order, such interest shall accrue at the applicable default rate commencing as of the Petition Date.

(ii) LP Debt Structure. Subject to paragraph 12 of this Final Order, the Debtors acknowledge, admit, represent, stipulate, and agree that:

(a) Prepetition LP Credit Facility. Pursuant to that certain Credit Agreement, dated as of October 1, 2010 (as amended, supplemented, amended and restated, or otherwise modified from time to time, the “Prepetition LP Credit Agreement” and, together with all related

³ Although the One Dot Four Lease was terminated, the Prepetition Inc. Agent retains a first priority security interest in any remaining collateral.

credit and security documents, the “Prepetition LP Credit Documents” and, together with the Prepetition Inc. Credit Documents, the “Prepetition Credit Documents”), between LightSquared LP, as borrower, LightSquared Inc. and the other parent guarantors party thereto, namely LightSquared Investors Holdings Inc., LightSquared GP Inc., and TMI Communications Delaware, Limited Partnership (collectively, the “Prepetition LP Parent Guarantors”), the subsidiary guarantors party thereto, namely ATC Technologies, LLC, LightSquared Corp., LightSquared Inc. of Virginia, LightSquared Subsidiary LLC, SkyTerra Holdings (Canada) Inc., and SkyTerra (Canada) Inc. (collectively, the “Prepetition LP Subsidiary Guarantors” and, collectively with the Prepetition LP Parent Guarantors and LightSquared LP, the “LP Obligors”), the lenders party thereto (the “Prepetition LP Lenders” and, together with the Prepetition Inc. Lenders, the “Prepetition Lenders”), UBS AG, Stamford Branch, as administrative agent (in such capacity, and together with Wilmington Trust FSB,⁴ the “Prepetition LP Agent” and, together with the Prepetition LP Lenders, the “Prepetition LP Secured Parties”)⁵, and other parties thereto, the Prepetition LP Lenders provided term loans to or for the benefit of LightSquared LP (the “Prepetition LP Credit Facility” and, together with the Prepetition Inc. Facility, the “Prepetition Facilities”).

(b) Prepetition LP Obligations. The Prepetition LP Credit Facility provided LightSquared LP with term loans in the aggregate principal amount of \$1,500,000,000. As of the Petition Date, an aggregate principal amount of approximately \$1,700,571,106 was outstanding under the Prepetition LP Credit Agreement (collectively, with any amounts unpaid,

⁴ Wilmington Trust FSB serves as collateral trustee (in such capacity, the “Prepetition LP Collateral Trustee”) pursuant to that certain Collateral Trust Agreement, dated as of October 1, 2010 (as amended, supplemented, amended and restated or otherwise modified from time to time, the “LP Collateral Trust Agreement”), between LightSquared LP, UBS AG, Stamford Branch, and Wilmington Trust FSB.

⁵ The Prepetition LP Agent, together with the Prepetition Inc. Agent, are the “Prepetition Agents” and, together with the Prepetition Lenders, the “Prepetition Secured Parties.”

incurred, or accrued prior to the Petition Date in accordance with the Prepetition LP Credit Documents (including unpaid principal, accrued and unpaid interest, any fees, expenses, and disbursements), indemnification obligations, and other charges, amounts, and costs of whatever nature owing, whether or not contingent, whenever arising, accrued, accruing, due, owing, or chargeable in respect of any of the LP Obligors' obligations pursuant to the Prepetition LP Credit Documents, including all "Obligations" as described in the Prepetition LP Credit Agreement, the "Prepetition LP Obligations" and, together with the Prepetition Inc. Obligations, the "Prepetition Obligations").

(c) Prepetition LP Collateral. To secure the Prepetition LP Obligations, the LP Obligors granted to the Prepetition LP Agent for the benefit of the Prepetition LP Lenders first-priority security interests in and liens (the "Prepetition LP Liens" and, together with the Prepetition Inc. Liens, the "Prepetition Liens") on (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 Prepetition LP Security Agreement (as defined herein)), (d) the Intercompany Notes (as defined in the Prepetition LP Security Agreements) and (e) the rights of LightSquared Inc. under and arising out of that certain Amended and Restated Cooperation Agreement, dated as of August 6, 2010 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Inmarsat Cooperation Agreement"), by and between LightSquared LP, SkyTerra (Canada) Inc., LightSquared Inc., and Inmarsat Global Limited (collectively, the "Prepetition LP Collateral" and, together with the Prepetition Inc. Collateral, the "Prepetition Collateral"). 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)).⁶

F. Findings Regarding the Use of Prepetition Collateral.

(i) Need for Use of Prepetition Collateral, Including Cash Collateral. The Debtors' need to use Prepetition Collateral, including Cash Collateral of the Prepetition LP Lenders, is critical to enable the Debtors to continue operations and to administer and preserve the value of their estates. The ability of the Debtors to engage in ongoing discussions with the Federal Communications Commission ("FCC") regarding the deployment of the Debtors' network, to maintain business relationships with their vendors, suppliers and customers, including public safety agencies, to pay their employees, and to otherwise finance their operations requires the use of Prepetition Collateral, including Cash Collateral of the Prepetition LP Lenders, the absence of which would result in immediate and irreparable loss or damage to the Debtors, their estates, and their creditors. The Debtors do not have sufficient available sources of unencumbered cash to operate their businesses or maintain their properties in the

⁶ The Prepetition LP Collateral does not include the following: (a) 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; (b) 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; (c) the SkyTerra-2 satellite, while title remains with Boeing Satellite Systems, Inc. ("BSSI"), and those ground segment assets related to the SkyTerra-2 satellite, while title remains with BSSI; (d) 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; (e) 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; (f) equity interests in (i) 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, (ii) LightSquared Network LLC, and (iii) any joint venture or similar entity to the extent and for so long as the terms of such investment restrict such security interest; and (g) any consumer goods subject to the Canadian Security Agreement (as defined in the Prepetition LP Credit Agreement). 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)).

ordinary course of business without the authorized use of the Prepetition LP Lenders' Cash Collateral.

(ii) Use of Cash Collateral. The Debtors have agreed to use the Prepetition LP Lenders' Cash Collateral in a manner consistent with the expenditure line items (which, for the avoidance of doubt, do not include restructuring professional fees and amounts paid to Prepetition Secured Parties) in the budget (the "Budget," which is attached hereto as Schedule 1),⁷ for (a) working capital and other general corporate purposes, (b) permitted payment of costs of administration of the Chapter 11 Cases, and (c) payment of such prepetition expenses as approved by this Court.⁸ The Debtors may use the Prepetition LP Lenders' Cash Collateral in excess of the amount set forth in the Budget for any particular expenditure line item so long as the percentage deviation for all operating expenditure line items during any two-month period⁹ shall not exceed fifteen percent (15%) (the "Permitted Variance"), in the aggregate, of the amount set forth in the Budget for all operating expenditure line items for such two-month period (or such shorter period commencing on the date of entry of the Final Order); provided, that (i) no payments (e.g., bonuses, severance payments, or critical vendor payments) which require the Court's approval shall be included in the Permitted Variance calculus in determining compliance with the Budget until such payments are approved, and (ii) restructuring professional fees and amounts paid to Prepetition Secured Parties shall be excluded from the Permitted Variance calculus (all other professional fees shall be included in determining compliance with the Budget). Notwithstanding anything to the contrary in this Final Order, capital expenditure line

⁷ Attached hereto as Schedule 2 is a 2-year cash forecast for LightSquared Inc. The Budget, however, solely relates to use of Cash Collateral at LightSquared LP.

⁸ Notwithstanding such authorization, all rights of all parties in interest to seek to allocate overhead among the Debtors' estates shall be fully preserved.

⁹ Or such shorter period commencing on the date of entry of the Final Order.

items (e.g., Qualcomm, Alcatel Lucent S-BTS, HNS, BandRich, AnyData, Boeing Payments, and Current Network Maintenance/Capex) totaling \$18,011,000 may be used on an aggregate basis at any time over the entire twelve (12)-month period.

G. Adequate Protection. As a result of the use of the Prepetition Collateral authorized herein, the Prepetition Secured Parties are entitled to receive adequate protection pursuant to sections 361, 362, and 363 of the Bankruptcy Code for any diminution in the value ("Diminution in Value") of their respective interest in the Prepetition Collateral resulting from the Debtors' use, sale, or lease of the Prepetition Collateral during the Debtors' Chapter 11 Cases and as a result of the imposition of the automatic stay. The Prepetition Secured Parties have agreed and consented to the use of their respective Prepetition Collateral, including Cash Collateral, on the terms set forth herein, including in exchange for (a) the Adequate Protection Liens and the 507(b) Claims (to the extent of any Diminution in Value), (b) the Adequate Protection Payments (each as defined herein) and (c) the other provisions and benefits set forth herein; provided, however, that to the extent the Prepetition Secured Parties are entitled to accrue interest, fees, costs or charges under Bankruptcy Code section 506(b), this Final Order shall not in any way impair such entitlement.

H. Bankruptcy Code Sections 506(c) and 552(b). In light of (a) the Prepetition Inc. Agent's agreement to subordinate and the absence of an objection by the Prepetition Inc. Lenders to the subordination of their liens and the Inc. Section 507(b) Claim (as defined herein) to the Inc. Carve-Out (as defined herein) and (b) the agreement of certain holders of the Prepetition LP Obligations which formed an Ad Hoc Working Group of Prepetition LP Secured Parties (the "Ad Hoc LP Secured Group") and the Prepetition LP Agent to subordinate the Prepetition LP Agent's and the Prepetition LP Lenders' liens and the LP Section 507(b) Claim (as defined herein) to the

LP Carve-Out (as defined herein), the Prepetition Secured Parties are entitled to a waiver of the provisions of Bankruptcy Code sections 506(c) and 552(b), to the extent set forth below.

I. Good Cause; Immediate Entry. The relief requested in the Motion is necessary, essential, and appropriate, and is in the best interests of, and will benefit, the Debtors, their estates, and their creditors and equity holders, as its implementation will, *inter alia*, provide the Debtors with the necessary liquidity to (a) minimize the disruption to the Debtors' businesses and ongoing operations, (b) preserve and maximize the value of the Debtors' estates for the benefit of all the Debtors' creditors and equity holders, and (c) avoid immediate and irreparable harm to the Debtors, their estates, their creditors and equity holders, their businesses, their employees, and their assets.

J. Notice. Notice of the Final Hearing and the relief requested in the Motion has been provided by the Debtors by electronic mail, facsimile, regular or overnight mail, and/or hand delivery to (a) the U.S. Trustee, (b) the entities listed on the Consolidated List of Creditors Holding the 20 Largest Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d), (c) counsel to the Prepetition Agents, (d) counsel to the Ad Hoc LP Secured Group, (e) counsel to Harbinger Capital Partners LLC ("Harbinger"), (f) the Internal Revenue Service, (g) the United States Attorney for the Southern District of New York, (h) the FCC, (i) Industry Canada, and (j) all parties having filed a request for notice under Bankruptcy Rule 2002. The Debtors have made reasonable efforts to afford the best notice possible under the circumstances, and such notice is good and sufficient to permit the relief set forth in this Final Order.

Based upon the foregoing findings and conclusions, the Motion and record before the Court with respect to the Motion, and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED that:

1. Motion Granted. The Motion is granted to the extent set forth in this Final Order and the use of Prepetition Collateral, including Cash Collateral, on a final basis is authorized, subject to the terms and conditions and to the full reservations of rights set forth in this Final Order.

2. Objections Overruled. All objections to the use of Cash Collateral, the provision of adequate protection, and the entry of this Final Order, to the extent not withdrawn or resolved, are hereby overruled on the terms and conditions, and subject to the full reservations of rights set forth, in this Final Order.

Authorization To Use Cash Collateral

3. Use of Cash Collateral. Subject to the terms and conditions of this Final Order, and in accordance with the Budget (subject to the Permitted Variance), the Debtors are authorized to use Cash Collateral until the occurrence of an LP Termination Event (as defined herein) or as otherwise ordered by the Court (the "Termination Date"). Nothing in this Final Order shall authorize the disposition of any assets of the Debtors or their estates outside the ordinary course of business, or any Debtor's use of any Cash Collateral or proceeds resulting therefrom, except as permitted in this Final Order and in accordance with the Budget.

4. Cash Management System. The Debtors shall maintain their cash management system as approved by the Court pursuant to 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 [ECF No. 115]. The Ad Hoc Secured Group hereby consents to the repayment, to LightSquared Inc., of any costs and expenses paid on behalf of the LP Obligors' estates since the Petition Date. In

the event the DIP Order is not entered, the Debtors reserve all of their rights to seek further order of this Court authorizing distribution of the Prepetition LP Lenders' Cash Collateral to the Inc. Obligors to fund their costs and expenses, administration of their estates, and operation of their businesses. All parties reserve their all of their rights in connection with such request.

5. Adequate Protection Liens.

(a) Inc. Adequate Protection Liens. 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 Prepetition Inc. Lenders in the Prepetition Inc. Collateral against any Diminution in Value of their interests in the Prepetition Inc. Collateral, the Debtors hereby grant to the Prepetition Inc. Agent, for the benefit of itself and the Prepetition Inc. Lenders, effective and perfected as of the Petition Date and without the necessity of the execution by the Debtors of security agreements, pledge agreements, mortgages, financing statements, or other agreements, valid, binding, enforceable, and perfected postpetition security interests in and liens on the Prepetition Inc. Collateral (the "Inc. Adequate Protection Liens"). For avoidance of doubt, the Prepetition Inc. Agent and the Prepetition Inc. Lenders shall not have an Inc. Adequate Protection Lien on (i) any claims or causes of action under chapter 5 of the Bankruptcy Code or proceeds therefrom, (ii) the assets of the Prepetition LP Subsidiary Guarantors, or (iii) the unencumbered assets of LightSquared Inc.

(b) LP Adequate Protection Liens. 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 Prepetition LP Lenders in the Prepetition LP Collateral against any Diminution in Value of their interests in the Prepetition LP Collateral, including for use of Cash Collateral, the Debtors hereby grant to the Prepetition LP Agent, for the benefit of itself and the Prepetition LP Lenders,

effective and perfected as of the Petition Date and without the necessity of the execution by the Debtors of security agreements, pledge agreements, mortgages, financing statements, or other agreements, valid, binding, enforceable, and perfected postpetition security interest in and liens on the Prepetition LP Collateral (the "LP Adequate Protection Liens" and, together with the Inc. Adequate Protection Liens, the "Adequate Protection Liens"). For avoidance of doubt, the Prepetition LP Lenders shall not have an LP Adequate Protection Lien on (i) any claims or causes of action under chapter 5 of the Bankruptcy Code or proceeds therefrom, (ii) the assets of the Prepetition Inc. Subsidiary Guarantors, (iii) the unencumbered assets of LightSquared Inc., or (iv) the SkyTerra-2 satellite while title remains with BSSI or those ground segment assets related to the SkyTerra-2 satellite while title remains with BSSI.¹⁰

(c) Priority of Adequate Protection Liens. The Inc. Adequate Protection Liens shall be junior only to the Inc. Permitted Liens¹¹ and the Inc. Carve-Out. The LP Adequate Protection Liens shall be junior only to the LP Permitted Liens¹² and the LP Carve-Out.

(d) The Adequate Protection Liens shall be valid and enforceable against any trustee appointed in the Chapter 11 Cases, or any case under chapter 7 of the Bankruptcy Code

¹⁰ For the avoidance of doubt, the Prepetition LP Collateral includes all General Intangibles (as defined in the Prepetition LP Credit Documents) to include, among other things, contract rights relating to that certain Amendment 4 Amended and Restated Contract between LightSquared and BSSI, dated November 10, 2010 (as amended, modified, supplemented, or amended and restated through the date hereof).

¹¹ The Inc. Permitted Liens are liens otherwise permitted by the Prepetition Inc. Credit Documents, to the extent any such permitted liens were valid, properly perfected, non-avoidable and senior in priority to the Prepetition Inc. Liens as of the Petition Date. Nothing herein shall constitute a finding or ruling by this Court that any such Inc. Permitted Liens are valid, senior, perfected and non-avoidable. Moreover, nothing shall prejudice the rights of any party in interest, including, but not limited to, the Debtors, the Prepetition Inc. Agent, the Prepetition Inc. Lenders and the Committee, to challenge the validity, priority, perfection or extent of any such Inc. Permitted Lien and/or security interest.

¹² The LP Permitted Liens are liens otherwise permitted by the Prepetition LP Credit Documents, to the extent any such permitted liens were valid, properly perfected, non-avoidable and senior in priority to the Prepetition LP Liens as of the Petition Date. Nothing herein shall constitute a finding or ruling by this Court that any such LP Permitted Liens are valid, senior, perfected and non-avoidable. Moreover, nothing shall prejudice the rights of any party in interest, including, but not limited to, the Debtors, the Prepetition LP Agent, the Prepetition LP Lenders and the Committee, to challenge the validity, priority, perfection or extent of any such LP Permitted Lien and/or security interest.

upon conversion of any of the Chapter 11 Cases (each, a "Successor Case" and collectively, the "Successor Cases"), or upon the dismissal of any of the Chapter 11 Cases or Successor Cases.

No lien or interest avoided and preserved for the benefit of the estate pursuant to section 551 of the Bankruptcy Code shall be *pari passu* with or senior to the Prepetition Liens or the Adequate Protection Liens.

(e) The Adequate Protection Liens shall be subject to the reservation of rights set forth in paragraph 12 of this Final Order.

6. Section 507(b) Claims.

(a) Inc. Section 507(b) Claim. As further adequate protection of the interests of the Prepetition Inc. Agent and the Prepetition Inc. Lenders in the Prepetition Inc. Collateral against any Diminution in Value of such interests in the Prepetition Inc. Collateral, the Prepetition Inc. Agent and the Prepetition Inc. Lenders are each hereby granted as and to the extent provided by section 507(b) of the Bankruptcy Code an allowed superpriority administrative expense claim in each of the Inc. Obligors' Chapter 11 Cases and Successor Cases (the "Inc. Section 507(b) Claim"); provided, that the Inc. Section 507(b) Claim against LightSquared Inc. shall be *pari passu* with the LP Section 507(b) Claim against LightSquared Inc.

(b) LP Section 507(b) Claim. As further adequate protection of the interests of the Prepetition LP Agent and the Prepetition LP Lenders in the Prepetition LP Collateral against any Diminution in Value of such interests in the Prepetition LP Collateral, the Prepetition LP Agent and the Prepetition LP Lenders are each hereby granted as and to the extent provided by section 507(b) of the Bankruptcy Code an allowed superpriority administrative expense claim in each of the LP Obligors' Chapter 11 Cases and Successor Cases (the "LP Section 507(b)

Claim” and, together with the Inc. Section 507(b) Claim, the “Section 507(b) Claims”); provided, that the LP Section 507(b) Claim against LightSquared Inc. shall be *pari passu* with the Inc. Section 507(b) Claim against LightSquared Inc.

(c) Priority of the Section 507(b) Claims. Except as set forth herein, the Section 507(b) Claims shall have priority over all administrative expense claims and unsecured claims against the Inc. Obligors and the LP Obligors, as applicable, or their estates, now existing or hereafter arising, of any kind or nature whatsoever, including, without limitation, administrative expenses of the kinds specified in or ordered pursuant to Bankruptcy Code sections 105, 326, 328, 330, 331, 365, 503(a), 503(b), 507(a), 507(b), 546(c), 546(d), 726 (to the extent permitted by law), 1113, and 1114; provided, however, that each of the Section 507(b) Claims shall be (i) junior to the respective Carve-Outs (as defined herein) and (ii) subject to the reservation of rights set forth in paragraph 12 of this Final Order.

7. Adequate Protection Payments. As used in this Final Order, “Adequate Protection Payments” means the payment of professional fees and the payment and accrual of interest as described in this paragraph 7.

(a) Inc. Agent Professional Fees. As further adequate protection, subject to the reservation of rights set forth in paragraph 12 of this Final Order, as applicable, the Debtors are authorized and directed to provide adequate protection in the form of: (a) payment of all reasonable, actual, and documented fees and expenses incurred or accrued by the Prepetition Inc. Agent under and pursuant to the Prepetition Inc. Agreement, including, without limitation, the reasonable, actual, and documented fees and disbursements of counsel to and financial advisor to the Prepetition Inc. Agent, whether incurred or accrued prior to or after the Petition Date without limiting the rights of parties in interest pursuant to section 506(b) of the Bankruptcy Code. None

of the fees and expenses payable pursuant to this paragraph shall be subject to separate approval by this Court (but this Court shall resolve any dispute as to the reasonableness of any such fees and expenses), and no recipient of any such payment shall be required to file any interim or final fee application with respect thereto. Subject to any bona fide dispute as to the reasonableness of such fees and expenses, the Debtors shall pay the reasonable, actual, and documented fees and expenses provided for in this section promptly (but no later than ten (10) business days) after invoices for such fees and expenses shall have been submitted to the Debtors, and the Debtors shall promptly provide copies of such invoices to the Committee (if any) and the U.S. Trustee. Any and all payments or proceeds remitted to or for the benefit of the Prepetition Inc. Agent pursuant to the provisions of this Final Order or any subsequent order of this Court shall be received free and clear of any claim, charge, assessment, or other liability.

(b) Postpetition Accrual of Inc. Interest. As further adequate protection, the Prepetition Inc. Obligations, pending entry of the DIP Order, will accrue interest at the non-default contract rate and consistent with the Prepetition Inc. Credit Agreement, provided, that unless otherwise ordered by this Court, the Inc. Obligors shall not be obligated to pay such obligations on a current basis during the Inc. Obligors' Chapter 11 Cases. Upon entry of the DIP Order, interest on the Prepetition Inc. Obligations shall accrue at the default rate of interest from and after the Petition Date; provided, however, that in the event the DIP Order is not entered on or before June 30, 2012 or as soon thereafter as possible, subject to the Court's availability, this Court shall hold a hearing on July 17, 2012 to consider whether interest should accrue on the Prepetition Inc. Obligations at the default rate from and after the Petition Date and shall consider such issue *de novo*. In the event that the Prepetition Inc. Obligations are later determined to be

undersecured, nothing herein shall prevent any party in interest from seeking to terminate, or reallocate to principal payments, the accrual of such postpetition interest.

(c) LP Adequate Protection Payments. As further adequate protection, subject to the reservation of rights set forth in paragraph 12 of this Final Order, the LP Obligors shall pay to the Prepetition LP Agent for the benefit of the Prepetition LP Lenders on the first Business Day of each month, starting July 1, 2012, an amount equal to \$6,250,000, inclusive of interest and payment of all reasonable, actual, and documented fees and expenses incurred or accrued by the Prepetition LP Agent and the Ad Hoc LP Secured Group, including, without limitation, the reasonable, actual, and documented fees and disbursements (collectively, the “LP Professional Fees”) of White & Case LLP and The Blackstone Group L.P. (“Blackstone”), whether incurred or accrued prior to or after the Petition Date.¹³ Such amount will be applied first, to the non-professional fees and expenses of the Prepetition LP Agent, second, to the LP Professional Fees, and third to interest on the Prepetition LP Obligations, and the Ad Hoc LP Secured Group shall advise the LP Obligors, on a monthly basis, of how such amount will be allocated among the non-professional fees and expenses of the Prepetition LP Agent, the LP Professional Fees, and interest on the Prepetition LP Obligations. Such amount shall be applied to the LP Professional Fees in any given month only so long as the Ad Hoc LP Secured Group is the largest (by dollar amount) group of Prepetition LP Lenders organized and jointly represented (as evidenced by a Rule 2019 statement) in the Chapter 11 Cases. Nothing in this Final Order shall prejudice any rights of the Prepetition LP Lenders to accrue interest (including at the default rate), fees, expenses, or charges to the fullest extent permitted under section 506(b) of the Bankruptcy Code. All parties reserve all rights to assert that any such payments of interest and

¹³ The procedure for payment of LP Professional Fees shall be the same as the procedure for the payment of the professional fees of the Prepetition Inc. Agent as set forth in subparagraph (a) of this paragraph 7.

LP Professional Fees made by the LP Obligors constitute and may be reallocated or recharacterized as principal repayments of the Prepetition LP Obligations.

(d) Financial and Other Reporting.

(i) 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 the Prepetition LP Agent, Blackstone, and Houlihan Lokey (as financial advisor to the Prepetition Inc. Agent) with cash balances as of the last day of the prior week. On the tenth (10th) day of each month or the first business day thereafter, the Debtors will provide the Prepetition LP Agent, Blackstone, and Houlihan Lokey with (x) 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 Budget and (y) an update of the Budget through June 2013 (for forecasting and informational purposes only).

(ii) The Debtors shall provide certain professionals (the "Agreed Professionals") from White & Case LLP and Blackstone (each of whom shall be previously identified by name to, and agreed to by, the Debtors and each of whom shall individually sign mutually acceptable confidentiality agreements) with periodic updates and reasonably detailed information regarding any significant meetings, discussions, or proposals with respect to the material assets of the Debtors, including, without limitation, meetings with the FCC and/or federal agencies, in all cases regarding its ATC authorization for L-band spectrum or alternative spectrum for its terrestrial network, and matters reasonably related thereto, as well as reasonable advance notice, to the extent reasonably practicable, of any significant meetings, discussions, or proposals with respect to the material assets of the Debtors, including, without limitation, meetings with the FCC and/or federal agencies, in all cases regarding its ATC authorization for

L-band spectrum or alternative spectrum for its terrestrial network, and matters reasonably related thereto, and in any case reasonably promptly report the substance thereof to the Agreed Professionals. The Debtors, upon the reasonable request of the Agreed Professionals, shall make their professionals and advisors reasonably available to such Agreed Professionals generally, and reasonably in advance of all such meetings to the extent reasonably practicable. All parties that enter into a confidentiality agreement shall be bound by, and comply with, the terms thereof. For the avoidance of doubt, the intention of this provision is to provide the Ad Hoc LP Secured Group with reasonable information and, to the extent reasonably practicable, reasonable time to consider the impact of all FCC and related matters on its interests, without unreasonable interference with the Debtors' implementation and conduct of their business plan. Such Agreed Professionals shall not disclose to any Prepetition LP Lender or any other person, without the consent of the Debtors or the approval of the Court, any information provided by the Debtors in accordance with this paragraph. This provision is an integral element and basis of the Ad Hoc LP Secured Group's consent to the use of its Cash Collateral.

Provisions Common to Use of Cash Collateral Authorizations

8. **Perfection of Adequate Protection Liens.**

(a) The Prepetition Agents are hereby authorized, but not required, to file or record financing statements, intellectual property filings, mortgages, notices of lien, or similar instruments in any jurisdiction, take possession of or control over, or take any other action in order to validate and perfect the liens and security interests granted to them hereunder. Whether or not the Prepetition Agents, on behalf of the Prepetition Inc. Lenders and the Prepetition LP Lenders, as applicable, shall, in their respective sole discretion, choose to file such financing statements, intellectual property filings, mortgages, notices of lien, or similar instruments, take possession of or control over, or otherwise confirm perfection of the liens and security interests

granted to them hereunder, such liens and security interests shall be deemed valid, perfected, allowed, enforceable, non-avoidable, and not subject to challenge, dispute, or subordination as of the Petition Date.

(b) A certified copy of this Final Order may, in the discretion of the Prepetition Agents, respectively, be filed with or recorded in filing or recording offices in addition to or in lieu of such financing statements, mortgages, notices of lien, or similar instruments, and all filing offices are hereby authorized to accept such certified copy of this Final Order for filing and recording.

(c) The Debtors are authorized and directed to execute and deliver to the Prepetition Agents all such agreements, financing statements, instruments, and other documents as such Prepetition Agents may reasonably request to evidence, confirm, validate, or perfect the Adequate Protection Liens. All such documents will be deemed to have been recorded and filed as of the Petition Date.

(d) In furtherance of the foregoing and without further approval of this Court, each Debtor is authorized to do and perform all acts to make, execute, and deliver all instruments and documents and to pay all fees that may be reasonably required or necessary for the Debtors' performance hereunder.

9. Carve-Out. As used in this Final Order, "Carve-Outs" shall mean the Inc. Carve-Out and the LP Carve-Out.

(a) Inc. Carve-Out. As used in this Final Order, the "Inc. Carve-Out" shall mean, upon the occurrence of the Termination Date, the following expenses: (i) all statutory fees payable to the Clerk of the Court and to the U.S. Trustee pursuant to 28 U.S.C. §1930(a) for the Inc. Obligors; (ii) all reasonable fees and expenses incurred by a trustee for the Inc. Obligors

under section 726(b) of the Bankruptcy Code not to exceed \$50,000; and (iii) the allowed and unpaid professional fees, expenses, and disbursements allocable to the Inc. Obligors incurred on or after the Termination Date by the Debtors and the Committee for any professionals retained by final order of the Court (which order has not been vacated or stayed, unless the stay has been vacated) by the Debtors and the Committee under sections 327, 328, or 1103(a) of the Bankruptcy Code (the “Chapter 11 Case Professionals”) in an aggregate amount not to exceed \$1.5 million plus such allowed fees, expenses, and disbursements allocable to the Inc. Obligors incurred prior to the Termination Date, but which remain unpaid as of the Termination Date, whether approved by the Court before or after the Termination Date (collectively, the “Allowed Inc. Professional Fees”).

(b) LP Carve-Out. As used in this Final Order, the “LP Carve-Out” shall mean, upon the occurrence of the Termination Date, the following expenses: (i) all statutory fees payable to the Clerk of the Court and to the U.S. Trustee pursuant to 28 U.S.C. §1930(a) for the LP Obligors; (ii) with respect to the information officer (the “Information Officer”) to be appointed by the Ontario Superior Court of Justice (Commercial List) in Toronto, Ontario, Canada (the “Canadian Court”) in connection with the proceedings commenced pursuant to the Companies’ Creditors Arrangement Act (Canada) R.S.C. 1985, c. C-36, as amended, in the Canadian Court (the “Canadian Proceedings”), all fees and expenses required to be paid to the Information Officer and its counsel in connection with the Canadian Proceedings, which fees and expenses may be secured by a charging lien granted by the Canadian Court over the Debtors’ assets in Canada, in the maximum amount of CDN \$200,000, (iii) all reasonable fees and expenses incurred by a trustee for the LP Obligors under section 726(b) of the Bankruptcy Code not to exceed \$50,000; and (iv) the allowed and unpaid professional fees, expenses, and

disbursements allocable to the LP Obligors incurred on or after the Termination Date by the Debtors and the Committee for any Chapter 11 Case Professionals (which are restructuring professionals) in an aggregate amount not to exceed \$4 million, plus such allowed fees, expenses, and disbursements allocable to the LP Obligors incurred prior to the Termination Date, but which remain unpaid as of the Termination Date, whether approved by the Court before or after the Termination Date (the “Allowed LP Professional Fees” and, together with the Allowed Inc. Professional Fees, the “Allowed Professional Fees”).

(c) Payment of Allowed Professional Fees Prior to the Termination Date.

Prior to the occurrence of the Termination Date, the Debtors shall be permitted to pay Allowed Professional Fees. The amounts paid shall not reduce the Carve-Outs.

10. Payment of Compensation. Nothing in this Final Order shall be construed as a consent to the allowance of any professional fees or expenses of any Chapter 11 Case Professionals or shall affect the rights of the Prepetition Agents and/or the Prepetition Lenders to object to the allowance and payment of such fees and expenses.

11. [Reserved]

12. Investigation Period.

(a) The Inc. Adequate Protection Liens, the Inc. Section 507(b) Claim, and the Prepetition Inc. Liens shall be senior to, and no Prepetition Inc. Collateral may be used to pay, any claims for services rendered by any of the professionals retained by the Debtors (or any successor trustee or other estate representative in the Chapter 11 Cases or any Successor Cases), the Committee, or any other party in connection with the assertion of, or joinder in, any claim, counterclaim, action, proceeding, application, motion, investigation, objection, defense, or other contested matter against the Prepetition Inc. Agent or the Prepetition Inc. Lenders in connection

with invalidating, setting aside, avoiding, subordinating, recharacterizing, objecting to, or challenging, in whole or in part, any claims or liens arising under or with respect to the Prepetition Inc. Credit Facility, the Prepetition Inc. Obligations, the Prepetition Inc. Liens, or the Prepetition Inc. Collateral; provided, however, that up to \$50,000 of Cash Collateral of the Prepetition Inc. Agent (which does not include any unencumbered cash) may be used to pay the allowed fees and expenses of counsel retained by the Committee (if appointed) incurred directly in connection with investigating, but not preparing, initiating, or prosecuting, any Claims and Defenses (as defined herein) against the Prepetition Inc. Agent or Prepetition Inc. Lenders with regard to the Prepetition Inc. Credit Facility or the Prepetition Inc. Liens. In the event the liens, security interests, or claims of the Prepetition Inc. Agent or the Prepetition Inc. Lenders are voided, avoided, disallowed, or subordinated, then any lien or priority granted to the Prepetition Inc. Agent hereunder in respect of such voided, avoided, disallowed, or subordinated lien, security interest, or claim may be voided, avoided, disallowed, or subordinated to the same extent, and no provision hereof shall preclude or impair the Court from imposing any appropriate remedy in such event.

(b) The LP Adequate Protection Liens, the LP Section 507(b) Claim, and the Prepetition LP Liens shall be senior to, and no Prepetition LP Collateral (including any Cash Collateral of the Prepetition LP Lenders or otherwise) may be used to pay, any claims for services rendered by any of the professionals retained by the Debtors (or any successor trustee or other estate representative in the Chapter 11 Cases or any Successor Cases), the Committee, or any other party in connection with the assertion of, or joinder in, any claim, counterclaim, action, proceeding, application, motion, investigation, objection, defense, or other contested matter against the Prepetition LP Agent or the Prepetition LP Lenders in connection with invalidating,

setting aside, avoiding, subordinating, recharacterizing, objecting to, or challenging, in whole or in part, any claims or liens arising under or with respect to the Prepetition LP Credit Facility, the Prepetition LP Obligations, the Prepetition LP Liens, or the Prepetition LP Collateral; provided, however, that up to \$50,000 of Cash Collateral of the Prepetition LP Agent (which does not include any unencumbered cash) may be used to pay the allowed fees and expenses of counsel retained by the Committee (if appointed) incurred directly in connection with investigating, but not preparing, initiating, or prosecuting, any Claims and Defenses (as defined herein) against the Prepetition LP Agent or Prepetition LP Lenders with regard to the Prepetition LP Credit Facility or the Prepetition LP Liens. In the event the liens, security interests, or claims of the Prepetition LP Agent or the Prepetition LP Lenders are voided, avoided, disallowed, or subordinated, then any lien or priority granted to the Prepetition LP Agent hereunder in respect of such voided, avoided, disallowed, or subordinated lien, security interest, or claim may be voided, avoided, disallowed, or subordinated to the same extent, and no provision hereof shall preclude or impair the Court from imposing any appropriate remedy in such event.

(c) Notwithstanding anything herein to the contrary, any party in interest other than the Debtors shall have until August 11, 2012 (the “Investigation Termination Date”) to investigate the validity, perfection, enforceability, and extent of any Prepetition Obligations and Prepetition Liens and any potential claims of the Debtors or their estates against any Prepetition Agent or Prepetition Lenders in respect of the applicable Prepetition Obligations and Prepetition Liens, “lender liability” claims and causes of action, or any actions, claims, or defenses under chapter 5 of the Bankruptcy Code (all such claims, defenses, and other actions described in this paragraph are collectively defined as the “Claims and Defenses”). Notwithstanding the foregoing sentence, the Investigation Termination Date for Prepetition Inc. Obligations owing or

Prepetition Inc. Liens granted to, or any other Claims and Defenses against, affiliates of the Debtors or any successor holder that acquired Prepetition Inc. Obligations after the Petition Date (“Affiliate Challenges”), shall be the earlier of (i) sixty days after the occurrence of an LP Termination Event and (ii) ten months from the date hereof; provided, that in the event the Ad Hoc LP Secured Group files an Ad Hoc Group Standing Motion (as defined below), such period shall be extended, for the Ad Hoc LP Secured Group only, to the date which is five business days after the date which the Court enters an order granting the Ad Hoc Group Standing Motion.

(d) Any challenge to the Prepetition Obligations or the Prepetition Liens, or the assertion of any other claims or causes of action of the Debtors or their estates against (x) the Prepetition Inc. Agent or the Prepetition Inc. Lenders and/or (y) the Prepetition LP Agent or the Prepetition LP Lenders, as applicable, must in any case be made by a party in interest with standing who timely and properly commences an adversary proceeding on or before the Investigation Termination Date (a “Challenge”). If no Challenge is properly filed on or before the Investigation Termination Date, all holders of claims and interests as well as other parties in interest shall be forever barred from bringing or taking any such action, and the Debtors’ stipulations made herein and the release set forth in this Final Order shall be binding on all parties in interest. If a Challenge is timely and properly brought, any claim or action that is not brought shall be forever barred. In the event of a timely and successful Challenge by a plaintiff in such an action, this Court shall fashion the appropriate remedy with respect to the (x) Prepetition Inc. Agent and the Prepetition Inc. Lenders and/or the (y) Prepetition LP Agent and the Prepetition LP Lenders, as applicable, after hearing from all parties.

(e) Nothing in this Final Order vests or confers on the Committee or any other party standing or authority to bring, assert, commence, continue, prosecute, or litigate any cause

of action belonging to the Debtors or their estates, including, without limitation, the Claims and Defenses with respect to the Prepetition Inc. Facility, the Prepetition Inc. Liens, or the Prepetition Inc. Obligations. Notwithstanding the foregoing, in the event the Ad Hoc LP Secured Group seeks standing to bring an Affiliate Challenge on behalf of the Debtors' estates (an "Ad Hoc Group Standing Motion"), the Ad Hoc LP Secured Group shall be entitled to a hearing on such motion on shortened notice (subject to the Court's calendar) and shall not be required to issue any prior "demand" to the Debtors in respect thereof.

13. Release. Subject to the rights set forth in paragraph 12 of this Final Order, the Debtors, 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 Debtors or their estates, forever and irrevocably (i) release, discharge, waive, and acquit (x) the Prepetition Agents and the Prepetition Lenders, (y) each of their respective participants and each of their respective affiliates, and (z) each of their respective former, current or future officers, employees, directors, agents, representatives, owners, members, partners, financial advisors, legal advisors, shareholders, managers, consultants, accountants, attorneys, affiliates, and predecessors in interest (collectively, the "Released Parties"), of and from any and all claims, demands, liabilities, responsibilities, disputes, remedies, causes of action, indebtedness, and obligations existing as of the Petition Date, including, without limitation, any so-called "lender liability" or equitable subordination claims or defenses, with respect to or relating to the Prepetition Obligations, the Prepetition Liens, or the Prepetition Facilities, as applicable, any and all claims and causes of action arising under the Bankruptcy Code, and any and all claims regarding the validity, priority, perfection, or avoidability of the liens or secured claims of (x) the Prepetition Inc. Agent and the Prepetition Inc. Lenders and/or (y) the

Prepetition LP Agent and the Prepetition LP Lenders and (ii) waive any and all defenses (including, without limitation, offsets and counterclaims of any nature or kind) as to the validity, perfection, priority, enforceability, and nonavoidability of the applicable Prepetition Obligations and the applicable Prepetition Liens.

14. Termination of Consent to Use the Prepetition LP Lenders' Cash Collateral. The authorization of the Debtors to use the Prepetition LP Lenders' Cash Collateral under this Final Order will terminate upon five days' prior written notice by the Prepetition LP Agent to the Debtors of the occurrence of any of the following (except for the event in subparagraph (o) below, upon which event a termination will occur automatically) (each of the following, an "LP Termination Event"):

- (a) This Court enters an order dismissing any of the Chapter 11 Cases of the Debtors with material assets or converting any such Chapter 11 Cases to cases under chapter 7;
- (b) This Court enters an order appointing a chapter 11 trustee in any of the Chapter 11 Cases of the Debtors with material assets that is not stayed following entry;
- (c) This Court enters an order staying, reversing, or vacating, in a manner materially adverse to the Prepetition LP Agent or the Prepetition LP Lenders and without prior consent of the Prepetition LP Agent or the Prepetition LP Lenders, this Final Order;
- (d) A chapter 11 plan is confirmed and becomes effective for the LP Obligors;
- (e) An order of this Court shall be entered appointing an examiner with enlarged powers in any of the Chapter 11 Cases of the LP Obligors, or any LP Obligor shall file a motion or other pleading seeking the dismissal of its Chapter 11 Case under section 1112 of the Bankruptcy Code or otherwise;

(f) Except as expressly allowed in this Final Order or the DIP Order, an order of this Court shall be entered granting any lien on, or security interest in, any Prepetition LP Collateral in favor of any party other than the Prepetition LP Agent or Prepetition LP Collateral Trustee, as the case may be, on behalf of the Prepetition LP Secured Parties, that is senior to, or *pari passu* with, the Prepetition LP Liens or the LP Adequate Protection Liens or granting an administrative claim payable by an LP Obligor to any party other than the Prepetition LP Agent or Prepetition LP Collateral Trustee, as the case may be, on behalf of the Prepetition LP Secured Parties, that is senior to, or *pari passu* with, the LP Section 507(b) Claim without the express written consent of the Prepetition LP Agent;

(g) An order of this Court shall be entered approving any claims for recovery of amounts under section 506(c) of the Bankruptcy Code or otherwise arising from the preservation or disposition of any Prepetition LP Collateral;

(h) An order of this Court shall be entered granting relief from the automatic stay under section 362 of the Bankruptcy Code with respect to all or any material portion of the property of the LP Obligors' estates except in connection with financing provided to the Inc. Obligors in connection with the DIP Order;

(i) The Debtors shall make any payment (including "adequate protection" payments) on or in respect of any prepetition indebtedness or prepetition obligations of an LP Obligor other than (i) on account of the Prepetition LP Obligations under the Prepetition Credit Documents, (ii) as permitted under this Final Order, or (iii) as permitted by any order of this Court;

(j) The Debtors shall seek to, or shall support (in any such case by way of, inter alia, any motion or other pleading filed with this Court or any other writing to another party

in interest executed by or on behalf of the Debtors) any other person's motion to disallow or subordinate in whole or in part any Prepetition LP Secured Party's claim in respect of the Prepetition LP Obligations, or to challenge the validity, enforceability, perfection, or priority of the liens in favor of the Prepetition LP Agent or the Prepetition LP Lenders (including, without limitation, any Prepetition LP Liens);

(k) The Debtors file a motion seeking to obtain any credit or incur any financing indebtedness that is secured by a lien on, or security interest in, the Prepetition LP Collateral which is senior to or *pari passu* with the Prepetition LP Liens or the LP Adequate Protection Liens, or having administrative priority status which is senior to or *pari passu* with the LP Section 507(b) Claim, other than the proposed 507(b) claim against LightSquared Inc. pursuant to the DIP Order.

(l) The Debtors shall file any pleading seeking, or otherwise consenting to, or shall support or acquiesce in any other person's motion as to, any of the matters set forth in paragraphs (a) through (c) above and paragraphs (e) through (g) above;

(m) The Debtors shall fail to comply with the terms of this Final Order in any material respect, it being understood that non-compliance with the Permitted Variance shall constitute material non-compliance with this Final Order;

(n) The Debtors' period of exclusivity to file a Plan, or solicit acceptances thereof, has been terminated, as long as such termination is not sought by, or for the benefit of, any Prepetition LP Secured Party; or

(o) One (1) year from the date hereof.

15. Withdrawal of Consent To Use Prepetition Inc. Collateral. The consent of the Prepetition Inc. Agent and the Prepetition Inc. Lenders under this Final Order to use the Prepetition Inc. Collateral will be withdrawn upon any of the following:
- (a) This Court enters an order dismissing any of the Chapter 11 Cases of the Debtors with material assets or converting any such Chapter 11 Cases to cases under chapter 7;
 - (b) This Court enters an order appointing a chapter 11 trustee in any of the Chapter 11 Cases of the Debtors with material assets that is not stayed following entry;
 - (c) This Court enters an order appointing an examiner with expanded powers in any of the Chapter 11 Cases of the Inc. Obligors;
 - (d) This Court enters an order staying, reversing, or vacating, in a manner materially adverse to the Prepetition Inc. Agent or the Prepetition Inc. Lenders and without prior consent of the Prepetition Inc. Agent or the Prepetition Inc. Lenders, this Final Order;
 - (e) The Debtors fail to make payments under the One Dot Six Lease when due thereunder without the prior written consent of the Prepetition Inc. Agent;
 - (f) This Court enters an order approving the sale of all or substantially all of the Prepetition Inc. Collateral that does not provide for the payment in respect thereof to be remitted to the Prepetition Inc. Agent in respect of the Prepetition Inc. Obligations;
 - (g) A chapter 11 plan is confirmed and becomes effective for the Inc. Obligors;
 - (h) Except as expressly allowed in this Final Order or the DIP Order and subject to the reservation of rights set forth in paragraph 4 of this Final Order, an order of this Court shall be entered granting any lien on, or security interest in, any Prepetition Inc. Collateral in favor of any party other than the Prepetition Inc. Agent, on behalf of the Prepetition Inc.

Secured Parties, that is senior to, or *pari passu* with, the Prepetition Inc. Liens or the Inc.

Adequate Protection Liens or granting an administrative claim payable by an Inc. Obligor (other than LightSquared Inc.) to any party other than the Prepetition Inc. Agent on behalf of the Prepetition Inc. Secured Parties, that is senior to, or *pari passu* with, the Inc. Section 507(b) Claim without the express written consent of the Prepetition Inc. Agent;

(i) The Debtors file a motion (other than a motion filed in connection with (i) the approval of the DIP Order or (ii) the reservation of rights set forth in paragraph 4 of this Final Order), seeking to obtain any credit or incur any financing indebtedness that is secured by a lien on, or security interest in, the Prepetition Inc. Collateral which is senior to or *pari passu* with the Prepetition Inc. Liens or the Inc. Adequate Protection Liens, or having administrative priority status which is senior to or *pari passu* with the Inc. Section 507(b) Claim;

(j) The Debtors file a motion challenging the Prepetition Inc. Agent's or the Prepetition Inc. Lenders' claims or liens; or

(k) November 15, 2013 (each of the foregoing, an "Inc. Withdrawal Event"). Upon the occurrence of an Inc. Withdrawal Event, the Prepetition Inc. Agent and the Prepetition Inc. Lenders may, upon shortened notice and an emergency hearing, request additional adequate protection from the Court or such other remedy as the Court may deem just and proper, and the Debtors and other parties in interest reserve all of their rights to object to such request.

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

17. Limitation on Charging Expenses Against Collateral.

(a) Except to the extent of the Inc. Carve-Out, no expenses of 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 Prepetition Inc. Collateral pursuant to section 506(c) of the Bankruptcy Code or any similar principle of law or in equity, without the prior written consent of Prepetition Inc. Agent, and no such consent shall be implied from any other action or inaction by the Prepetition Inc. Agent or the Prepetition Inc. Lenders.

(b) Except to the extent of the LP Carve-Out, no expenses of 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, charged or incurred during the period which the Debtors are authorized to use Cash Collateral under this Final Order, shall be charged against or recovered from the Prepetition LP Collateral pursuant to section 506(c) of the Bankruptcy Code or any similar principle of law or in equity, without the prior written consent of Prepetition LP Agent, and no such consent shall be implied from any other action or inaction by the Prepetition LP Agent or the Prepetition LP Lenders.

18. Equities of the Case. Effective upon entry of this Final Order and in light of the subordination of their liens to the respective Carve-Outs, the Prepetition Secured Parties shall be entitled to all benefits of Bankruptcy Code section 552(b), and the “equities of the case” exception under Bankruptcy Code section 552(b) shall not apply to such parties with respect to the proceeds, product, offspring, or profits of any of their Prepetition Collateral.

19. Credit Bid Rights. The Prepetition Agents shall have the right to “credit bid” the Prepetition Inc. Obligations under the Prepetition Inc. Credit Agreement or the Prepetition LP Obligations under the Prepetition LP Credit Agreement, as applicable, during any sale of any of

the Prepetition Inc. Collateral or Prepetition LP Collateral, as applicable, including, without limitation, in connection with sales occurring pursuant to Bankruptcy Code section 363 or included as part of any plan subject to confirmation under Bankruptcy Code section 1129.

20. Joint and Several Liability. Nothing in this Final Order shall be construed to constitute a substantive consolidation of any of the Debtors' estates, it being understood, however, that the Inc. Obligors and the LP Obligors shall be jointly and severally liable for their respective obligations hereunder. Notwithstanding the foregoing, the Inc. Obligors shall not be liable for the LP Obligations and the LP Obligors shall not be liable for the Inc. Obligations; provided, however, that LightSquared Inc. shall be liable for both the Inc. Obligations and the LP Obligations consistent with the terms of the Prepetition Facilities and this Final Order.

21. Reservation of Rights of Prepetition Secured Parties. Notwithstanding any other provision hereof, the grant to and acceptance by the Prepetition Secured Parties of adequate protection pursuant hereto shall in no way be construed as an acknowledgment by the Prepetition Secured Parties that they are in fact adequately protected, and is without prejudice to the right of the Prepetition Secured Parties to seek modification of the grant of adequate protection provided hereby so as to provide different or additional adequate protection at any time, or to terminate use of Cash Collateral at any time; provided, however, that all rights of any party in interest to object to such modification of the grant of adequate protection provided hereby or to seek to use Cash Collateral on a non-consensual basis are fully preserved. Except as expressly provided herein, nothing contained in this Final Order (including without limitation, the authorization to use any Prepetition Collateral, including Cash Collateral) shall impair or modify any rights, claims, or defenses available in law or equity to the Prepetition Secured Parties, including the Ad Hoc LP Secured Group. Nothing in this Final Order shall be construed as a finding that the

Prepetition LP Lenders or the Prepetition Inc. Lenders are adequately protected, it being understood that the use of their Prepetition Collateral, including Cash Collateral, hereunder is consensual.

22. Modification of the Automatic Stay. The automatic stay imposed under section 362(a) of the Bankruptcy Code is hereby modified as necessary to effectuate all of the terms and provisions of this Final Order, including, without limitation, to (a) permit the Debtors to grant the Adequate Protection Liens and the Section 507(b) Claims, (b) permit the Debtors to perform such acts as the Prepetition Agents may request in their sole discretion to assure the perfection and priority of the liens granted herein, (c) permit the Debtors to incur all liabilities and obligations to the Prepetition Secured Parties under this Final Order, and (d) authorize the Debtors to pay, and the Prepetition Agents to retain and apply, payments made in accordance with the terms of this Final Order.

23. Master Proofs of Claim.

(a) To facilitate the processing of claims, to ease the burden upon this Court, and to reduce any unnecessary expense to the Debtors' estates, (i) the Prepetition Inc. Agent is authorized (but not required) to file a single master proof of claim (a "Master Proof of Claim"), on behalf of itself and the Prepetition Inc. Lenders, on account of their claims arising under the Prepetition Inc. Credit Agreement against LightSquared Inc. only, and (ii) the Prepetition LP Agent is authorized (but not required) to file a Master Proof of Claim, on behalf of itself and the Prepetition LP Lenders, on account of their claims arising under the Prepetition LP Credit Agreement against LightSquared LP only.

(b) Upon filing of a Master Proof of Claim by the Prepetition Inc. Agent and/or the Prepetition LP Agent, as applicable, the Prepetition Inc. Agent and/or the Prepetition

LP Agent, as applicable, and each of their respective successors and assigns shall be deemed to have filed a proof of claim in the amount set forth opposite its name therein in respect of its claims against each of the Inc. Obligors and the LP Obligors, as applicable, arising under the Prepetition Inc. Agreement and the Prepetition LP Agreement, as applicable. The claims (as defined in section 101 of the Bankruptcy Code) of the Prepetition Inc. Agent and/or the Prepetition LP Agent, as applicable, the Prepetition Inc. Lenders and/or the Prepetition LP Lenders, as applicable, and each of their respective successors and assigns named in the Master Proof of Claim shall be allowed as if each such entity had filed a separate proof of claim in each of the Chapter 11 Cases of the Inc. Obligors and the LP Obligors, as applicable, in the amount set forth in the Master Proof of Claim; provided, however, that the Prepetition Inc. Agent and/or the Prepetition LP Agent, as applicable, may, but shall not be required to, amend the Master Proof of Claim from time to time to, among other things, reflect a change in the holders of the claims set forth therein or a reallocation among such holders of the claims asserted therein resulting from any transfer of any such claims.

(c) The provisions set forth in paragraphs (a) and (b) above are intended solely for the purpose of administrative convenience and, except to the extent set forth herein or therein, neither the provisions of this paragraph nor the Master Proof of Claim shall affect the substantive rights of the Debtors, the Committee, the Prepetition Agents, the other Prepetition Secured Parties, or any other party in interest or their respective successors in interest, including, without limitation, the right of each Prepetition Secured Party (or its successor in interest) to vote separately on any plan of reorganization proposed in these Chapter 11 Cases.

24. No Control. None of the Prepetition LP Secured Parties 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 Prepetition LP Loan Facility and/or any of the Prepetition Loan Documents or this Final Order. None of the Prepetition Inc. Secured Parties (excluding the Prepetition Inc. Lenders that are affiliates of the Debtors) 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 Prepetition Inc. Credit Facility and/or any of the Prepetition Inc. Credit Documents or this Final Order.

25. Amendment. Except as otherwise provided herein, no waiver, modification, or amendment of any of the provisions hereof shall be effective unless set forth in writing, signed by, or on behalf of, all the Debtors, the Prepetition LP Agent, the Ad Hoc LP Secured Group, and the Prepetition Inc. Agent and approved by the Court after notice to parties in interest.

26. Binding Effect of Final Order. Immediately upon execution by this Court, the terms and provisions of this Final Order shall become valid and binding upon and inure to the benefit of the Debtors, the Prepetition Secured Parties, the Committee, any other court-appointed committee appointed in the Chapter 11 Cases, all other creditors of the Debtors, and all other parties in interest and their respective successors and assigns, including any trustee or other fiduciary hereafter appointed in any of the Chapter 11 Cases, any Successor Cases, or upon the dismissal of any Chapter 11 Case or Successor Case.

27. Survival. The provisions of this Final Order and any actions taken pursuant hereto shall survive entry of any order which may be entered: (a) confirming any plan of reorganization in any of the Chapter 11 Cases; (b) converting any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code; (c) dismissing any of the Chapter 11 Cases or any Successor Cases; or (d) pursuant to which this Court abstains from hearing any of the Chapter 11 Cases or Successor Cases.

28. Nunc Pro Tunc Effect of this Final Order. This Final Order shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052 and shall take effect and be enforceable *nunc pro tunc* to the Petition Date immediately upon execution thereof.

29. Retention of Jurisdiction. The Court has and will retain jurisdiction to enforce this Final Order according to its terms.

Dated: June 13, 2012
New York, New York

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

Schedule 1

Budget

LightSquared LP Standalone

Cash Scenario: Consensual Cash Collateral Agreement

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Quarter Month	2013			3Q13			4Q13			1Q14		
	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14
Beginning Cash Balance	52,402	40,295	28,466	37,714	13,145	8,576	3,216	(748)	(8,481)	(13,633)	(19,418)	(31,549)
Sources												
Satellite Revenue	3,578	2,471	2,714	3,613	2,595	2,782	3,703	2,590	2,643	2,561	2,501	2,546
Terrestrial Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	19	22	20	18	4	3	20	-	-	-	-	-
Equity Financing	-	-	-	-	-	-	-	-	-	-	-	-
Debt Financing	-	-	-	-	-	-	-	-	-	-	-	-
Dividend or Loan from LP	-	-	-	-	-	-	-	-	-	-	-	-
Financing Fees	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Sources	3,597	2,493	2,734	3,631	2,599	2,785	3,724	2,590	2,643	2,561	2,501	2,546
Uses (OPEX)												
In-Orbit Insurance	-	-	-	-	-	-	-	2,997	-	-	-	-
ISAT Coop Agmt	-	-	-	-	-	-	-	-	-	-	-	5,000
1.6 GHz Lease & Related Payments	-	-	-	-	-	-	-	-	-	-	-	-
1.4 GHz Lease	-	-	-	-	-	-	-	-	-	-	-	-
L-Band network Infrastructure	35	35	35	35	35	35	35	35	35	35	35	35
CSS / BSS	-	-	-	-	-	-	-	-	-	-	-	-
ERP	45	45	204	45	45	204	45	45	204	45	45	204
Partner Enablement	-	-	-	-	-	-	-	-	-	-	-	-
GPS Marketing, TWG Related, Technology	-	-	-	-	-	-	-	-	-	-	-	-
Spectrum Management	100	100	100	100	100	100	100	100	100	100	100	100
Staffing Related (entire company)	2,201	2,261	2,179	2,275	2,254	2,171	2,227	2,150	2,205	2,328	9,639	2,278
Legal / Regulatory / Lobbying / Internatnl	1,193	1,141	1,193	1,193	1,193	1,141	1,193	1,193	1,193	1,141	1,193	1,193
Contingency for Legal/Regul/Lobbying/Int	60	57	60	60	60	57	60	60	60	57	60	60
Facilities/Telecom	696	696	696	696	696	696	696	696	696	696	696	696
G&A	332	494	539	373	396	339	475	440	419	350	448	4,485
Funds from Inc to pay LP expenses (in Ch.11)	-	-	-	-	-	-	-	-	-	-	-	-
Travel Expenses (entire company)	115	115	115	115	115	115	115	115	115	115	115	115
Other Items	1,275	1,275	1,362	1,932	1,572	1,434	1,365	1,680	2,017	1,425	1,425	1,425
Subtotal - USES (OPEX)	6,052	6,219	6,483	6,823	6,415	6,292	6,310	9,509	7,042	6,292	13,755	15,590
Uses (CAPEX)												
Boeing Payments	2,025	-	-	-	-	-	-	-	-	-	-	-
Launch Services	-	-	-	-	-	-	-	-	-	-	-	-
Qualcomm	-	-	-	-	-	-	-	-	-	-	-	-
Alcatel Lucent S-ETS	-	-	-	-	-	-	-	-	-	-	-	-
HNS	-	-	-	-	-	-	-	-	-	-	-	-
Sprint	-	-	-	-	-	-	-	-	-	-	-	-
1.6 GHz related (other than spectrum)	-	-	-	-	-	-	-	-	-	-	-	-
Current Network Maintenance/Capex	625	-	-	625	-	-	625	-	-	-	125	-
RAN (NSN)	-	-	-	-	-	-	-	-	-	-	-	-
Core	-	-	-	-	-	-	-	-	-	-	-	-
Lab / NOC / System Integration	-	-	-	-	-	-	-	-	-	-	-	-
BandRich	-	-	-	-	-	-	-	-	-	-	-	-
Any Data	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - USES (CAPEX)	2,650	-	-	625	-	-	625	-	-	-	125	-
Debt Service												
Cash Interest	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring Prof exclud W&C / Blackstone	753	1,853	753	753	753	1,853	753	753	753	1,853	753	753
LP Adequate Protection Payments	6,250	6,250	6,250	-	-	-	-	-	-	-	-	-
Total Uses	15,705	14,322	13,485	8,201	7,168	8,145	7,688	10,262	7,796	8,145	14,633	16,343
Ending Cash Balance Our Forecast	40,295	28,466	17,714	13,145	8,576	3,216	(748)	(8,481)	(13,633)	(19,418)	(31,549)	(45,346)

LightSquared Proprietary and Confidential

Schedule 2

Two-Year LightSquared Inc. Cashflow

LightSquared Inc. Consolidated

LightSquared Inc. Consolidated Rolling Monthly Cash Forecast - June 12, 2012 (\$K)
Cash Scenario: Consensual Cash Collateral Agreement

Quarter Month	1Q12			2Q12			3Q12			4Q12			1Q13		
	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Beginning Cash Balance	283,591	263,148	275,586	279,844	215,268	208,255	200,373	179,507	161,762	146,413	133,705	118,879	101,705	82,024	66,778
Sources															
Satellite Revenue	2,458	2,259	2,551	3,670	2,534	2,784	3,706	2,661	2,854	3,798	2,595	2,711	2,397	2,440	2,585
Terrestrial Revenue	-	245	-	-	-	-	-	(245)	-	-	-	-	-	-	-
Interest Income	31	39	35	23	22	21	28	26	25	23	22	21	20	23	21
Equity Financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend or Loan from LP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	1,157	1,809	139	-	-	-	-	-	-	-	-	-	-	-
Total Sources	2,489	3,659	4,495	3,892	2,556	2,805	3,734	2,443	2,878	3,822	2,617	2,732	2,416	2,463	2,606
Uses (OPEx)															
In-Orbit Insurance	-	862	-	862	-	-	-	862	-	-	3,155	-	-	-	-
ISAT Coop Agmt	-	-	-	56,250	-	-	-	-	-	-	-	-	-	-	-
1.6 GHz Lease & Related Payments	6,602	102	20	20	20	20	5,520	20	20	20	20	20	6,520	20	20
1.4 GHz Lease	2,000	2,000	-	-	-	-	-	-	-	-	-	-	-	-	-
L-Band network infrastructure	2	3	253	239	25	2	70	35	35	35	35	35	35	35	35
OSS / BSS	73	98	25	-	-	-	-	-	-	-	-	-	-	-	-
ERP	59	28	199	45	54	-	204	45	204	125	125	294	45	45	204
Partner Enablement	-	70	-	-	-	-	-	-	-	-	-	-	-	-	-
GPS Marketing, TWG Related, Technology	1,292	931	126	395	-	-	-	-	-	-	-	-	-	-	-
Spectrum Management	-	-	-	-	150	125	100	100	100	100	100	100	100	100	100
Staffing Related (entire company)	4,349	8,826	20,303	2,789	2,676	4,942	2,191	2,171	5,294	2,156	2,087	2,141	2,328	6,223	2,278
Legal / Regulatory / Lobbying / Internal	3,607	1,793	8,690	6,086	1,056	1,176	1,902	1,657	1,254	2,139	1,246	1,229	1,238	1,238	1,238
Contingency for Legal/Regul/Lobbying/ Int	-	-	-	-	53	59	95	83	63	107	62	61	62	62	62
Facilities/Telecom	499	527	538	513	145	1,127	696	696	696	696	696	696	696	696	696
G&A	717	623	7,307	485	649	(1,598)	972	545	488	624	626	598	525	623	6,907
Funds from Inc to pay LP expenses (fr. Ch.11)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel Expenses (entire company)	139	99	246	67	148	195	128	123	123	123	123	123	115	115	115
Other Items	1,534	1,232	2,189	1,226	1,462	2,352	1,876	2,128	1,546	1,477	1,581	941	1,355	1,275	1,431
Subtotal - USES (OPEx)	20,871	17,193	39,896	63,977	6,438	8,410	14,254	8,465	9,822	7,601	9,855	6,228	13,008	10,431	13,086
Boeing Payments	-	(206)	-	14	125	-	-	-	-	-	-	-	-	-	-
Launch Services	-	(34,806)	-	-	-	-	-	-	-	-	-	-	-	-	-
Qualcomm	-	406	-	40	760	-	380	-	-	-	-	-	-	-	-
Alcatel Lucent S-BTS	541	8,446	-	-	-	1,500	-	3,400	-	-	-	6,400	-	-	1,300
HNS	-	-	-	309	-	-	-	-	-	-	-	-	-	-	-
Sprint	-	-	(65,000)	(2,333)	-	-	-	-	-	-	-	-	-	-	-
1.6 GHz related (other than spectrum)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Network Maintenance/Capex	122	23	-	-	-	-	250	-	250	-	500	175	175	175	175
RAN (NSN)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Core	416	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lab / NOC / System Integration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BandRich	781	-	125	-	-	756	-	-	-	-	-	-	-	-	-
AnyData	-	-	250	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - USES (CAPEX)	1,860	(25,932)	(64,881)	(1,970)	885	2,256	630	3,400	250	-	500	6,575	800	175	1,475
Debt Service	-	-	25,023	1,400	2,245	22	3,466	2,072	1,906	2,679	838	853	2,029	853	853
Restructuring Prof excld WB&C / Blackstone	-	-	-	-	-	-	5,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250
Adequate Protection Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Uses	22,731	(8,739)	237	68,408	9,568	10,687	24,600	20,187	18,228	16,529	17,443	19,906	22,097	17,709	21,564
Ending Cash Balance Cur Forecast	263,148	275,586	279,844	215,268	208,255	200,373	179,507	161,762	146,413	133,705	118,879	101,705	82,024	66,778	47,720

LightSquared Inc. Consolidated Rolling Monthly Cash Scenario: Consensual Cash Collateral Agreement

Quarter Month	2013			2013			4Q13			1Q14		
	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14
Beginning Cash Balance	47,720	35,118	20,736	7,278	(2,438)	(9,372)	(15,343)	(26,938)	(35,189)	(40,852)	(47,274)	(59,912)
Sources												
Satellite Revenue	3,578	2,471	2,714	3,613	2,595	2,782	3,703	2,530	2,643	2,361	2,501	2,546
Terrestrial Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	19	22	20	18	4	3	20	-	-	-	-	-
Equity Financing	-	-	-	-	-	-	-	-	-	-	-	-
Debt Financing	-	-	-	-	-	-	-	-	-	-	-	-
Dividend or Loan from LP	-	-	-	-	-	-	-	-	-	-	-	-
Financing Fees	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Sources	3,597	2,493	2,734	3,631	2,599	2,785	3,724	2,530	2,643	2,361	2,501	2,546
Uses (OPEX)												
In-Orbit Insurance	-	-	-	-	-	-	-	2,997	-	-	-	-
ISAT Coop Agmt	-	-	-	-	-	-	-	-	-	-	-	5,000
1.6 GHz Lease & Related Payments	20	20	20	2,493	20	20	7,170	20	20	20	20	20
1.4 GHz Lease	-	-	-	-	-	-	-	-	-	-	-	-
L-band network infrastructure	35	35	35	35	35	35	35	35	35	35	35	35
OSS / BSS	-	-	-	-	-	-	-	-	-	-	-	-
ERP	45	45	204	45	45	204	45	45	204	45	45	204
Partner Enablement	-	-	-	-	-	-	-	-	-	-	-	-
GPS Marketing, TWG Related, Technology	-	-	-	-	-	-	-	-	-	-	-	-
Spectrum Management	100	100	100	100	100	100	100	100	100	100	100	100
Staffing Related (entire company)	2,201	2,261	2,179	2,275	2,254	2,171	2,227	2,150	2,205	2,328	9,689	2,278
Legal / Regulatory / Lobbying / Internatl	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238	1,238
Contingency for Legal/Regu/Lobbying/Int	62	62	62	62	62	62	62	62	62	62	62	62
Facilities/Telecom	696	696	696	696	696	696	696	696	696	696	696	696
GSMA	485	649	763	522	545	488	624	626	598	525	623	5,407
Funds from Inc to pay LP expenses (in Ch.11)	-	-	-	-	-	-	-	-	-	-	-	-
Travel Expenses (entire company)	115	115	115	115	115	115	115	115	115	115	115	115
Other Items	1,275	1,275	1,362	1,932	1,522	1,434	1,365	1,680	2,017	1,425	1,425	1,425
Subtotal - USES (OPEX)	6,272	6,495	6,773	9,512	6,681	6,563	13,576	9,763	7,289	6,589	13,997	15,579
Uses (CAPEX)												
Boeing Payments	2,025	-	-	-	-	-	-	-	-	-	-	-
Launch Services	-	-	-	-	-	-	-	-	-	-	-	-
Qualcomm	-	-	-	-	-	-	-	-	-	-	-	-
Alcatel Lucent S-BTS	-	-	-	-	-	-	-	-	-	-	-	-
HNS	-	-	-	-	-	-	-	-	-	-	-	-
Sprint	-	-	-	-	-	-	-	-	-	-	-	-
1.6 GHz related (other than spectrum)	175	2,100	2,316	2,357	2,048	165	165	165	165	165	165	165
Current Network Maintenance/Capex	625	-	-	625	-	-	625	-	-	-	125	-
RAN (NSN)	-	-	-	-	-	-	-	-	-	-	-	-
Core	-	-	-	-	-	-	-	-	-	-	-	-
Lab / NOC / System Integration	-	-	-	-	-	-	-	-	-	-	-	-
BandRich	-	-	-	-	-	-	-	-	-	-	-	-
AnyData	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - USES (CAPEX)	2,825	2,100	2,316	2,982	2,048	165	790	165	165	165	290	165
Debt Service Restructuring Related	-	-	-	-	-	-	-	-	-	-	-	-
Cash Interest	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring Prof excl W/C / Blackstone	853	2,029	853	853	853	2,029	853	853	853	2,029	853	853
Adequate Protection Payments	6,250	6,250	6,250	-	-	-	-	-	-	-	-	-
Total Uses	16,200	16,874	16,193	13,347	9,532	8,756	15,319	10,780	8,307	8,782	15,140	17,597
Ending Cash Balance Cur Forecast	35,118	20,736	7,278	(2,438)	(9,372)	(15,343)	(26,938)	(35,189)	(40,852)	(47,274)	(59,912)	(74,963)

LightSquared Proprietary and Confidential

LightSquared Inc. Standalone

LightSquared Inc. Standalone Rolling Monthly Cash Forecast - June 12, 2012 (\$K)
Cash Scenario: Consensual Cash Collateral Agreement

Quarter Month	1Q12			2Q12			3Q12			4Q12			1Q13		
	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13
Beginning Cash Balance	22,290	18,075	15,942	15,450	15,420	12,864	14,622	6,914	6,220	5,821	5,391	5,055	4,534	(2,670)	(3,192)
Sources															
Satellite Revenue	-	245	-	-	-	-	-	(245)	-	-	-	-	-	-	-
Terrestrial Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	2	2	2	2	2	1	2	1	1	1	1	1	1	1	-
Equity Financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend or Loan from LP	5,000	-	6,000	-	-	-	-	-	-	-	-	-	-	-	-
Financing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Sources	5,002	247	6,002	2	2	1	2	(244)	1	1	1	1	1	1	-
Uses (OPEx)															
In-Orbit Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ISAT Coop Agmt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.6 GHz Lease & Related Payments	6,602	102	20	20	20	20	6,520	20	20	20	20	20	6,520	20	20
1.4 GHz Lease	2,000	2,000	-	-	-	-	-	-	-	-	-	-	-	-	-
L-Band network Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
QSS / BSS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ERP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Partner Enablement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GPS Marketing, TWG Related, Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spectrum Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Staffing Related (entire company)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal / Regulatory / Lobbying / Internatnl	551	148	132	89	145	-	20	20	20	40	20	45	97	45	45
Contingency for Legal/Regul/Lobbying/ Int	-	-	-	-	7	-	1	1	1	2	1	2	5	2	2
Facilities/Telecom	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
G&A	64	129	6,343	(77)	155	223	609	149	149	149	186	179	231	179	1,147
Funds from Inc to pay LP expenses (in Ch.11)	-	-	-	-	2,000	(2,000)	-	-	-	-	-	-	-	-	-
Travel Expenses (entire company)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - USES (OPEx)	9,218	2,379	6,494	31	2,327	(1,757)	7,150	190	190	211	227	247	6,853	247	1,215
Uses (CAPEx)															
Boeing Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Launch Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Qualcomm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Alcatel Lucent S-BTS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HNS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sprint	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.6 GHz related (other than spectrum)	-	-	-	-	-	-	-	-	-	-	-	175	175	175	175
Current Network Maintenance/Capex	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RAIN (NSN)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Core	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lab / NOC / System Integration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BandRich	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
AnyData	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - USES (CAPEx)	-	-	-	-	-	-	-	-	-	-	-	175	175	175	175
Debt Service															
Cash Interest	-	-	-	-	232	-	560	260	210	220	110	100	176	100	100
Restructuring Professionals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adequate Protection Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Uses	9,218	2,379	6,494	31	2,558	(1,757)	7,710	450	400	431	337	522	7,204	522	1,480
Ending Cash Balance Cur Forecast	18,075	15,942	15,450	15,420	12,864	14,622	6,914	6,220	5,821	5,391	5,055	4,534	(2,670)	(3,192)	(4,681)

LightSquared Inc. Standalone Rolling Monthly Cash Scenario: Consensual Cash Collateral Agreement

Quarter	2013				3Q13				4Q13				1Q14			
	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-13	May-13	Jun-13	Jul-13
Beginning Cash Balance	(4,881)	(5,176)	(7,729)	(10,435)	(15,582)	(17,947)	(18,558)	(25,189)	(26,707)	(27,218)	(27,856)	(28,362)	(27,218)	(27,856)	(28,362)	(28,362)
Sources																
Satellite Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Terrestrial Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend or Loan from LP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financing Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Uses (OPEX)																
In-Orbit Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ISAT Coop Agmt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.6 GHz Lease & Related Payments	20	20	20	2,493	20	20	7,170	20	20	20	20	20	20	20	20	20
1.4 GHz Lease	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
L-Band network infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OSS / BSS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ERP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Partner Enablement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GPS Marketing, TWG Related, Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Spectrum Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Staffing Related (entire company)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal / Regulatory / Lobbying / Internatnl	45	97	45	45	45	97	45	45	45	97	45	45	97	45	45	45
Contingency for Legal/Regul/Lobbying/ Int	2	5	2	2	2	5	2	2	2	5	2	2	5	2	2	2
Facilities/Telecom	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
G&A	153	155	223	149	149	149	149	186	179	175	175	175	175	175	175	922
Funds from Inc to pay LP expenses (In Ch.11)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel Expenses (entire company)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - USES (OPEX)	220	276	291	2,689	216	271	7,366	253	247	297	242	990	297	242	990	990
Uses (CAPEX)																
Boeing Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Launch Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Qualcomm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Alcatel Lucent S-BTS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HINS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sprint	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.6 GHz related (other than spectrum)	175	2,100	2,316	2,357	2,048	165	165	165	165	165	165	165	165	165	165	165
Current Network Maintenance/Capex	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RAN (MSN)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Core	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lab / NOC / System Integration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BandRich	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
AnyData	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - USES (CAPEX)	175	2,100	2,316	2,357	2,048	165	165	165	165	165	165	165	165	165	165	165
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring Professionals	100	176	100	100	100	176	100	100	100	176	100	100	176	100	100	100
Adequate Protection Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Uses	495	2,552	2,707	5,147	2,365	611	7,631	518	511	637	507	1,254	637	507	1,254	1,254
Ending Cash Balance Cur Forecast	(5,176)	(7,729)	(10,435)	(15,582)	(17,947)	(18,558)	(25,189)	(26,707)	(27,218)	(27,856)	(28,362)	(28,362)	(27,856)	(28,362)	(28,362)	(28,362)

LightSquared Proprietary and Confidential

SCHEDULE “D”

**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
)	

**FINAL ORDER AUTHORIZING LIGHTSQUARED LP
TO ACT AS FOREIGN REPRESENTATIVE PURSUANT TO 11 U.S.C. § 1505**

Upon the motion (the “Motion”)² of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), for entry of an order (the “Final Order”), pursuant to sections 105 and 1505 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”), authorizing LightSquared LP (“LSLP”) to act as the Foreign Representative on behalf of the Debtors’ estates in any judicial or other proceedings in a foreign country, including in the Canadian Proceedings; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under

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

the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and the Montagner Declaration and having heard statements in support of the Motion at an interim hearing held before the Court on May 15, 2012 (the “Interim Hearing”); and the Court having entered an order on an interim basis (the “Interim Order”) on May 16, 2012 [Docket No. 42]; and the Court having heard statements in support of the Motion at a final hearing held before the Court on June 11, 2012 (the “Final Hearing”); and the Court having determined that the legal and factual bases set forth in the Motion and at the Final Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion is in the best interests of the Debtors’ estates, their creditors and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The Motion is granted on a final basis to the extent set forth herein.
2. LSLP is hereby authorized to act as the Foreign Representative on behalf of the Debtors’ estates in any judicial or other proceeding in a foreign country, including in the Canadian Proceedings. As a Foreign Representative, LSLP shall be authorized and shall have the power to act in any way permitted by applicable foreign law, including, but not limited to, (a) seeking recognition of these Chapter 11 Cases in the Canadian Proceedings, (b) requesting that the Canadian Court lend assistance to this Court in protecting the property of the Debtors’ estates, and (c) seeking any other appropriate relief from the Canadian Court that LSLP deems just and proper in the furtherance of the protection of the Debtors’ estates.

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion or in the Montagner Declaration, as applicable.

3. This Court requests the aid and assistance of the Canadian Court to recognize these Chapter 11 Cases as a “foreign main proceeding” and LSLP as a “foreign representative” pursuant to the CCAA, and to recognize and give full force and effect in all provinces and territories of Canada to this Final Order.

4. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Final Order in accordance with the Motion.

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

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

Dated: June 11, 2012
New York, New York

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

SCHEDULE “E”

**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
)	

**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**

Upon the motion (the "Motion")² of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), for entry of an interim order (the "Interim Order") and a final order (the "Final Order"), pursuant to sections 105(a), 345, 363, 364, 503, 507, 1107, and 1108 of title 11 of the United States Code §§ 101-1532 (as amended, the "Bankruptcy Code") and Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), (a) authorizing the Debtors to (i) continue use of their existing cash management systems, bank accounts, and business forms, (ii) open new debtor in possession bank accounts with authorized

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

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion or the Montagner Declaration, as applicable.

depository banks or close any existing bank accounts as the Debtors deem necessary and appropriate in their sole discretion, and (iii) continue performing ordinary course Intercompany Transactions (as defined below) and (b) waiving the investment guidelines of section 345(b) of the Bankruptcy Code, all as more fully set forth in the Motion; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and the Montagner Declaration and having heard statements in support of the Motion at an interim hearing held before the Court on May 15, 2012 (the “Interim Hearing”); and the Court having entered the Interim Order on May 15, 2012 [Docket No. 36]; and the Court having heard statements in support of the Motion at a final hearing before the Court on June 11, 2012 (the “Final Hearing”); and the Court having determined that the legal and factual bases set forth in the Motion and at the Final Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The Motion is granted on a final basis to the extent provided herein.
2. The Debtors are authorized to: (a) continue to use the Cash Management Systems and the Bank Accounts, with the same account numbers, in existence on the Petition

Date, including, without limitation, those accounts identified on Schedule 1 attached hereto, (b) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession, (c) if needed, open new debtor in possession accounts with authorized depository banks or close any existing accounts as the Debtors may deem necessary and appropriate in their sole discretion; provided, however, that the Debtors shall give notice to the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee"), any statutory committees appointed in these Chapter 11 Cases, and counsel to the agents for the Debtors' prepetition secured lenders prior to opening or closing a Bank Account, and (d) use, in their present form, all correspondence and business forms (including, without limitation, checks, business cards, letterhead, purchase orders, and invoices) and other documents related to the Bank Accounts, without reference to their status as debtors in possession; provided, however, that the Debtors shall obtain a stamp that they will use to indicate their status as debtors in possession and will also immediately update their computer-generated checks to reflect same. The Debtors shall maintain accurate records of all transfers within the Cash Management System so that all postpetition transfers and transactions shall be adequately and promptly documented in, and readily ascertainable from, their books and records, to the same extent by the Debtors before the Petition Date.

3. Except as otherwise expressly provided in this Final Order, the Cash Management Banks are authorized and directed to continue to service and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course, and to receive, process, honor, and pay any and all checks, drafts, wires, credit cards, purchase cards, and automated clearing house transfers issued, payable through, or drawn on the Bank Accounts after the Petition Date by the holders, makers, or other parties entitled to

issue instructions with respect thereto, as the case may be; provided, however, that any check, advice, draft, or other notification drawn or issued by the Debtors before the Petition Date may be honored by any bank only if specifically authorized by order of this Court.

4. The Cash Management Banks are authorized to debit the Debtors' accounts in the ordinary course of business without the need for further order of this Court on account of: (a) all checks drawn on the Debtors' accounts, which are cashed at such Cash Management Banks or exchanged for cashier's checks by the payees thereof prior to the Petition Date, (b) all checks or other items deposited in one of the Debtors' accounts with such Cash Management Bank prior to the Petition Date, which have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtor was responsible for such items prior to the Petition Date, and (c) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Cash Management Bank as service charges for the maintenance of the Cash Management Systems.

5. Notwithstanding any other provision of this Final Order, no Cash Management Bank that honors a prepetition check or other item drawn on any account that is the subject of this Final Order (a) at the direction of the Debtors, (b) in a good faith belief that the Court has authorized such prepetition check or item to be honored, or (c) as the result of an innocent mistake made despite implementation of reasonable item-handling procedures, shall be deemed to be liable to the Debtors or their estates or otherwise in violation of this Final Order.

6. The Cash Management Banks are authorized to charge, and the Debtors are authorized to pay, honor, or allow the Bank Fees and charge back returned items to the Bank Accounts in the ordinary course.

7. Nothing herein shall authorize the Debtors to use the “cash collateral” (as such term is defined in Section 363 of the Bankruptcy Code) in which the Prepetition LP Lenders and the Prepetition LP Agent (collectively, the “Prepetition LP Secured Parties”) or the Prepetition Inc. Lenders and the Prepetition Inc. Agent (collectively, the “Prepetition Inc. Secured Parties”) have an interest (the “Cash Collateral”) absent the consent of the Prepetition LP Secured Parties or the Prepetition Inc. Secured Parties, as applicable, or a separate order of this Court. Further, notwithstanding anything herein, the entry of this Final 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 (including making a request for adequate protection *nunc pro tunc* to the Petition Date) of the Debtors, the Prepetition LP Agent, the ad hoc secured group of Prepetition LP Lenders, the Prepetition Inc. Agent, or any Prepetition Inc. Lender in connection with the Debtors’ use of \$15 million of cash held by the Inc. Group as of the Petition Date; provided, however, that each of the ad hoc secured group of Prepetition LP Lenders and the Prepetition Inc. Secured Parties consent to the Debtors’ use of that portion of the unencumbered \$15 million of cash held by the Inc. Group that is expended.

8. The application of the deposit and investment guidelines set forth in section 345 of the Bankruptcy Code are hereby waived to permit the Debtors to continue to maintain their deposits and their investments in the same or similar manner they did so prior to the Petition Date; provided, however, that the Debtors will use their reasonable best efforts to conform their investment practices to, or otherwise comply with, section 345(b) of the Bankruptcy Code within forty-five (45) days of the entry of the Interim Order (or such later time as may be agreed to by the U.S. Trustee); provided further, however, that the Debtors reserve the right to seek a modification of such investment guidelines to use other investment practices with

the consent of the U.S. Trustee and any official committee of unsecured creditors or as otherwise ordered by the Court.

9. The Debtors are authorized to continue performing their respective obligations, commitments, and transactions constituting Intercompany Transactions in the ordinary course of the business. The Debtors shall maintain accurate records of all Intercompany Transactions such that all postpetition transfers and transactions shall be adequately and promptly documented in, and readily ascertainable from, their books and records.

10. The Debtors and their non-Debtor affiliates are expressly authorized to set off postpetition obligations arising on account of Intercompany Transactions between a Debtor and another Debtor or between a Debtor and a non-Debtor affiliate. The Debtors shall provide a monthly accounting of any such Intercompany Transactions, including the obligor, obligee, amount, purposes for which any Intercompany Transaction was incurred, and any postpetition setoffs to (a) any official committee appointed in these Chapter 11 Cases and (b) counsel to the Prepetition Inc. Agent and counsel to the Prepetition LP Agent. No provision of this Final Order or any financing order shall impair or otherwise prejudice the ability of the Court to fashion a legal or equitable remedy in the event that such setoff or incurrence of an Intercompany Transaction is successfully challenged by any party in interest.

11. Subject to the provisions of any order authorizing postpetition financing or the use of Cash Collateral in these Chapter 11 Cases, all Intercompany Claims arising after the Petition Date owed by an individual Debtor to another individual Debtor or a non-Debtor affiliate shall be accorded administrative expense priority in accordance with sections 503(b) and 507(a)(2) of the Bankruptcy Code; provided, however, (a) all Intercompany Claims against LightSquared LP, the Prepetition LP Guarantors, and the Prepetition LP Subsidiary Guarantors

shall be junior and subordinate and subject to any and all claims of the Prepetition LP Secured Parties and (b) all Intercompany Claims against LightSquared Inc. and the Prepetition Inc. Subsidiary Guarantors shall be junior and subordinate and subject to any and all claims of the Prepetition Inc. Secured Parties.

12. The Cash Management Banks are authorized to pay obligations in accordance with this or any separate order of this Court.

13. Except as otherwise provided in this Final Order or in a separate order of this Court, the Cash Management Banks shall not honor or pay any payments drawn on the listed Bank Accounts or otherwise issued prior to the Petition Date.

14. As soon as practicable after entry of this Final Order, the Debtors shall serve a copy of this Final Order on the Cash Management Banks.

15. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion, and the requirements of Bankruptcy Rule 6004(a) are satisfied by such notice.

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

17. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Final Order in accordance with the Motion.

18. The requirements set forth in Local Rule 9013-1(a) are satisfied.

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

Dated: June 11, 2012
New York, New York

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

Schedule 1

Bank Accounts

Entity	Bank	Account Number	Type	Contact	Address
LightSquared Inc.	SunTrust Bank	XXXXXXXXXX2103	Operating/ Disbursement	Matt Pallo ph (703) 442-1617 fax (703) 442-1626	8330 Boone Blvd. Ste 700 Vienna, VA 22182
LightSquared Inc.	RBC	XXX X3416	Investment	Marina Galli ph (415) 445-8519 fax (415) 445-8452	345 California St. San Francisco, CA 94104
LightSquared Inc.	Bank of America	XXXXXXXXXX4676	Restricted CD	Vicky Gindes (301) 517-3185	1101 Wooton Pkwy 4th fl. Rockville, MA 20852
LightSquared LP	SunTrust Bank	XXXXXX3272	Operating/ Disbursement	Matt Pallo ph (703) 442-1617 fax (703) 442-1626	8330 Boone Blvd. Ste 700 Vienna, VA 22182
LightSquared LP	RBC	XXX X3498	Investment	Marina Galli ph 415 445-8519 fax 415 445-8452	345 California St. San Francisco, CA 94104
LightSquared LP	Morgan Stanley	XXXXXX0350	Investment	Matt O'Haren 415-955-1577	555 California St. 35th Fl San Francisco, CA 94104
LightSquared LP	Comerica	XXXXXX9959	Restricted	Gina M. Gautier (703) 464-7237 (703) 467-9308	11921 Freedom Drive Suite 920 Reston, VA 20190
LightSquared LP	SunTrust Bank	X3051CAD	Inactive Foreign Exchange Deposit	Michael Pensky Ph 877-726-9733 Fax 404-926-5777	3333 Peachtree Rd NE, 11th Fl Atlanta, GA 30326
LightSquared LP	SunTrust Bank	X3051EUR	Inactive Foreign Exchange Deposit	Michael Pensky Ph 877-726-9733 Fax 404-926-5777	3333 Peachtree Rd NE, 11th Fl Atlanta, GA 30326
LightSquared LP	Wells Fargo	XX5576EUR	Foreign Exchange Deposit	675576EUR	301 S. College, Fl 07 Charlotte, NC 28202
LightSquared Corp.	ScotiaBank	XXXX XX9411	U.S. Dollar Disbursement	Borys Terebenec (416) 866-7704 or Lidia Dias (647) 288-1858 ext 81802	44 King Street West Toronto, ON Canada M5H 1H1
LightSquared Corp.	ScotiaBank	XXXXXX XXX15 18	Investment	Borys Terebenec (416) 866-7704 or Lidia Dias (647) 288-1858 ext 81802	44 King Street West Toronto, ON Canada M5H 1H1
LightSquared Corp.	SunTrust Bank	XXXXXXXXXX9842	Canadian Dollar Disbursement	Matt Pallo ph (703) 442-1617 fax (703) 442-1626	8330 Boone Blvd. Ste 700 Vienna, VA 22182

Entity	Bank	Account Number	Type	Contact	Address
One Dot Six Corp.	SunTrust Bank	XXXXXXXXXX3130	Operating/ Disbursement	Matt Pallo ph (703) 442-1617 fax (703) 442-1626	8330 Boone Blvd. Ste 700 Vienna, VA 22182
LightSquared Network LLC	SunTrust Bank	XXXXXXXXXX9354	Operating/ Disbursement	Matt Pallo ph (703) 442-1617 fax (703) 442-1626	8330 Boone Blvd. Ste 700 Vienna, VA 22182
TMI Communications Delaware, Limited Partnership	RBC	XXX X3506	Investment	Marina Galli ph 415 445-8519 fax 415 445-8452	345 California St. San Francisco, CA 94104

SCHEDULE “F”

**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
)	

**FINAL ORDER (A) AUTHORIZING, BUT NOT DIRECTING, DEBTORS
TO (I) PAY CERTAIN PREPETITION WAGES AND REIMBURSABLE
EMPLOYEE EXPENSES, (II) PAY AND HONOR EMPLOYEE BENEFITS, AND
(III) CONTINUE EMPLOYEE BENEFITS PROGRAMS AND
(B) AUTHORIZING AND DIRECTING FINANCIAL INSTITUTIONS TO
HONOR ALL RELATED CHECKS AND ELECTRONIC PAYMENT REQUESTS**

Upon the motion (the “Motion”)² of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), for entry of an interim order (the “Interim Order”) and a final order (the “Final Order”), pursuant to sections 105(a), 363(b), 507(a)(4)-(a)(5), 1107(a), 1108, and 1129(a)(9)(B) of title 11 of the United States Code, 11 U.S.C. §§101-1532 (as amended, the “Bankruptcy Code”) and Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), (a) authorizing the Debtors to (i) pay certain prepetition wages, salaries, and other compensation, such as the non-insider bonus program, taxes, withholdings, and reimbursable expenses, (ii) pay and honor obligations relating to medical, severance, and

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

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion or in the Montagner Declaration, as applicable.

other benefits programs, and (iii) continue their employee benefits programs on a postpetition basis (collectively and as further described in the Motion, the “Employee Obligations”), and (b) authorizing and directing financial institutions to receive, process, honor, and pay all checks issued and electronic requests made relating to the foregoing, all as more fully set forth in the Motion; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and the Montagner Declaration and having heard statements in support of the Motion at an interim hearing held before the Court on May 15, 2012 (the “Interim Hearing”); and the Court having entered the Interim Order on May 16, 2012 [Docket No. 38]; and the Court having heard statements in support of the Motion at a final hearing held before the Court on June 11, 2012 (the “Final Hearing”); and the Court having determined that the legal and factual bases set forth in the Motion and at the Final Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The Motion is granted on a final basis to the extent set forth herein.
2. The Debtors are authorized and empowered, but not directed, to honor and pay, in accordance with the Debtors’ prepetition policies and practices and in the Debtors’ sole

discretion (subject to the terms of this Final Order), prepetition amounts outstanding, if any, on account of the Employee Obligations. The Debtors will make no payments to Employees of amounts greater than \$11,725 for each individual on account of prepetition wages, salaries, or commissions, including vacation, severance, and sick leave pay.

3. The Debtors are authorized and empowered, but not directed, to continue to fulfill the Employee Obligations in the ordinary course of business on a postpetition basis, in accordance with the Debtors' prepetition policies and practices and in the Debtors' sole discretion (subject to the terms of this Final Order), and to pay and honor claims related thereto. For avoidance of doubt, the term Employee Obligations referenced in this Final Order shall not include the Senior Management Incentive Plan.

4. The Debtors are authorized and empowered, but not directed, to pay all postpetition costs and expenses incidental to payment of the Employee Obligations, including all administrative and processing costs and payments to outside professionals in the ordinary course of business.

5. The Debtors are authorized and empowered to forward any unpaid amounts on account of Deductions or Payroll Taxes to the appropriate third party recipients or taxing authorities in accordance with the Debtors' prepetition policies and practices.

6. Pursuant to section 362(d) of the Bankruptcy Code, (a) Employees are authorized to proceed with their workers' compensation claims in the appropriate judicial or administrative forum under the Workers' Compensation Program, and the Debtors are authorized to take all steps necessary and appropriate with respect to the resolution of any such claims, and (b) the notice requirements pursuant to Bankruptcy Rule 4001(d) with respect to clause (a) are waived, provided that such claims are pursued in accordance with the Workers' Compensation

Programs and recoveries, if any, are limited to the proceeds from the applicable Workers' Compensation Program. This modification of the automatic stay pertains solely to claims under the Workers' Compensation Program.

7. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the Employee Obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment (to the extent of funds on deposit), and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Final Order.

8. The Debtors are authorized and empowered, in their sole discretion, to issue new postpetition checks, or effect new funds transfers on account of the Employee Obligations to replace any prepetition checks or funds transfer requests issued that may be lost or dishonored or rejected as a result of the commencement of these Chapter 11 Cases.

9. The banks and financial institutions subject to this Final Order shall have no liability in connection with honoring any prepetition checks or funds transfer requests contemplated by this Final Order.

10. Nothing in this Final Order or any action taken by the Debtors in furtherance of the implementation hereof shall be deemed an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code, and the Debtors' rights with respect to such matters are expressly reserved.

11. Nothing in the Motion or this Final Order, nor the Debtors' payment of claims pursuant to this Interim Order, shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver or impairment of the Debtors' rights to contest the

validity or amount of any claim on any grounds, (c) a promise to pay any claim, or (d) an implication or admission by the Debtors that such claim is payable pursuant to this Interim Order.

12. Notwithstanding the possible applicability of Bankruptcy Rules 6004(a), 6004(h), or otherwise, this Final Order shall be immediately effective and enforceable upon its entry.

13. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Final Order, in accordance with the Motion.

14. The requirements set forth in Local Rule 9013-1 are satisfied.

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

Dated: June 11, 2012
New York, New York

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

SCHEDULE “G”

**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
)	

**FINAL ORDER (A) AUTHORIZING, BUT NOT DIRECTING,
(I) CONTINUATION OF DEBTORS' INSURANCE POLICIES AND
(II) PAYMENT OF CERTAIN OBLIGATIONS IN RESPECT THEREOF AND
(B) AUTHORIZING AND DIRECTING FINANCIAL INSTITUTIONS TO HONOR ALL
RELATED CHECKS AND ELECTRONIC PAYMENT REQUESTS**

Upon the motion (the "Motion")² of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"), for entry of an interim order (the "Interim Order") and a final order (the "Final Order"), pursuant to sections 105(a), 363(b), 1107, and 1108 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code") and rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), (a) authorizing, but not directing, the Debtors, in their sole discretion, to (i) maintain and continue to honor certain insurance programs and policies (including the renewal of those policies and agreements due to expire during these Chapter 11 Cases) and (ii) pay certain

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

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion or the Montagner Declaration, as applicable.

obligations in respect thereof including, without limitation, the payment of all premiums, premium financing payments, claims, deductibles, administrative expenses, and all other charges and expenses incurred, on an uninterrupted basis, consistent with the Debtors' practices in effect prior to the commencement of the Debtors' Chapter 11 Cases, whether relating to the period prior to or after the commencement of these Chapter 11 Cases, and (b) authorizing and directing financial institutions to receive, process, honor, and pay all checks issued and electronic requests made relating to the foregoing, all as more fully set forth in the Motion; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and the Montagner Declaration and having heard statements in support of the Motion at an interim hearing held before the Court on May 15, 2012 (the "Interim Hearing"); and the Court having entered the Interim Order on May 16, 2012 [Docket No. 41]; and the Court having heard statements in support of the Motion at a final hearing held before the Court on June 11, 2012 (the "Final Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Final Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The Motion is granted on a final basis to the extent set forth herein.
2. The Debtors are authorized, but not required, in their sole discretion, to maintain, continue, and renew the Insurance Programs on an uninterrupted basis and in accordance with the same practices and procedures as were in effect prior to the commencement of the Chapter 11 Cases.
3. The Debtors are authorized, but not directed, in their sole discretion, to pay any and all Insurance Obligations related to the Policies to the extent that the Debtors determine that such payments are necessary or appropriate, including those Insurance Obligations that were due and payable or related to the period before the commencement of these Chapter 11 Cases, without further notice or order of the Court.
4. The Debtors are authorized, but not directed, in their sole discretion, to revise, extend, supplement, or change insurance coverage as needed, including entering into new insurance policies (*e.g.*, through renewal of the Policies or purchase of new policies).
5. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition Insurance Obligations approved herein are authorized and directed to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment (to the extent of funds on deposit), and that all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Final Order.
6. The Debtors are authorized, but not directed, in their sole discretion, to issue new postpetition checks, or effect new funds transfers, on account of the Insurance Obligations, to replace any prepetition checks or electronic funds transfer requests issued that

may be lost or dishonored or rejected as a result of the commencement of these Chapter 11 Cases.

7. The banks and financial institutions subject to this Final Order shall have no liability in connection with honoring any prepetition checks or funds transfer requests contemplated by this Final Order.

8. Nothing in this Final Order or any action taken by the Debtors in furtherance of the implementation hereof shall be deemed an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code, and the Debtors' rights with respect to such matters are expressly reserved.

9. Nothing in the Motion or this Final Order, nor the Debtors' payment of claims pursuant to this Final Order, shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver or impairment of the Debtors' rights to contest the validity or amount of any claim on any grounds, (c) a promise to pay any claim, or (d) an implication or admission by the Debtors that such claim is payable pursuant to this Final Order.

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

11. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Final Order in accordance with the Motion.

12. The requirements set forth in Local Rule 9013-1(a) are satisfied.

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

Dated: June 11, 2012
New York, New York

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

SCHEDULE “H”

**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
)	

**FINAL ORDER (A) AUTHORIZING, BUT NOT DIRECTING, DEBTORS
TO PAY TAXES AND FEES AND (B) AUTHORIZING AND DIRECTING
FINANCIAL INSTITUTIONS TO HONOR ALL RELATED CHECKS
AND ELECTRONIC PAYMENT REQUESTS**

Upon the motion (the “Motion”)² of LightSquared Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”), for entry of an interim order (the “Interim Order”) and a final order (the “Final Order”), pursuant to sections 105(a), 363(b), 507(a)(8), 541, 1107(a), and 1108 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”) and Rules 1007(c), 6003, 6004, and 9006(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), (a) authorizing, but not directing, the Debtors to pay certain business, corporate, franchise, partnership, personal property, provincial, capital, non-resident withholding, sales and use, goods and services, harmonized sales, excise, and other taxes, as well as certain annual reporting fees, FCC Fees, and Canadian Regulatory Fees, and (b) authorizing

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

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion or in the Montagner Declaration, as applicable.

and directing financial institutions to receive, process, honor, and pay all checks issued and electronic requests made relating to the foregoing, all as more fully set forth in the Motion; and upon the Montagner Declaration; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and the Motion in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion appearing adequate and appropriate under the circumstances; and the Court having found that no other or further notice is needed or necessary; and the Court having reviewed the Motion and the Montagner Declaration and having heard statements in support of the Motion at an interim hearing held before the Court on May 15, 2012 (the “Interim Hearing”); and the Court having entered the Interim Order on May 16, 2012 [Docket No. 39]; and the Court having heard statements in support of the Motion at a final hearing held before the Court on June 11, 2012 (the “Final Hearing”); and the Court having determined that the legal and factual bases set forth in the Motion and at the Final Hearing establish just cause for the relief granted herein; and it appearing, and the Court having found, that the relief requested in the Motion is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and any objections to the relief requested in the Motion having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby **ORDERED** that:

1. The Motion is granted on a final basis to the extent set forth herein.
2. The Debtors are authorized and empowered, but not directed, in their sole discretion, to pay all Taxes and Fees in the ordinary course of their businesses, including all Taxes and Fees subsequently determined upon audit to be owed for periods prior to the Petition

Date, to the proper Taxing and Regulatory Authorities, including but not limited to those Authorities listed on Schedule 1 attached hereto.³

3. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the Taxes and Fees approved herein are authorized and directed to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment (to the extent of funds on deposit), and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Final Order.

4. The Debtors are authorized, but not directed, in their sole discretion, to issue new postpetition checks, or effect new funds transfers, on account of the Taxes and Fees, to replace any prepetition checks or funds transfer requests issued that are dishonored or rejected as a result of the commencement of these Chapter 11 Cases.

5. The banks and financial institutions subject to this Final Order shall have no liability in connection with honoring any prepetition checks or funds transfer requests contemplated by this Final Order.

6. Neither the Debtors nor any other party in interest concedes the extent or validity of any liens (contractual, common law, statutory, or otherwise) asserted on account of unpaid Taxes and Fees, and the Debtors expressly reserve the right to contest the extent, validity, or perfection, or seek the avoidance, of all such liens.

7. Nothing in this Final Order or any action taken by the Debtors in furtherance of the implementation hereof shall be deemed an assumption or rejection of any

³ Schedule 1 contains a non-exclusive list of Authorities and the Taxes and Fees that the Debtors collect and/or incur on behalf of each of the Authorities. The relief granted in this Order applies to all Authorities for which the Debtors collect and/or incur Taxes and Fees and is not limited solely to those Authorities included in Schedule 1.

executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code, and the Debtors' rights with respect to such matters are expressly reserved.

8. Nothing in the Motion or this Final Order, nor the Debtors' payment of claims pursuant to this Final Order, shall be construed as (a) an admission as to the validity of any claim against the Debtors, (b) a waiver or impairment of the Debtors' rights to contest the validity or amount of any claim on any grounds, (c) a promise to pay any claim, or (d) an implication or admission by the Debtors that such claim is payable as Taxes and Fees pursuant to this Final Order.

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

10. The Debtors are authorized and empowered to take all actions necessary to effectuate the relief granted pursuant to this Final Order in accordance with the Motion.

11. The requirements set forth in Local Rule 9013-1 are satisfied.

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

Dated: June 11, 2012
New York, New York

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

Schedule 1

List of Authorities

Authorities¹

Type of Tax or Fee	Taxing or Regulatory Authority	Contact Information	Amount Accrued and Owing as of Petition Date
Sales and Use Tax	Virginia Department of Taxation	PO Box 26626 Richmond, VA 23261-6626	\$350
Sales Tax	NYS Department of Taxation and Finance	NYS Department of Taxation and Finance, Sales Tax W.A. Harriman Campus Albany, NY 12227	\$50
Sales Tax	Arizona Department of Revenue	License and Registration Section Department of Revenue Phoenix, AZ 85007	\$85
Sales Tax	Arkansas Department of Finance	P.O. Box 3215 Little Rock, AR 72203	\$85
Sales Tax	Florida Dept. of Revenue	P.O. Box 6520 Tallahassee, FL 32314-6520	\$85
Sales Tax	Illinois Department of Revenue	PO Box 19019 Springfield, IL 62794-9019	\$100
Sales Tax	Kentucky Department of Revenue	KY Department of Revenue Frankfort, KY 40620	\$20
Sales Tax	Comptroller of Maryland	Revenue Administration Division 110 Carroll St. Annapolis, MD 21411	\$450
Sales Tax	Massachusetts Department of Revenue	PO Box 7039 Boston, MA 02204-7036	\$10
Sales Tax	Missouri Department Of Revenue	Taxation Division PO Box 840 Jefferson City, MO 65105-840	\$50
Sales Tax	Mississippi State Tax Commission	PO Box 960 Jackson, MS 39205	\$85
Sales Tax	Nebraska Department Of Revenue	PO Box 98923 Lincoln, NE 68509-8923	\$125
Sales Tax	New Jersey Sales And Use Tax	PO Box 999 Trenton, NJ 08646-0999	\$20
Sales Tax	North Carolina Department Of	PO Box 25000 Raleigh, NC 27640-0700	\$1,250

¹ This list contains a non-exclusive list of Authorities and the Taxes and Fees that the Debtors collect and/or incur on behalf of each of the Authorities. The relief granted in this Order applies to all Authorities for which the Debtors collect and/or incur Taxes and Fees and is not limited solely to those Authorities included in this list.

Type of Tax or Fee	Taxing or Regulatory Authority	Contact Information	Amount Accrued and Owing as of Petition Date
	Revenue		
Sales Tax	Tennessee Department of Revenue	Andrew Jackson Office Building 500 Deaderick St. Nashville, TN 37242	\$100
Sales Tax	Texas Comptroller Of Public Accounts	PO Box 13528 Austin, TX 78711-3528	\$10
Sales Tax	Washington Department Of Revenue	State Of Washington PO Box 34052 Seattle, WA 98124-1052	\$250
State Corporate and Partnership Income Tax	Alaska Department of Revenue	Tax Division P.O. Box 110420, Juneau, AK 99811-0420	\$0
State Corporate Income Tax	Arkansas Corporation Income Tax	P.O. Box 919 Little Rock, AR 72203-0919	\$0
State Corporate and Partnership Income Tax	State of California Franchise Tax Board	P.O. Box 942857, Sacramento, CA 94257-0600	\$0
State Corporate and Partnership Income Tax	Colorado Department of Revenue	1375 Sherman St., Denver, CO 80261-0006	\$0
State Corporate and Partnership Income Tax	Florida Department of Revenue	5050 W. Tennessee St., Tallahassee, FL 32399-0135	\$0
State Corporate and Partnership Income Tax	Illinois Department of Revenue	P.O. Box 19031, Springfield, IL 62794-9031	\$0
State Corporate and Partnership Income Tax	Kansas Corporate Tax	915 SW Harrison St., Topeka, KS 66699-4000	\$0
State Corporate and Partnership Income Tax	Kentucky Department of Revenue	Kentucky Department of Revenue Frankfort, KY 40620	\$0
State Corporate and Partnership Income Tax	Louisiana Department of Revenue	P. O. Box 3440, Baton Rouge, LA 70821-3440	\$0
State Corporate and Partnership Income Tax	Massachusetts DOR	P.O. Box 7017, Boston, MA 02204-- 7000	\$0
State Corporate and Partnership Income Tax	Comptroller of Maryland	Comptroller of Maryland Revenue Administration Division, Annapolis, Maryland 21411-0001	\$0
State Corporate and Partnership	Missouri Department of Revenue	P.O. Box 3000, Jefferson City, MO 65105-3000	\$0

Type of Tax or Fee	Taxing or Regulatory Authority	Contact Information	Amount Accrued and Owing as of Petition Date
Income Tax			
State Corporate and Partnership Income Tax	Mississippi Office of Revenue	P.O. Box 23050, Jackson, MS 39225-3050	\$0
State Corporate and Partnership Income Tax	Montana Department of Revenue	P.O. Box 8021, Helena, MT 59604-8021	\$0
State Corporate and Partnership Income Tax	NC Department of Revenue	P.O. Box 25000, Raleigh, NC 27640-0645	\$0
State Corporate and Partnership Income Tax	Nebraska Department of Revenue	P.O. Box 94818, Lincoln NE 68509-4818	\$0
State Corporate and Partnership Income Tax	New York State Processing Center	P.O. Box 61000, Albany, NY 12261-0001	\$0
State Corporate and Partnership Income Tax	Oklahoma Tax Commission	Income Tax, P.O. Box 26800, Oklahoma City, OK 73126-0800	\$0
State Corporate and Partnership Income Tax	PA Department of Revenue	Bureau of Individual Taxes, P.O. Box 280509, Harrisburg, PA 17128-0509	\$0
State Corporate and Partnership Income Tax	SCDOR, Partnership Return	SCDOR, Partnership Return Columbia, SC 29214-0008	\$0
State Corporate and Partnership Income Tax	Tennessee Department of Revenue	Andrew Jackson State Office Building, 500 Deaderick Street, Nashville, TN 37242	\$0
State Corporate and Partnership Income Tax	Texas Comptroller Of Public Accounts	PO Box 149348 Austin, TX 78714-9348	\$0
State Corporate and Partnership Income Tax	Utah State Tax Commission	210 N 1950, W Salt Lake City, UT 84134-0270	\$0
State Corporate and Partnership Income Tax	Virginia Department of Taxation	P.O. Box 1500 Richmond, Virginia 23218-1500	\$50,000 * * Inclusive of communications minimum and gross receipts.
Property Tax	County of Fairfax	Department of Tax Administration Fairfax, Virginia 22035	Unknown
Property Tax	Dallas County Tax Office	John R. Ames, CTA Tax Assessor/Collector 500 Elm Street, Dallas, TX 75202	Unknown
Property Tax	Napa County	Tamie R. Frasier Treasurer-Tax Collector	Unknown

Type of Tax or Fee	Taxing or Regulatory Authority	Contact Information	Amount Accrued and Owing as of Petition Date
		1195 Third Street Suite 108 Napa, CA 94559-3050	
City Income Tax	New York City's Department of Finance	P.O. Box 5060, Kingston, NY 12402-5060	\$0
Canadian Income Tax	Canada Revenue Agency	Sudbury Tax Centre 1050 Notre Dame Avenue, Sudbury ON Canada P3A 5C1	\$0
Canadian Goods and Services Tax	Canada Revenue Agency	Tax Centre PO Box 6000 STN Main, Shawinigan-SUD QC Canada G9N 7W2	\$0
Canadian Provincial Taxes, Sales and Income Taxes	Saskatchewan Finance	2350 Albert Street Regina, Saskatchewan Canada S4P 4A6	\$0

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
(JUNE 14, 2012)**

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