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

In re:)	Chapter 11
)	
TERRESTAR NETWORKS INC., <i>et al.</i> , ¹)	Case No. 10-15446 (SHL)
)	
Debtors.)	Jointly Administered
)	

**NOTICE OF FILING OF REVISED JOINT CHAPTER 11 PLAN OF
TERRESTAR NETWORKS INC., ET AL.**

PLEASE TAKE NOTICE that to provide clarity to all parties in interest, the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) are filing the attached solicitation version of the *Joint Chapter 11 Plan of TerreStar Networks Inc., et al.* (as amended from time to time, the “**Plan**”). A copy of the solicitation version of the Plan is attached hereto as Exhibit 1, and a copy marked against the version filed with the Court on December 19, 2011, is attached hereto as Exhibit 2. The Debtors have filed a copy of the revised *Disclosure Statement for the Joint Chapter 11 Plan of TerreStar Networks Inc., et al.*, together with a similarly marked copy, with the Court concurrently herewith.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal taxpayer-identification number, are: TerreStar Networks Inc. (3931), TerreStar License Inc. (6537), TerreStar National Services Inc. (6319), TerreStar Networks Holdings (Canada) Inc. (1337), TerreStar Networks (Canada) Inc. (8766); and 0887729 B.C. Ltd. (1345).

PLEASE TAKE FURTHER NOTICE that a hearing to consider confirmation of the Plan will be held before the Honorable Sean H. Lane, United States Bankruptcy Judge, at the Courthouse, Alexander Hamilton Custom House, One Bowling Green, Room 701, New York, New York 10004 (the “Bankruptcy Court”) on February 13, 2012 at 10:00 a.m. (prevailing Eastern Time).

PLEASE TAKE FURTHER NOTICE that the deadline for filing objections to the Plan is **February 1, 2012 at 5:00 p.m. (prevailing Eastern Time)** (the “*Plan Objection Deadline*”). Any objections to the Plan must: (a) be in writing; (b) conform to the Bankruptcy Rules, the Local Rules and any orders of this Court; (c) state the name and address of the objecting party and the amount and nature of such party’s Claim or Equity Interest; (d) state with particularity the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection; and (e) be filed, contemporaneously with a proof of service, with the Court and served so that it is **actually received** on or before the Plan Objection Deadline by the following parties: (i) counsel to the Debtors, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036, Attn: Ira S. Dizengoff, Esq., Arik Preis, Esq. and Ashleigh L. Blaylock, Esq.; (ii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Susan Golden, Trial Attorney; and (iii) Otterbourg, Steindler, Houston & Rosen, P.C., as counsel to the statutory committee of unsecured creditors appointed in these chapter 11 cases, Attn: Scott L. Hazan and David M. Posner 230 Park Avenue, New York, NY 10169.

PLEASE TAKE FURTHER NOTICE that the Disclosure Statement, Plan or related documents are available for inspection at the website of the Debtors’ claims and noticing agent, The Garden City Group, Inc. at <http://www.TerreStarInfo.com>. In addition, copies are also

available for inspection at the clerk's office for the Bankruptcy Court and on the Bankruptcy Court's official website at <http://www.nysb.uscourts.gov>, for a fee, through an account obtained from Pacer Service Center at 1-800-676-6856.

New York, New York
Date: December 27, 2011

/s/ Ira S. Dizengoff
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Exhibit 1

Solicitation Version of Plan

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TERRESTAR NETWORKS INC., <i>et al.</i> , ¹)	Case No. 10-15446 (SHL)
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Debtors.)	Jointly Administered
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JOINT CHAPTER 11 PLAN OF TERRESTAR NETWORKS INC., *ET AL.*

Dated: December 27, 2011

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal taxpayer-identification number, are TerreStar Networks Inc. (3931); TerreStar License Inc. (6537); TerreStar National Services Inc. (6319); TerreStar Networks Holdings (Canada) Inc. (1337); TerreStar Networks (Canada) Inc. (8766) and 0887729 B.C. Ltd. (1345).

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EXHIBITS

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- EXHIBIT 2 Allocated Value
- EXHIBIT 3 Modifications to Plan in the Event that the Closing Date Does Not Occur on or Before the Effective Date

THE DEBTORS HEREBY ADOPT AND INCORPORATE EACH EXHIBIT ATTACHED TO THIS
PLAN BY REFERENCE AS THOUGH FULLY SET FORTH HEREIN.

INTRODUCTION

The Debtors in these Chapter 11 Cases respectfully propose the following joint chapter 11 plan. Capitalized terms used in the Plan and not otherwise defined shall have the meanings ascribed to such terms in Article I.A hereof.

ARTICLE I.

DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME AND GOVERNING LAW

A. *Defined Terms*

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

1. “088” means 0887729 B.C. Ltd.
2. “088 Interests” means Interests in 0887729 B.C. Ltd.
3. “*Accrued Professional Compensation*” means, at any given moment, all accrued, contingent and/or unpaid fees (including success fees pursuant to previously agreed terms of engagement) for legal, financial advisory, accounting and other services and obligations for reimbursement of expenses in each case rendered or incurred before the Effective Date by any retained Professional in the Chapter 11 Cases that are awardable and allowable under sections 328, 330(a) or 331 of the Bankruptcy Code, or that are awardable and allowable under section 503 of the Bankruptcy Code, that the Bankruptcy Court has not denied by a Final Order, all to the extent that any such fees and expenses have not been previously paid. To the extent that the Bankruptcy Court or any higher court denies or reduces by a Final Order any amount of a Professional’s fees or expenses, then those reduced or denied amounts shall no longer constitute Accrued Professional Compensation. For the avoidance of doubt, Accrued Professional Compensation shall not include any accrued, contingent and/or unpaid fees for services and obligations for reimbursement of expenses rendered or incurred before the Effective Date by (i) any Entity retained pursuant to the Ordinary Course Professional Order and authorized to be compensated thereunder without filing a fee application, (ii) the Senior Secured Notes Indenture Trustee/Agent, the Purchase Money Agent, and the PMCA Lenders, who are authorized to be compensated under the Final DIP Order and/or the Paydown Orders without filing a fee application, (iii) the Senior Exchangeable Notes Trustee, or (iv) the Information Officer and its counsel in connection with the Canadian Proceedings, who are authorized to be compensated their actual and documented fees and expenses without filing a fee application.
4. “*Acquired Assets*” shall have the meaning assigned and set forth in Section 2.1 of the Purchase Agreement.
5. “*Ad Hoc Group*” means the ad hoc group of certain holders of the Senior Secured Notes.
6. “*Administrative Claim*” means any right to payment constituting a cost or expense of administration of the Chapter 11 Cases of the Debtors of the kind specified in section 503(b) of the Bankruptcy Code and entitled to priority pursuant to sections 507(a)(2) or 507(b) of the Bankruptcy Code, including, but not limited to: (a) the actual and necessary costs and expenses incurred after the Petition Date and through the Effective Date of preserving the Estates and operating the businesses of the Debtors; (b) compensation for legal, financial advisory, accounting and other services and reimbursement of expenses Allowed pursuant to sections 328, 330(a), 331 or 363 of the Bankruptcy Code or otherwise for the period commencing on the Petition Date and through the Effective Date; and (c) all fees and charges assessed against the Estates pursuant to chapter 123 of title 28 of the United States Code, 28 U.S.C. §§ 1–4001.
7. “*Administrative Claims Bar Date*” means the bar date for Administrative Claims as such term is defined in Article II.A.3 hereof.

8. “*Affiliate*” has the meaning set forth in section (101)(2) of the Bankruptcy Code and, with respect to the Purchase Agreement, has the meaning set forth in Rule 12b-2 of the Exchange Act; *provided, however, that* EchoStar, on the one hand, and the Purchaser and DISH, on the other hand, shall not be deemed Affiliates of each other for purposes of the Plan; *and provided further, that* for the avoidance of doubt, except as explicitly set forth herein, DISH and the Purchaser are not parties to the Plan Settlement or the Plan.

9. “*Allocated Value*” means the percentage of the Purchase Price allocated to each individual Debtor based upon the Plan Settlement set forth herein and further explained in the Disclosure Statement. Each Debtor’s Allocated Value was determined as part of the overall Settlement and the Plan Settlement embodied herein. The Allocated Value for each Debtor is set forth on Exhibit 2 to the Plan.

10. “*Allowed Claim*” or “*Allowed [] Claim*” (with respect to a specific type of Claim, if specified) means: (a) any Claim (or a portion thereof) as to which no action to dispute, deny, equitably subordinate or otherwise limit recovery with respect thereto, or alter priority thereof, has been filed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules or applicable law; or (b) any Claim or portion thereof that is allowed (i) in any contract, instrument, indenture or other agreement entered into in connection with the Plan, (ii) pursuant to the terms of the Plan, (iii) by Final Order of the Bankruptcy Court, including, without limitation, the Global Settlement Order, or (iv) with respect to an Administrative Expense Claim only (x) that was incurred by a Debtor in the ordinary course of business during the Chapter 11 Cases of the Debtors to the extent due and owing without defense, offset, recoupment or counterclaim of any kind, and (y) that is not otherwise disputed.

11. “*Alternative Sale*” means the possible transaction contemplated by the Purchase Agreement wherein, after the Funding Date, Purchaser or the Debtors may under certain circumstances set forth in the Purchase Agreement deliver a written notice to implement the Alternative Sale Procedures and require that the Debtors sell or otherwise dispose of some or all of the Acquired Assets to one or more Third Parties that are eligible to hold legal title to such Acquired Assets, with all proceeds from such sale(s) accruing to the sole benefit and account of Purchaser in accordance with the procedures set forth in Exhibit B of the Purchase Agreement.

12. “*Alternative Sale Procedures*” means those processes and obligations triggered by either the Purchaser’s or the Debtors’ delivery of written notice to implement the Alternative Sale Procedures under Section 3.5(b) of the Purchase Agreement as determined pursuant to Exhibit B of the Purchase Agreement, and as the parties to the Purchase Agreement may otherwise agree.

13. “*Applicable Law*” means any law, regulation, rule, order, judgment, guideline or decree to which the Business, any Acquired Asset, or any Debtor, is subject.

14. “*Avoidance Actions*” means any and all avoidance, recovery, subordination or other actions or remedies that may be brought on behalf of the Debtors or their estates under the Bankruptcy Code or applicable non-bankruptcy law, including, without limitations, actions or remedies under sections 510, 542, 543, 544, 545, 547, 548, 549, 550, 551, 552 and 553 of the Bankruptcy Code, except for any such actions (i) against Purchaser and/or any of its Affiliates (which claims were released at Funding); (ii) against the Released Parties; or (iii) related to the Acquired Assets set forth in clauses (a) through (u) of the Purchase Agreement.

15. “*Bankruptcy Code*” means title 11 of the United States Code, as amended from time to time.

16. “*Bankruptcy Court*” means the United States Bankruptcy Court for the Southern District of New York having jurisdiction over the Chapter 11 Cases or any other court having jurisdiction over the Chapter 11 Cases, including, to the extent of the withdrawal of any reference under 28 U.S.C. § 157, the United States District Court for the Southern District of New York.

17. “*Bankruptcy Rules*” means the Federal Rules of Bankruptcy Procedure, as applicable to the Chapter 11 Cases, promulgated under section 2075 of title 28 of the United States Code, 28 U.S.C. §§ 1–4001, as well as the general and local rules of the Bankruptcy Court and the Order Pursuant to Sections 105(a) and (d) of the Bankruptcy Code and Bankruptcy Rules 1015(c), 2002(m) and 9007 Implementing Certain Notice and Case Management Procedures [Docket No. 60], as it may be amended from time to time.

18. “*Business*” means the Debtors’ business of operating a mobile wireless communications system based on integrated satellite and ground-based technology to provide mobile coverage throughout the United States and Canada.

19. “*Business Day*” means any day other than a Saturday, Sunday or a day on which banks in New York are authorized or obligated by Applicable Law or executive order to close or are otherwise generally closed.

20. “*Canadian Court*” means the Ontario Superior Court of Justice (Commercial List).

21. “*Canadian Proceedings*” means the recognition proceeding (Court File No.: CV-10-8944-00CL) commenced on October 21, 2010 before the Canadian Court by TSN, as foreign representative on behalf of the Debtors, pursuant to Part IV of the CCAA, to, among other things, recognize the jointly administered Chapter 11 Cases as a “foreign main proceeding.”

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

23. “*Causes of Action*” means any action, claim, cause of action, controversy, demand, right, action, Lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, offset, power, privilege, license and franchise of any kind or character whatsoever of the Debtors, known, unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity or pursuant to any other theory of law. Causes of Action also include: (a) any right of setoff, counterclaim or recoupment and any claim on contracts or for breaches of duties imposed by law or in equity; (b) the right to object to Claims or Interests; (c) any claim pursuant to section 362 or chapter 5 of the Bankruptcy Code, including Avoidance Actions; (d) any claim or defense including fraud, mistake, duress and usury and any other defenses set forth in section 558 of the Bankruptcy Code; (e) any state law fraudulent transfer claim; and (f) any claim set forth on the Schedule of Retained Causes of Action. For the avoidance of doubt, Causes of Action shall not include any rights, privileges, claims, demands, choses in action, prepayments, deposits, refunds, indemnification rights, warranty claims, offsets and other claims of the Debtors against (i) Third Parties relating to the Acquired Assets set forth in clauses (a) through (u) of Section 2.1 of the Purchase Agreement; (ii) against Purchaser and/or any of its Affiliates (which claims were released at Funding); or (iii) against the Released Parties.

24. “*CCAA*” means the *Companies’ Creditors Arrangement Act* (Canada), R.S.C. 1985, c. C-36, as amended.

25. “*Chapter 11 Cases*” means (a) when used with reference to a particular Debtor, the chapter 11 case pending for that Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court and (b) when used with reference to all Debtors, the procedurally consolidated chapter 11 cases pending for the Debtors in the Bankruptcy Court under Case No. 10-15446 (SHL).

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

27. “*Class*” means a category of holders of Claims or Interests as set forth in Article III.

28. “*Closing*” shall have the meaning assigned and set forth in the Purchase Agreement.

29. “*Closing Date*” shall have the meaning assigned and set forth in the Purchase Agreement.

30. “*Closing Date Payment*” means \$30 million, less the amount of the Employee Obligations, which shall be payable as set forth in Section 2.5(b)(v) of the Purchase Agreement.

31. “*Collateral*” means any property or interest in property of the Debtors subject to a Lien to secure the payment or performance of a Claim.

32. “*Communications Act*” means Chapter 5 of title 47 of the United States Code, 47 U.S.C. § 151 et seq., as amended, and in effect from time to time.

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

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

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

36. “*Confirmation Order*” means the order entered by the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

37. “*Creditors’ Committee*” means the statutory committee of unsecured creditors of the Debtors appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code by the U.S. Trustee, as such committee membership may be reconstituted from time to time.

38. “*Cure Claim*” means a Claim based upon a monetary default, if any, by any Debtor on an Executory Contract or Unexpired Lease at the time such contract or lease is assumed by such Debtor pursuant to sections 365 or 1123 of the Bankruptcy Code.

39. “*D&O Liability Insurance Policies*” means all insurance policies of any of the Debtors for directors’, managers’ and officers’ liability, as set forth on the schedule of Insurance Policies to be included in the Plan Supplement.

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

41. “*Debtors*” means, collectively, TSN, TLI, TSNSI, TSN Holdings (Canada), TSN Canada and 088.

42. “*Designated Contract*” means all Executory Contracts and Unexpired Leases set forth on section 2.1(c) of the Disclosure Letter.

43. “*Disallowed*” means a finding of the Bankruptcy Court in a Final Order, or provision in the Plan providing that a Disputed Claim or Interest shall not be Allowed.

44. “*Disbursing Agent*” means the Debtors, Reorganized Debtors, the Liquidating Trustee, or the Interim TSN Trust Board (but solely in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof), as applicable, or the Entity or Entities chosen by the Reorganized Debtors (upon consultation with the Creditors’ Committee) to make or facilitate Distributions pursuant to the Plan and/or the Liquidating Trust Agreement.

45. “*Disclosure Letter*” means the disclosure letter of even date with the Purchase Agreement prepared by the Debtors and delivered to the Purchaser simultaneously with the execution of the Purchase Agreement, as the same may be amended from time to time as agreed to by the parties to the Purchase Agreement, subject to the Sale Order.

46. “*Disclosure Statement*” means the disclosure statement that relates to this Plan, as such disclosure statement may be amended, modified, or supplemented (including all exhibits and schedules annexed thereto or referred to therein).

47. “*DISH*” means DISH Network Corporation.

48. “*Disputed Claim*” or “*Disputed [] Claim*” (with respect to a specific type of Claim, if specified) means a Claim that is not an Allowed Claim or Disallowed Claim as of the relevant date.

49. “*Disputed Claims Reserve*” means the reserve to be created by the Debtors to hold Cash which reserve shall be held for the benefit of holders of Disputed Claims as of the Effective Date that subsequently become Allowed Claims, for Distribution according to the procedures set forth in Article VIII. For the avoidance of doubt, and pursuant to the Settlement, neither the Sprint Claim nor any of the claims filed by LightSquared LP or LightSquared Inc. on account of Proofs of Claim no. 92 and no. 93 (collectively, the “*LightSquared Claims*”) is a Disputed Claim; *provided, however*, that the treatment of the LightSquared Claims and the Sprint Claim pursuant to the Settlement shall render such claims fully satisfied and any and all other claims filed by LightSquared shall be disallowed and expunged in their entirety.

50. “*Distributions*” means the distributions of Cash, Liquidating Trust Interests, Interim TSN Trust Interests and/or Interim TSN Warrants (but solely in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof) to be made in accordance with the Plan and the Trust Agreements. For the avoidance of doubt, “*Distributions*” shall not refer to payments made pursuant to the Paydown Orders. For the further avoidance of doubt, *Distributions* shall not include any Acquired Assets.

51. “*Distribution Date*” means any of the Initial Distribution Date or the Periodic Distribution Dates.

52. “*Distribution Record Date*” means the date that the Confirmation Order is entered by the Bankruptcy Court.

53. “*EchoStar*” means EchoStar Corporation and its subsidiaries.

54. “*Effective Date*” means the first Business Day after which all provisions, terms and conditions specified in Article X.B have been satisfied or waived pursuant to Article X.C.

55. “*Employee*” means any employee of the Debtors or Reorganized Debtors as of the Closing Date.

56. “*Employee Obligations*” shall have the meaning assigned and set forth in the Purchase Agreement.

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

58. “*Equity Interests*” mean all Interests held by persons or entities in the Debtors. For the avoidance of doubt, *Equity Interests* include the TSN Preferred Shares and the Intercompany Interests.

59. “*Estate*” means, as to each Debtor, the estate created for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

60. “*Exculpated Claim*” means any claim related to any act or omission in connection with, relating to or arising out of the Debtors’ restructuring efforts, the Debtors’ Chapter 11 Cases, the Canadian Proceedings, the Purchase Agreement, the Paydown Orders, the Settlement, the Plan Settlement, the formulation, preparation, dissemination, negotiation or filing of the Disclosure Statement, Plan, DIP Loan Agreement or any contract, instrument, release or other agreement or document created or entered into in connection with the Disclosure Statement, the Plan, the Settlement or the Plan Settlement, the filing of the Chapter 11 Cases, the Canadian Proceedings, the pursuit of Confirmation and recognition thereof in the Canadian Proceedings, the pursuit of consummation of the Plan, the administration and implementation of the Plan, including the issuance of Plan securities, or the Distribution of property under the Plan or any other related agreement, or the negotiation, documentation and implementation of the Settlement; *provided, however*, that *Exculpated Claims* shall not include any act or omission that is determined in a Final Order to have constituted gross negligence, willful misconduct or fraud. For the avoidance of doubt, no Cause of Action, obligation or liability expressly set forth in or preserved by the Plan or the Schedule of Retained Causes of Action constitutes an *Exculpated Claim*.

61. “*Exculpated Party*” means each of: (a) the Debtors, and the Reorganized Debtors; (b) the Creditors’ Committee and the current and former members thereof, in their capacity as such; (c) EchoStar; (d) the Indenture Trustees; (e) the Purchase Money Agent; (f) Deloitte & Touche Inc., in its capacity as information officer in the Canadian Proceedings; (g) the New Boards of the Reorganized Debtors and the members of the Interim TSN Trust Board (in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof), in connection with the Chapter 11 Cases, including, but not limited to any action taken in furtherance of this Plan, the Purchase Agreement and the Sale Order; (h) Harbinger, LightSquared Inc. and LightSquared LP; (i) Sprint; (j) the Ad Hoc Group, the members thereof as of the date of the Global Settlement Order and the former members that, as of the date of entry of the Confirmation Order, have not objected to the Plan and, as of the Effective Date, have not sought (in any manner, whether by filing a motion or otherwise) the reimbursement or other payment of any fees or expenses, including, without limitation, the fees and expenses of any advisors in connection with the chapter 11 cases, in their capacity as such; (k) Solus and (l) with respect to each of the foregoing Entities in clauses (a) through (k), such Entities’ subsidiaries, affiliates, members, officers, directors, agents, financial advisors, accountants, investment bankers, consultants, attorneys, employees, partners, and representatives, in each case solely in their capacity as such.

62. “*Executory Contracts and Unexpired Leases*” means contracts and leases to which one or more of the Debtors are party that are subject to assumption or rejection under section 365 of the Bankruptcy Code.

63. “*FCC*” means the Federal Communications Commission and any successor governmental agency performing functions similar to those performed by the Federal Communications Commission on the Effective Date.

64. “*FCC Consent*” shall have the meaning assigned and set forth in the Purchase Agreement.

65. “*Final Order*” means, as applicable, an order or judgment of the Bankruptcy Court, the Canadian Court or other court of competent jurisdiction with respect to the relevant subject matter, which has not been reversed, stayed, modified or amended, and as to which the time to appeal or petition for certiorari has expired and as to which no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved, by the highest court to which such order or judgment could be appealed, or from which certiorari could be sought or the new trial, reargument or rehearing, shall have been denied, resulted in no modification of such order or has otherwise been dismissed with prejudice.

66. “*Funding*” shall have the meaning assigned and set forth in the Purchase Agreement.

67. “*Funding Date*” means August 11, 2011.

68. “*Funding Date Consideration*” means \$1.345 billion (one billion, three hundred forty five million dollars).

69. “*Funding Date Payment*” means the Funding Date Consideration less the Working Capital Fund, which is available for Distribution pursuant to this Plan or which has been or may be distributed pursuant to Bankruptcy Court order, including, without limitation, pursuant to the Paydown Orders and the Global Settlement Order.

70. “*Global Settlement Order*” means the Stipulation and Order entered by the Bankruptcy Court on December 15, 2011 [Docket No. 857], approving the Settlement.

71. “*Governmental Units*” has the meaning set forth in section 101 of the Bankruptcy Code.

72. “*Harbinger*” means collectively, Harbinger Capital Partners LLC and its managed and affiliated funds.

73. “*Holdback Amount*” means, with respect to Accrued Professional Compensation, amounts held back pursuant to an order or orders of the Bankruptcy Court in the Chapter 11 Cases, including the Interim Compensation Order.

74. “*Holdback Amount Reserve*” means, with respect to Accrued Professional Compensation, a reserve established by the Reorganized Debtors, and the Purchaser, on the Effective Date for the benefit of the Professionals, and to be held in trust for the Professionals, for the payment of the Holdback Amount. To the extent any amounts held in the Holdback Amount Reserve are not ultimately paid to Professionals, such amounts shall be contributed to the Liquidating Trust and distributed in accordance with the Plan and the Liquidating Trust Agreement. The Debtors and the Purchaser shall be responsible for funding the Holdback Amount Reserve in accordance with the Purchase Agreement.

75. “*Impaired*” has the meaning set forth in section 1124 of the Bankruptcy Code.

76. “*Impaired Class*” means a Class of Claims or Interests that are Impaired. For the avoidance of doubt, Impaired Classes are Classes 3 and 4.

77. “*Indemnification Provisions*” means each of the indemnification provisions, agreements or obligations in place as of the Petition Date, whether in the bylaws, certificates of incorporation or other formation documents in the case of a limited liability company, board resolutions or employment contracts, for the Debtors and the current directors, officers, members (including *ex officio* members), employees, attorneys, other professionals and agents of the Debtors.

78. “*Indenture Trustees*” means, collectively, the Senior Secured Notes Indenture Trustee/Agent and the Senior Exchangeable Notes Indenture Trustee.

79. “*Indentures*” means, collectively, the Senior Secured Notes Indenture and the Senior Exchangeable Notes Indenture.

80. “*Industry Canada*” means the Canadian federal Department of Industry, or any successor or any department or agency thereof, administering the *Radiocommunication Act* (Canada), among other statutes, including its staff acting under delegated authority, and includes the Minister of Industry (Canada) and the Commissioner of Competition (Canada).

81. “*Industry Canada Approval*” shall have the meaning assigned and set forth in the Purchase Agreement.

82. “*Information Officer*” means Deloitte & Touche Inc. in its capacity as the court-appointed information officer in connection with the Canadian Proceedings.

83. “*Initial Distribution Date*” means the date occurring on or as soon as reasonably practicable after the Effective Date when Distributions under the Plan shall commence.

84. “*Insurance Policies*” means, collectively, all of the Debtors’ insurance policies listed on the schedule of Insurance Policies to be included in the Plan Supplement.

85. “*Intercompany Claim*” means any Claim held by a Debtor against another Debtor.

86. “*Intercompany Interests*” mean the Interests in a Debtor held by another Debtor.

87. “*Interest*” means any equity security in a Debtor as defined in section 101(16) of the Bankruptcy Code, including all issued, unissued, authorized or outstanding shares of capital stock of any of the Debtors together with any warrants, options or contractual rights to purchase or acquire such equity securities at any time and all rights arising with respect thereto. For the avoidance of doubt, the Interests include the Preferred Shares.

88. “*Interim Compensation Order*” means the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [Docket No. 174].

89. “*Lien*” has the meaning set forth in section 101(37) of the Bankruptcy Code, including, with respect to any asset, any mortgage or deed of trust, pledge, hypothecation, assignment, deposit arrangement, lien, charge, claim, security interest, easement or encumbrance, or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any lease or title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and the filing of, or agreement to give, any financing statement perfecting a security interest under the Uniform Commercial Code as in effect from time to time in the State of New York or comparable law of any jurisdiction) and, in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

90. “*Liquidating Trust*” means the Entity described in Article V.E that will succeed to all of the Retained Assets and liabilities of the Estates, subject to the terms of the Plan and/or the Liquidating Trust Agreement, as of the Effective Date.

91. “*Liquidating Trust Agreement*” means the trust agreement substantially in the form to be filed as part of the Plan Supplement, which will, among other things: (a) establish and govern the Liquidating Trust; (b) set forth the respective powers, duties and responsibilities of the Liquidating Trustee and the Liquidating Trust Board; and (c) provide for Distribution of Liquidating Trust Assets to the Liquidating Trust Beneficiaries.

92. “*Liquidating Trust Assets*” means (a) the Net Funding Date Proceeds; (b) the Closing Date Payment; (c) the Retained Causes of Action Net Proceeds; (d) Cash on hand of the Debtors as of December 31, 2011; (e) the Working Capital Excess Amount; and (f) any or all of the Retained Assets, as determined by the Debtors or Reorganized Debtors in consultation with the Creditors’ Committee or Liquidating Trustee, as applicable.

93. “*Liquidating Trust Beneficiaries*” means the holders of Allowed Unsecured Claims.

94. “*Liquidating Trust Board*” means those individuals appointed in accordance with the Liquidating Trust Agreement with the powers and responsibilities as set forth in Article V.E. of the Plan.

95. “*Liquidating Trust Expenses*” means the reasonable fees and expenses of the Liquidating Trustee and Liquidating Trust Board, including, without limitation, reasonable professional fees, which shall be paid from the Liquidating Trust Assets.

96. “*Liquidating Trust Interests*” means the beneficial interests in the Liquidating Trust.

97. “*Liquidating Trustee*” means the person appointed by the Creditors’ Committee, in accordance with the Liquidating Trust Agreement to administer the Liquidating Trust.

98. “*Net Funding Date Proceeds*” means the amount of the Funding Date Payment remaining after the Paydown or any other similar payment to creditors pursuant to an order of the Bankruptcy Court.

99. “*New Boards*” means the boards of directors of the Reorganized Debtors as of the Effective Date.

100. “*New By-laws*” means the new by-laws of the Reorganized Debtors, the form of which shall be included in the Plan Supplement.

101. “*New Certificate of Incorporation*” means the form of initial certificate of incorporation or other articles of amendment or reorganization equivalent under applicable law, of each Reorganized Debtor, the form of which shall be included in the Plan Supplement.

102. “*New Common Stock*” means the single share of common stock of Reorganized TSN authorized pursuant to the Plan, which shall be issued in the name of the Interim TSN Trust in the event that the provisions of

Exhibit 3 are triggered pursuant to Article V.G. hereof, and otherwise in the name of the Liquidating Trust, as of the Effective Date.

103. “*New Corporate Governance Documents*” means the New Certificates of Incorporation and the New By-Laws.

104. “*New Employment Agreements*” means employment agreements that the Reorganized Debtors shall enter into with certain individuals in the Debtors’ senior management, the salient terms of which shall be included in the Plan Supplement.

105. “*Notes*” means, collectively, the Senior Secured Notes and the Senior Exchangeable Notes.

106. “*Notes Claims*” means, collectively, the Senior Secured Notes Claims and the Senior Exchangeable Notes Claims.

107. “*Notice and Claims Agent*” means The Garden City Group, Inc., located at P.O. Box 9576, Dublin, Ohio 43017-4876, (866) 405-2137, retained as the Debtors’ notice, claims and solicitation agent.

108. “*Ordinary Course Professional Order*” means the Order Authorizing the Debtors’ Retention and Compensation of Certain Professionals Utilized in the Ordinary Course of Business [Docket No. 173].

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

110. “*Other Secured Claims*” means a Secured Claim against the Debtors, other than the PMCA Claims and the Senior Secured Notes Claims.

111. “*Paydown*” means (a) the payment made by the Debtors from the Funding Date Payment to the holders of secured obligations in the following amounts: (i) \$800 million on account of outstanding prepetition principal and interest obligations under the Senior Secured Notes as directed under the First Paydown Order; (ii) approximately \$90.2 million in connection with the pay off of a substantial portion of the outstanding obligations under the PMCA; and (iii) \$85,093,933.77 in connection with the pay off in full of all of the outstanding obligations under the DIP Loan Agreement; (b) the payment made by the Debtors from the Funding Date Payment to the holders of the Senior Secured Notes in the amount of \$143,959,275 in connection with the pay off in part of certain of the outstanding obligations under the Senior Secured Notes Indenture; (c) the payment of \$8,456,706.41 in connection with the pay off of all remaining amounts due and owing under the PMCA to the PMCA Lenders pursuant to the PMCA Settlement Order; (d) any payments made pursuant to the Global Settlement Order; or (e) any payment made by the Debtors from the Funding Date Payment to the holders of secured obligations pursuant to any similar order of the Bankruptcy Court authorizing such a payment.

112. “*Paydown Orders*” means (a) the Order entered by the Bankruptcy Court [Docket No. 730] on August 3, 2011, granting the Debtors’ *Motion for Entry of an Order Pursuant to 11 U.S.C. §§ 105 and 363 Authorizing the Debtors to Repay Existing Secured Claims* [Docket No. 662] (the “*First Paydown Order*”); (b) the Order entered by the Bankruptcy Court [Docket No. 792] on October 4, 2011, granting the Debtors’ *Motion for Entry of an Order Pursuant to 11 U.S.C. §§ 105 and 363 Authorizing the Debtors to Repay Certain Amounts Due and Owing Under the 15% Notes Indenture* [Docket No. 768] (the “*Second Paydown Order*”); (c) *Stipulation and Agreed order Approving the Debtors’ Motion for Entry of an Order Pursuant to Bankruptcy Code Section 363(b) and Federal Rule of Bankruptcy Procedures 9019 Approving the Stipulation between the Debtors, the Creditors’ Committee, Harbinger, the PMCA Lenders, and the Collateral Agent* [Docket No. 800] (the “*PMCA Settlement Order*”); (d) the Global Settlement Order; or (e) any other similar order entered by the Bankruptcy Court.

113. “*Periodic Distribution Date*” means, unless otherwise ordered by the Bankruptcy Court, the first Business Day that is no more than 120 days after the Initial Distribution Date and for the first year thereafter, the first Business Day that is no more than 120 days after the immediately preceding Periodic Distribution Date. After one year following the Distribution Date, the Periodic Distribution Date will occur on the first Business Day that is

no more than 180 days after the immediately preceding Periodic Distribution Date. Notwithstanding the foregoing, if the Disbursing Agent determines, in consultation with the Liquidating Trustee, that there are not sufficient Distributions to be made on a date that would otherwise be a Periodic Distribution Date, then the Periodic Distribution Date shall be on the last Business Day of the subsequent calendar quarter. Notwithstanding the foregoing, and to the extent that the Debtors do not receive the Closing Date Payment before the Effective Date, there shall be a Periodic Distribution Date, to the extent possible, no later than 30 days after the Reorganized Debtors receive the Closing Date Payment.

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

115. “*Petition Date*” means October 19, 2010.

116. “*Plan*” means this joint plan of reorganization under chapter 11 of the Bankruptcy Code, either in its present form or as it may be altered, amended, modified or supplemented from time to time in accordance with the Bankruptcy Code, the Bankruptcy Rules or herewith, as the case may be, and the Plan Supplement, which is incorporated herein by reference.

117. “*Plan Settlement*” has the meaning set forth in Article IX.A. hereof.

118. “*Plan Supplement*” means the compilation of documents and forms of documents, schedules and exhibits to the Plan to be filed by the Debtors by the Plan Supplement Filing Date comprised of, without limitation, the following: (a) the Trust Agreements; (b) the New Corporate Governance Documents, (c) the identity of the known members of the New Boards and the nature and compensation for any director who is an “insider” under the Bankruptcy Code; (d) the Rejected Executory Contract and Unexpired Lease List; (e) the Schedule of Retained Causes of Action; (f) the New Employment Agreements; (g) the terms and conditions of the tail coverage; (h) a schedule of the Insurance Policies; (i) the Interim TSN Warrant Agreement (but solely in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof); and all exhibits, attachments, supplements, annexes, schedules, and ancillary documents related to each of the foregoing.

119. “*Plan Supplement Filing Date*” means the date on which the Plan Supplement shall be filed with the Bankruptcy Court, which date shall be no later than ten (10) days prior to the Confirmation Hearing; provided, however, that the identity of the initial members of the New Boards and the nature and compensation for any director who is an “insider” under the Bankruptcy Code known at the time shall not be required to be disclosed and filed with the Bankruptcy Court until five (5) days before the Confirmation Hearing or such later date as may be approved by the Bankruptcy Court without further notice.

120. “*Priority Tax Claim*” means any Claim of a governmental unit, as defined in section 101(27) of the Bankruptcy Code, of the kind specified in section 507(a)(8) of the Bankruptcy Code.

121. “*Pro Rata*” means, as applicable: (a) the proportion that an Allowed Claim or Interest in a particular Class bears to the aggregate amount of Allowed Claims or Interests in that Class and (b) the proportion that all Allowed Claims or Interests in a particular Class bear to the aggregate amount of Allowed Claims or Interests in such Class and other Classes entitled to share in the same recovery under the Plan.

122. “*Professional*” means an Entity: (a) retained pursuant to a Final Order in accordance with sections 327, 363 or 1103 of the Bankruptcy Code and to be compensated for services rendered before or on the Effective Date, pursuant to sections 327, 328, 329, 330, 363 and 331 of the Bankruptcy Code or (b) awarded compensation and reimbursement by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.

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

124. “*Purchaser*” means Gamma Acquisition L.L.C., a Colorado limited liability company, and wholly owned subsidiary of DISH.

125. *“Purchase Agreement”* means that certain Purchase Agreement entered into on June 14, 2011 by and among the Debtors, as sellers, and Purchaser, and solely with respect to Section 6.19 of the Purchase Agreement, DISH, as such agreement may be amended from time to time in accordance with its terms.

126. *“Purchase Money Agent”* means U.S. Bank National Association in its capacity as Collateral Agent under the PMCA.

127. *“Purchase Money Credit Agreement”* or *“PMCA”* means the Purchase Money Credit Agreement, dated as of February 5, 2008, among TSN, as borrower, each of the guarantors named therein, the lenders party thereto and the Purchase Money Agent, as amended or supplemented from time to time.

128. *“Purchase Money Lenders”* means those lenders currently party to the PMCA.

129. *“Purchase Price”* means \$1.375 billion which has been paid or will be paid by the Purchaser to the Debtors pursuant to the Purchase Agreement, and which shall consist of: (i) the Funding Date Consideration; (ii) the Closing Date Payment; and (iii) the Purchaser’s assumption of the Employee Obligations on the Closing Date.

130. *“Rejected Executory Contract and Unexpired Lease List”* means the list (as may be amended) of Executory Contracts and Unexpired Leases that will be rejected by the Debtors pursuant to the provisions of Article VI.

131. *“Rejection Claim”* means a Claim arising from the rejection of an Executory Contract or Unexpired Lease pursuant to section 365 of the Bankruptcy Code.

132. *“Releasing Parties”* means all Entities who have held, hold or may hold Claims or Interests that have been released pursuant to Article IX.B or Article IX.C, discharged pursuant to Article IX.E or are subject to exculpation pursuant to Article IX.D of the Plan.

133. *“Released Party”* means each of (in each case solely in their respective capacities): (a) the Debtors; (b) the current and former directors and officers of the Debtors who were directors or officers of the Debtors as of or after the Petition Date; (c) EchoStar; (d) the DIP Agent; (e) the Purchase Money Agent; (f) the Creditors’ Committee and the current and former members thereof; (g) Deloitte & Touche Inc., in its capacity as Information Officer; (h) the Indenture Trustees; (i) the members of the New Boards; (j) the members of the Interim TSN Trust Board (in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof); (k) the Liquidating Trust Trustee; (l) the members of the Liquidating Trust Board; (m) the Reorganized Debtors; (n) Harbinger, LightSquared Inc. and LightSquared LP; (o) Sprint; (p) the Ad Hoc Group, the members thereof as of the date of the Global Settlement Order and the former members who, as of the date of entry of the Confirmation Order, have not objected to the Plan and, as of the Effective Date, have not sought (in any manner, whether by filing a motion or otherwise) the reimbursement or other payment of any fees or expenses, (including, without limitation, the fees and expenses of any advisors) in connection with the chapter 11 cases, in their capacity as such; (q) Solus; and (r) with respect to each of the foregoing Entities in clauses (a) through (q), such Entities’ subsidiaries, Affiliates, members, officers, directors, agents, financial advisors, accountants, investment bankers, consultants, attorneys, employees, partners, and representatives, in each case, only in their capacity as such; provided, however, that for the avoidance of doubt, nothing in this Plan shall be deemed to release the Purchaser or any of its Affiliates from their obligations under the Purchase Agreement; provided, further, that Articles IX.B and IX.C of this Plan shall not apply to DISH, which was released as and to the extent provided pursuant to the Purchase Agreement (including Exhibit A thereto).

134. *“Reorganized”* means, with respect to the Debtors, any Debtor or any successor thereto, by merger, consolidation or otherwise, on or after the Effective Date.

135. *“Restructuring Transactions”* means a dissolution or winding up of the corporate existence of a debtor or the consolidation, merger, restructuring, conversion, dissolution, transfer, liquidation, contribution of assets, or other transaction pursuant to which a Reorganized Debtor merges with or transfers substantially all of its assets and liabilities to a Reorganized Debtor or newly formed Entity, prior to, on or after the Effective Date.

136. “*Retained Assets*” means those assets that are retained by the Debtors and will not be sold or assigned to Purchaser, as set forth in Section 2.2 of the Purchase Agreement.

137. “*Retained Causes of Action*” the Causes of Action to be retained by the Liquidating Trustee (or such other Entity or Person determined by the Reorganized Debtors and the Creditors’ Committee) after the Effective Date.

138. “*Retained Causes of Action Net Proceeds*” the proceeds of the Retained Causes of Action, if any, net of direct expenses of the recovery thereof (e.g., the fees, expenses and costs of the subject litigation).

139. “*Sale*” means the sale of substantially all of the Debtors’ assets to the Purchaser pursuant to the Purchase Agreement.

140. “*Sale Incentive Plan*” means the Sale Incentive Plan described in the *Debtors’ Motion for Entry of an Order Approving the TSN Debtors’ Key Employment Incentive Plan* [Docket No. 385], as approved by the Bankruptcy Court on February 23, 2011 [Docket No. 444], and as modified by the order [Docket No. 750] entered by the Bankruptcy Court on August 26, 2011.

141. “*Sale Order*” means the Order (A) Approving Asset Purchase Agreement And Authorizing The Sale Of Assets Of Debtor Outside The Ordinary Course Of Business; (B) Authorizing The Sale Of Assets Free And Clear Of All Liens, Claims, Interests And Encumbrances; (C) Authorizing The Assumption And Sale And Assignment Of Certain Executory Contracts And Unexpired Leases; And (D) Granting Related Relief [Docket No. 668], entered by the Bankruptcy Court on July 7, 2011.

142. “*Schedule of Retained Causes of Action*” means the schedule, to be included as part of the Plan Supplement, listing the Retained Causes of Action.

143. “*Schedules*” means, collectively, the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases and statements of financial affairs filed by the Debtors pursuant to section 521 of the Bankruptcy Code and in substantial accordance with the Official Bankruptcy Forms, as may be amended from time to time before entry of a final decree.

144. “*SEC*” means the Securities and Exchange Commission.

145. “*Secured*” means, when referring to a Claim: (a) secured by a Lien on property in which the Estate of the Debtor against which the Claim is asserted has an interest, which Lien is valid, perfected and enforceable pursuant to applicable law or by reason of a Bankruptcy Court order, to the extent of the value of the creditor’s interest in the Estates’ interest in such property as determined pursuant to section 506(a) of the Bankruptcy Code; (b) subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the property subject to setoff; or (c) otherwise Allowed by Final Order of the Court (which may be the Confirmation Order or Global Settlement Order) as a Secured Claim.

146. “*Securities Act*” means the U.S. Securities Act of 1933, as amended.

147. “*Senior Exchangeable Notes*” means the 6.5% senior exchangeable payment-in-kind notes, issued by TSN pursuant to the Senior Exchangeable Notes Indenture.

148. “*Senior Exchangeable Notes Claims*” means the Allowed Claims arising under the Senior Exchangeable Notes Indenture.

149. “*Senior Exchangeable Notes Indenture*” means the Indenture, dated as of February 7, 2008 between TSN, as issuer, each of the guarantors named therein and the Senior Exchangeable Notes Indenture Trustee, as well as any guarantees and other documents entered into in connection therewith.

150. “*Senior Exchangeable Notes Indenture Trustee*” means Deutsche Bank National Trust Company and/or its predecessors and duly appointed successors, in its capacity as indenture trustee under the Senior Exchangeable Notes Indenture.

151. “*Senior Secured Notes*” means the 15% senior secured payment-in-kind notes, issued by TSN pursuant to the Senior Secured Notes Indenture.

152. “*Senior Secured Notes Claims*” means the Allowed Claims of the Senior Secured Notes Indenture Trustee/Agent for its reasonable fees and expenses arising under the Senior Secured Notes Indenture, all other Claims arising under the Senior Secured Notes Indenture having been Allowed and satisfied in full pursuant to the Global Settlement Order.

153. “*Senior Secured Notes Indenture*” means the Indenture, dated as of February 14, 2007 between TSN, as issuer, the guarantors from time to time party thereto and the Senior Secured Notes Indenture Trustee/Agent, as well as any guarantees and other documents entered into in connection therewith, and as amended by those certain First and Second Supplemental Indentures, each dated as of February 7, 2008.

154. “*Senior Secured Notes Indenture Trustee/Agent*” means U.S. Bank National Association and/or its duly appointed successor, in its capacity as indenture trustee and collateral agent under the Senior Secured Notes Indenture.

155. “*Senior Secured Notes Security Agreements*” means, collectively: (i) the Security Agreement, dated as of February 14, 2007, among TSN and the domestic guarantors to the Senior Secured Notes Indenture, as grantors, and the Senior Secured Notes Indenture Trustee/Agent; and (ii) the Security Agreement, dated as of February 14, 2007, among TSN and the Canadian guarantors to the Senior Secured Notes Indenture, as grantors, and the Senior Secured Notes Indenture Trustee/Agent.

156. “*Settlement*” means the settlement entered into by and among the Settlement Parties reflected in the Global Settlement Order that resolves and settles certain disputes and pending litigation matters in the Debtors’ chapter 11 cases.

157. “*Settlement Parties*” means EchoStar, Sprint, Harbinger, the Creditors’ Committee, the Ad Hoc Group (and each of its members as of the date of the Global Settlement Order), the Senior Secured Notes Indenture Trustee/Agent, Solus, LightSquared Inc. and LightSquared LP, and the Debtors.

158. “*Solus*” means Solus Alternative Asset Management LP.

159. “*Sprint*” means Sprint Nextel Corporation.

160. “*Sprint Claim*” means the proofs of claim filed on December 9, 2010, in the amount of \$104,194,649.00 against each Debtor entity in connection with certain spectrum relocation costs incurred by Sprint [Claim Nos. 49, 66, 67, 70, 79 and 82].

161. “*TLI*” means TerreStar License, Inc.

162. “*Trust Agreements*” means the Interim TSN Trust Agreement (in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof) and the Liquidating Trust Agreement.

163. “*TSC*” means TerreStar Corporation.

164. “*TSC 9019 Order*” means the Stipulation and Order entered by the Bankruptcy Court on December 15, 2011 [Docket No. 299], in the chapter 11 cases of TSC and its affiliated debtors and debtors in possession, *inter alia* assigning to Sprint the first \$2.6 million to be distributed on account of the TSC Intercompany Claim, and payable pursuant to the terms thereof.

165. “*TSC Intercompany Claim*” means the Allowed Claim held by TSC against TSN in the amount of \$56.9 million, on account of certain notes dated June 6, 2009, July 6, 2009, August 4, 2009, August 26, 2009, and September 21, 2009.

166. “*TSN*” means TerreStar Networks Inc.

167. “*TSN Canada*” means TerreStar Networks (Canada) Inc.

168. “*TSN Holdings (Canada)*” means TerreStar Networks Holdings (Canada) Inc.

169. “*TSN Preferred Shares*” means collectively, the TSN Series A Preferred Share and the TSN Series B Preferred Share.

170. “*TSN Series A Preferred Share*” means the one share of non-voting Series A preferred stock of TSN, which was issued to EchoStar.

171. “*TSN Series B Preferred Share*” means the one share of non-voting Series B preferred stock of TSN, which was issued to Harbinger.

172. “*TSNSI*” means TerreStar National Services, Inc.

173. “*Third Party*” means any Person other than Debtors and their Affiliates, the Purchaser, or DISH any of its respective subsidiaries.

174. “*Unimpaired*” means any Claim or Interest that is not designated as Impaired.

175. “*Unsecured Claims*” means any unsecured claim against any Debtor other than an Intercompany Claim or the Sprint Claim, including, without limitation, a Senior Exchangeable Notes Claim, a trade claim, the TSC Intercompany Claim, or a claim arising out of the rejection of Executory Contracts or Unexpired Leases by any Debtor.

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

177. “*U.S. Trustee Fees*” means fees arising under 28 U.S.C. § 1930(a)(6) or accrued interest thereon arising under 31 U.S.C. § 3717.

178. “*Valuation Allocation Dispute*” means the potential dispute among various parties with regard to the proper allocation of expenses among the six Debtor Entities.

179. “*Voting Deadline*” means 5:00 p.m. (prevailing Eastern Time) on February 1, 2012.

180. “*Working Capital Fund*” means that portion of the Purchase Price that consists of \$90 million, which was deposited into an escrow account on the Funding Date to provide funding for working capital and administrative expenses requested to be paid by the Debtors pursuant to and according to the terms of the Purchase Agreement.

181. “*Working Capital Excess Amount*” means the amount, if any, remaining in the Working Capital Fund after payment of all working capital and administrative expenses required to be paid by the Debtors pursuant to and according to the terms of the Purchase Agreement, other than those funds specifically required to fund the Holdback Amount Reserve.

B. Rules of Interpretation

For purposes of this Plan: (a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender

shall include the masculine, feminine and the neuter gender; (b) any reference herein to a contract, lease, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (c) any reference herein to an existing document or exhibit having been filed or to be filed shall mean that document or exhibit, as it may thereafter be amended, modified or supplemented; (d) unless otherwise specified, all references herein to "Articles" are references to Articles hereof or hereto; (e) unless otherwise stated, the words "herein," "hereof" and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan; (f) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (g) the word "including" shall always mean, "including, without limitation"; (h) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; and (i) any immaterial effectuating provisions may be interpreted by the Reorganized Debtors in a manner that is consistent with the overall purpose and intent of the Plan all without further Bankruptcy Court order.

C. Computation of Time

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

D. Governing Law

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

E. Reference to Monetary Figures

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

ARTICLE II.

ADMINISTRATIVE CLAIMS, U.S. TRUSTEE FEES, AND PRIORITY TAX CLAIMS

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, U.S. Trustee Fees and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III and shall have the following treatment:

A. Administrative Claims

1. Administrative Claims

Except with respect to Administrative Claims that are Claims for Accrued Professional Compensation and except to the extent that a holder of an Allowed Administrative Claim agrees to less favorable treatment, each holder of an Allowed Administrative Claim shall, in complete satisfaction of such Allowed Administrative Claim, be paid Cash in the full amount of such Allowed Administrative Claim on the later of: (a) the Initial Distribution Date; (b) the first date such Administrative Claim is Allowed or as soon as reasonably practicable thereafter; and (c) the date such Allowed Administrative Claim becomes due and payable by its terms, or as soon thereafter as is reasonably practicable; *provided, however*, that (1) the Debtors may pay certain Administrative Claims from the Working Capital Fund that have already been approved by the Bankruptcy Court or incurred in the ordinary course of business, upon receipt of the Working Capital Fund, and (2) payment of any Administrative Claims (other than

Accrued Professional Compensation, which shall be treated in accordance with the next subsection) incurred after December 31, 2011 shall be paid pursuant to the terms of the Purchase Agreement.

2. Professional Compensation

(a) Claims for Accrued Professional Compensation

Professionals or other Entities asserting a Claim for Accrued Professional Compensation for services rendered before the Effective Date must file and serve on the Debtors and such other Entities who are designated by the Bankruptcy Rules, the Confirmation Order, the Interim Compensation Order or other order of the Bankruptcy Court an application for final allowance of such Claim for Accrued Professional Compensation no later than 45 days after the Effective Date, or any other date scheduled by the Bankruptcy Court. Objections to any Claim for Accrued Professional Compensation must be filed and served on the Reorganized Debtors, the Creditors' Committee, the Office of the U.S. Trustee and the requesting party no later than the earlier of (a) 30 days after such application is filed or (b) 75 days after the Effective Date. All Accrued Professional Compensation and all claims for professional compensation sought under section 503(b) of the Bankruptcy Code shall be paid either by the Debtors or the Purchaser pursuant to the terms of the Purchase Agreement.

(b) Treatment of Claims for Accrued Professional Compensation

A Claim for Accrued Professional Compensation in respect of which a final fee application has been properly filed and served pursuant to this Plan shall be payable to the extent approved by order of the Bankruptcy Court. Subject to the Holdback Amount, on the Effective Date, or as soon thereafter as reasonably practicable, to the extent not otherwise paid, all Allowed Claims for Accrued Professional Compensation (including estimated Accrued Professional Compensation through the Effective Date) shall be paid in full in Cash. To receive payment on the Effective Date for unbilled fees and expenses incurred through the Effective Date, each Professional shall reasonably estimate fees and expenses due for unbilled fees and expenses for periods that will not have been billed as of the Effective Date and shall deliver such estimates to the Debtors, the Purchaser, and the U.S. Trustee prior to the Effective Date. If the estimated payment received by such Professional exceeds the actual allowed Accrued Professional Compensation for the estimated period, such excess amount shall be deducted from the Holdback Amount for such Professional and if the Holdback Amount is insufficient, such Professional shall disgorge the difference to: (i) the Debtors; or (ii) the Purchaser, in each case, pursuant to the terms of the Purchase Agreement. If the estimated payment received by the Professional is lower than the Accrued Professional Compensation of such Professional, the difference shall be promptly paid to the Professional by: (i) the Debtors; or (ii) the Purchaser, in each case, pursuant to the terms of the Purchase Agreement. For the avoidance of doubt, all Accrued Professional Compensation and all claims for professional compensation sought under section 503(b) of the Bankruptcy Code shall be paid either by the Debtors or the Purchaser, in each case pursuant to the terms of the Purchase Agreement.

On the Effective Date, the Reorganized Debtors and the Purchaser shall fund the Holdback Amount Reserve for payment of the Holdback Amount in accordance with the terms of the Purchase Agreement. Upon final allowance by the Bankruptcy Court of the Accrued Professional Compensation, or entry of an earlier order of the Bankruptcy Court granting the release of any Holdback Amounts, such amounts, less any excess paid in connection with estimated fees and expenses through the Effective Date, shall be paid promptly and directly to the Professionals.

(c) Post- Effective Date Fees and Expenses

Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Reorganized Debtors and the Liquidating Trustee may employ and pay any Professional its reasonable, actual and documented fees and expenses for services rendered or expenses incurred after the Effective Date in the ordinary course of business without any further notice to any party or action (including, without limitation, without the need to file a fee application), order or approval of the Bankruptcy Court; provided, however, that to the extent such compensation or expense reimbursement is incurred, accrued, payable or paid prior to the Closing Date, the Purchaser shall be provided with an invoice showing all reasonable, actual and documented fees and expenses.

3. Administrative Claim Bar Date

Except as otherwise provided in this Article II.A, requests for payment of Administrative Claims must be filed and served on the Reorganized Debtors and the Purchaser pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than 45 days after the Effective Date. Holders of Administrative Claims that are required to, but do not, file and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped and enjoined from asserting such Administrative Claims against the Debtors or Reorganized Debtors or their property and such Administrative Claims shall be deemed discharged as of the Effective Date. Objections to such requests, if any, must be filed and served on the Reorganized Debtors and the requesting party no later than 90 days after the Effective Date. Notwithstanding the foregoing, no request for payment of an Administrative Claim need be filed with respect to an Administrative Claim previously Allowed by Final Order, including all Administrative Claims expressly Allowed under this Plan. For the avoidance of doubt, all Administrative Claims incurred after December 31, 2011 shall be paid in accordance with the Purchase Agreement.

B. U.S. Trustee Fees

On the Effective Date, the Debtors shall pay all U.S. Trustee Fees that are due and owing as of the Effective Date.

C. Priority Tax Claims

Each holder of an Allowed Priority Tax Claim due and payable on or before the Effective Date shall receive, on the Distribution Date, at the option of the Debtors, one of the following treatments, in complete satisfaction of such Allowed Priority Tax Claim: (1) Cash in an amount equal to the amount of such Allowed Priority Tax Claim; or (2) such other treatment as may be agreed upon by such holder and the Debtors or otherwise determined upon an order of the Bankruptcy Court.

ARTICLE III.

CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

A. General Rules of Classification

(i) Pursuant to section 1122 of the Bankruptcy Code, set forth below is a designation of Classes of Claims against and Interests in the Debtors. A Claim or Interest is placed in a particular Class only to the extent that the Claim or Interest falls within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest falls within the description of such other Classes. A Claim or Interest is also placed in a particular Class for the purpose of receiving Distributions pursuant to the Plan only to the extent that such Claim or Interest is an Allowed Claim in that Class and such Claim or Interest has not been paid, released, or otherwise settled prior to the Effective Date.

(ii) This Plan constitutes a separate chapter 11 plan for each Debtor, each of which shall include the classifications set forth below. For the avoidance of doubt, to the extent a Class contains Allowed Claims or Interests with respect to a particular Debtor, such Class is designated with respect to such Debtor. To the extent there are no Allowed Claims or Interests in a Class with respect to a particular Debtor, such Class is deemed to be omitted with respect to such Debtor. To the extent that certain Allowed Claims or Interests do not exist with respect to a particular Debtor, such Class is deemed to include only the Allowed Claims or Interests that do exist with respect to such Debtor. In accordance with section 1123(a)(1) of the Bankruptcy Code, the Debtors have not classified Administrative Claims and Priority Tax Claims, as described in Article II.

B. Summary of Classification

The following chart represents the general classification of Claims and Interests against the Debtors

pursuant to the Plan. Attached hereto as Exhibit 1 is a chart that delineates class for each individual Debtor and voting rights thereto.

Class	Claim	Status
1	Other Priority Claims	Unimpaired
2	Other Secured Claims	Unimpaired
3	Unsecured Claims	Impaired
4	Equity Interests	Impaired

A chart delineating the applicable classes for each individual Debtor is attached hereto as Exhibit 1.

C. *Treatment of Claims and Interests*

1. Class 1 – Other Priority Claims

- (a) *Classification:* Class 1 consists of Other Priority Claims.
- (b) *Treatment:* Except to the extent that a holder of an Allowed Other Priority Claim (i) has been paid by the Debtors, in whole or in part, prior to the Effective Date or (ii) agrees to a less favorable treatment, each holder of an Allowed Other Priority Claim shall receive, on the Initial Distribution Date and in full satisfaction, settlement, release, and discharge of, and in exchange for such Other Priority Claim, Cash in the full amount of such Allowed Other Priority Claim.
- (c) *Voting:* Class 1 is Unimpaired, and the holders of Other Priority Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Other Priority Claims are not entitled to vote to accept or reject the Plan.

2. Class 2 – Other Secured Claims

- (a) *Classification:* Class 2 consists of Other Secured Claims. Although all Other Secured Claims have been placed in one Class for the purposes of nomenclature, each Other Secured Claim, to the extent secured by a Lien on any property or interest in property of the Debtors different than that securing any other Other Secured Claims, shall be treated as being in a separate sub-Class for the purpose of receiving distributions under the Plan.
- (b) *Treatment:* On the Initial Distribution Date, except to the extent that a holder of an Allowed Other Secured Claim agrees to a less favorable treatment, at the option of the Debtors or the Reorganized Debtors (i) each Allowed Other Secured Claim shall be reinstated and Unimpaired in accordance with section 1124(2) of the Bankruptcy Code, or (ii) each holder of an Allowed Other Secured Claim shall receive, in full satisfaction, settlement, release, and discharge of, and in exchange for, such Other Secured Claim, either (w) Cash in the full amount of such Allowed Other Secured Claim, including any postpetition interest accrued pursuant to section 506(b) of the Bankruptcy Code, (x) the proceeds of the sale or disposition of the collateral securing such Allowed Other Secured Claim to the extent of the value of the holder's secured interest in such collateral, (y) the collateral securing such Allowed Other Secured Claim and any interest on such Allowed Other Secured Claim required to be paid pursuant to section 506(b) of the Bankruptcy Code, or (z) such other distribution as necessary to satisfy the requirements of section 1129 of the Bankruptcy Code.

- (c) *Voting:* Class 2 is Unimpaired, and the holders of Other Secured Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Other Secured Claims are not entitled to vote to accept or reject the Plan.

3. Class 3 – Unsecured Claims against each Debtor

- (a) *Classification:* Class 3 consists of Unsecured Claims against each of the Debtors.
- (b) *Treatment:* Each holder of an Allowed Unsecured Claim shall receive in full and final satisfaction of its Claim, its Pro Rata share (calculated with reference to all Allowed and Disputed Class 3 Claims against the applicable Debtor) of Liquidating Trust Interests applicable to such Debtor based on each such Debtor's Allocated Value; *provided, however,* that if, pursuant to Article V.G. hereof, the provisions of Exhibit 3 hereto are triggered, the treatment of holders of Allowed Claims in Class 3 shall be as provided in Exhibit 3.
- (c) *Voting:* Holders of Unsecured Claims in Class 3 are Impaired, and receiving property under the Plan. Therefore, holders of Unsecured Claims in Class 3 are entitled to vote to accept or reject the Plan.

4. Class 4 – Equity Interests

- (a) *Classification:* Class 4 consists of all Equity Interests.
- (b) *Treatment:* On the Effective Date, all Equity Interests shall be deemed cancelled and shall be of no further force and effect, whether surrendered for cancellation or otherwise, and there shall be no distribution to the holders of Equity Interests.
- (c) *Voting:* Class 4 is Impaired, and the holders of Equity Interests are conclusively presumed to have rejected the Plan. Therefore, holders of Equity Interests are not entitled to vote to accept or reject the Plan.

ARTICLE IV.

ACCEPTANCE REQUIREMENTS

A. Acceptance or Rejection of the Plan

1. Voting Classes

Class 3 is Impaired under the Plan and is receiving property under the Plan. Therefore, such Class is entitled to vote to accept or reject the Plan.

2. Presumed Acceptance of the Plan

Classes 1 and 2 are Unimpaired under the Plan and are, therefore, conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.

3. Presumed Rejection of the Plan

Class 4 is Impaired under the Plan and is not receiving any distribution under the Plan and is, therefore, conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code.

B. Vacant Classes

Any Class of Claims or Interests that does not have a holder of an Allowed Claim or Allowed Interest, as applicable, or a Claim or Interest temporarily Allowed by the Bankruptcy Court as of the date of the Confirmation Hearing shall be deemed to accept the Plan for purposes of determining acceptance or rejection of the Plan by such Class pursuant to sections 1129(a)(8) and 1129(a)(10) of the Bankruptcy Code.

C. Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation by acceptance of the Plan by an Impaired Class of Claims. The Debtors shall seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Debtors reserve the right to modify the Plan in accordance with Article XI hereof to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification.

ARTICLE V.

MEANS FOR IMPLEMENTATION OF THE PLAN

A. Sale of Assets

On July 7, 2011, the Bankruptcy Court approved the Sale and entered the Sale Order. Pursuant to the Purchase Agreement, the Sale will be consummated and the Acquired Assets will be transferred to the Purchaser on the Closing Date, which shall occur after satisfaction or waiver of the conditions in Article VII of the Purchase Agreement, including, inter alia, the issuance of the FCC Consent and Industry Canada Approval. Pursuant to Article V.O hereof, after the Effective Date and before the Closing Date, all property of the Estates (including the Acquired Assets, to the extent the Closing Date does not occur on or before the Effective Date) will vest in the Reorganized Debtors and the Reorganized Debtors will operate the Business until the Closing Date in accordance with this Plan and subject to the Purchase Agreement and the Sale Order. Should the Closing Date occur on or before the Effective Date, the only activities of the Reorganized Debtors after the Effective Date will be the winding up of operations in accordance with this Plan, the Purchase Agreement and the Sale Order and the implementation of the terms of this Plan.

Proceeds from the Sale will be used (1) by the Liquidating Trust to satisfy Claims, as provided herein and (2) to fund the Working Capital Fund, which will contain funds necessary to operate the Business and administer the Chapter 11 Cases and Canadian Proceedings until December 31, 2011. Any funds remaining either in the Working Capital Fund or as Cash on hand of the Debtors as of December 31, 2011 shall be retained by the Debtors or transferred to the Liquidating Trust and be made available for Distributions in accordance with the Plan. Subject to the terms of the Purchase Agreement, after December 31, 2011, funding necessary to operate the Business and administer the Chapter 11 Cases and Canadian Proceedings will be provided to the Debtors by the Purchaser pursuant to the Purchase Agreement.

B. Retained Assets

On the Effective Date, pursuant to Article V.O hereof, the Retained Assets will vest in the Reorganized Debtors. Before and following the Effective Date, the Debtors or the Reorganized Debtors, as applicable, will use the Retained Assets to, among other things, operate the Business and administer this Plan until the Closing Date; *provided, however*, that, subject to the terms of the Purchase Agreement, after December 31, 2011, funding necessary to operate the Business will be provided by the Purchaser pursuant to the Purchase Agreement. The Debtors or Reorganized Debtors, as applicable, in consultation with the Creditors' Committee or Liquidating Trustee, as applicable, may from time to time transfer Retained Assets to the Liquidating Trust to be used to satisfy Claims, as provided herein.

C. Plan Settlement

As discussed in detail in the Disclosure Statement, the Plan Settlement addresses the treatment of certain Claims that were Allowed pursuant to the Settlement. Among other things, under the Plan Settlement,² and notwithstanding anything to the contrary contained herein:

- Holders of Unsecured Claims at TSN (other than any party which holds the Sprint Claim) will receive their Pro Rata portion of 70.18% of the remaining sale proceeds;
- Holders of Unsecured Claims at TSL (other than any party which holds the Sprint Claim) will receive their Pro Rata portion of 29.52% of the remaining sale proceeds;
- Holders of Unsecured Claims at TSN Canada (other than any party which holds the Sprint Claim) will receive their Pro Rata portion of 0.30% of the remaining sale proceeds;

All of the Settlement Parties have agreed that the recovery percentages for holders of Unsecured Claims listed above will not change even if the Bankruptcy Court modifies but still confirms the Plan. In any event, no single holder of a Senior Exchangeable Notes Claim shall be compelled to accept a lower recovery on account of its Claim than any other holder of a Senior Exchangeable Notes Claim. Subject to Article VII, all Distributions made to holders of Allowed Claims and Interests in any Class are intended to be and shall be final and indefeasible.

D. Sources of Consideration for Plan Distributions

All Cash consideration necessary for the Debtors, Reorganized Debtors or Liquidating Trustee, as applicable, to make payments or Distributions to the holders of Allowed Claims entitled to such Distributions under the Plan and/or the Liquidating Trust Agreement shall be obtained from (i) the Funding Date Payment, (ii) the Closing Date Payment, (iii) the Retained Causes of Action Net Proceeds, (iv) other Cash on hand or, (v) solely to the extent set forth in the Purchase Agreement, the Purchaser.

E. The Liquidating Trust

1. Generally

On the Effective Date, the Liquidating Trust will be established and become effective for the benefit of the holders of Allowed Claims entitled to Distributions from the Liquidating Trust under the Plan. The powers, authority, responsibilities, and duties of the Liquidating Trust and the Liquidating Trustees are set forth in and shall be governed by the Liquidating Trust Agreement. The Liquidating Trust Agreement shall contain provisions customary to trust agreements utilized in comparable circumstances, including, without limitation, any and all provisions necessary to ensure the continued treatment of the Liquidating Trust as a grantor trust and the beneficiaries of the Liquidating Trust as the grantors and owners thereof for federal income tax purposes. The Liquidating Trust and the Liquidating Trustees, including any successors, shall be bound by the Plan and shall not challenge any provision of the Plan.

2. Purpose and Establishment of the Liquidating Trust

On the Effective Date, the Liquidating Trust shall be established for the purposes set forth in the Liquidating Trust Agreement.

On the Effective Date, the Liquidating Trust shall be established pursuant to the Liquidating Trust Agreement for the purpose of (a) administering the Liquidating Trust Assets; (b) resolving all Disputed Claims;

² The terms of the Plan Settlement set forth below are subject in all respects to the Global Settlement Order. In addition, this Plan only recites those terms of the Plan Settlement which are material to the Plan. Capitalized terms used in this section but not defined shall have the meanings ascribed to them in the Global Settlement Order.

(c) pursuing Retained Causes of Action; and (d) making all required Distributions to the Liquidating Trust Beneficiaries as provided for under the Plan. The Liquidating Trust is intended to qualify as a liquidating trust pursuant to Treasury Regulation section 301.7701-4(d) and as a grantor trust pursuant to Treasury Regulation section 1.671-4(a), with no objective to continue or engage in the conduct of a trade or business. The Liquidating Trust shall not be deemed a successor in interest of the Debtors for any purpose other than as specifically set forth herein or in the Liquidating Trust Agreement.

On or before the Effective Date, the Liquidating Trust Agreement shall be executed and the Debtors shall take all other steps necessary to establish the Liquidating Trust pursuant to the Liquidating Trust Agreement and consistent with the Plan.

3. Transferability of Liquidating Trust Interests

Ownership of a Liquidating Trust Interest shall be uncertificated and shall be in book entry form. The Liquidating Trust Interests will not be registered pursuant to the Securities Act, or any state securities law. If the Liquidating Trust Interests constitute "securities," the parties hereto intend that the exemption provisions of section 1145 of the Bankruptcy Code will apply to the Liquidating Trust Interests. The Liquidating Trust Interests will be non-transferable and non-assignable except by will, intestate succession or operation of law.

4. Liquidating Trust Assets

The Liquidating Trust shall consist of the Liquidating Trust Assets. On the Effective Date, the Debtors shall transfer all of the Liquidating Trust Assets to the Liquidating Trust. The Liquidating Trust Assets may be transferred subject to certain liabilities, as provided in the Plan or the Liquidating Trust Agreement. Such transfer shall be exempt from any stamp, real estate transfer, mortgage reporting, sales, use or other similar tax, pursuant to section 1146(a) of the Bankruptcy Code. Upon delivery of the Liquidating Trust Assets to the Liquidating Trust, the Debtors and their predecessors, successors and assigns shall be discharged and released from all liability with respect to the delivery of such distributions.

5. Appointment of the Liquidating Trustee and Liquidating Trust Board

On or prior to the Effective Date, the Creditors' Committee, in consultation with the Debtors, shall appoint a Liquidating Trustee in accordance with the Liquidating Trust Agreement. Additionally, on or prior to the Confirmation Date, a 3 member Liquidating Trust Board shall be appointed, which members shall be appointed by the Creditors' Committee, in consultation with the Debtors. The Liquidating Trustee shall serve at the direction of the Liquidating Trust Board, *provided, however*, the Liquidating Trust Board may not direct the Liquidating Trustee or the members of the Liquidating Trust Board to act inconsistently with their duties under the Liquidating Trust Agreement and/or the Plan. The Liquidating Trust Board may not terminate the Liquidating Trustee for any reason, absent approval by the Bankruptcy Court in accordance with the provisions of the Liquidating Trust Agreement. In the event the Liquidating Trustee dies, is terminated, or resigns for any reason, the Liquidating Trust Board shall designate a successor.

6. Rights and Powers of the Liquidating Trustee

In furtherance of and consistent with the purpose of the Liquidating Trust and the Plan, and subject to the terms of the Confirmation Order, the Plan and the Liquidating Trust Agreement, and the oversight of the Liquidating Trust Board, the Liquidating Trustee shall be deemed the Estates' representative in accordance with section 1123 of the Bankruptcy Code with regard to the Liquidating Trust and shall have all the rights and powers set forth in the Liquidating Trust Agreement, including, without limitation, the powers of a trustee under sections 704 and 1106 of the Bankruptcy Code and Rule 2004 of the Bankruptcy Rules (including, without limitation, the right to (1) effect all actions and execute all agreements, instruments and other documents necessary to implement the provisions of the Plan and the Liquidating Trust Agreement; (2) to hold, manage, convert to Cash, and distribute the Liquidating Trust Assets, including prosecuting and resolving the Claims belonging to the Liquidating Trust; (3) to hold the Liquidating Trust Assets for the benefit of the Liquidating Trust Beneficiaries, whether their Claims are Allowed on or after the Effective Date; (4) in the Liquidating Trustee's reasonable business judgment, to investigate, prosecute, settle and/or abandon rights, causes of action, or litigation of the Liquidating Trust, including, without limitation, Avoidance Actions; (5) to monitor and enforce the implementation of the Plan; (6) to file all tax and regulatory forms, returns, reports, and other documents required with respect to the Liquidating Trust; (7) in the Liquidating

Trustee's reasonable business judgment, to object to Claims, and manage, control, prosecute, and/or settle on behalf of the Liquidating Trust, objections to Claims on account of which the Liquidating Trustee will be responsible (if Allowed) for making distributions under the Plan and the Liquidating Trust Agreement; (8) to hold, manage, and distribute Cash or non-Cash Liquidating Trust Assets obtained through the exercise of its power and authority; (9) establish and administer any necessary reserves for Disputed Claims that may be required with regard to the Liquidating Trust Agreement; (10) object to the Disputed Claims and prosecute, settle, compromise, withdraw or resolve in any manner approved by the Bankruptcy Court such objections or any other litigation or proceeding between creditors in the cases; (11) to act as a signatory to the Debtors for all purposes, including those associated with the novation of contracts or other obligations arising out of the sales of the Debtors' assets; and (12) employ and compensate professionals and other agents, provided, however, that any such compensation shall be made only out of the Liquidating Trust Assets, to the extent not inconsistent with the status of the Liquidating Trust as a liquidating trust within the meaning of U.S. Treasury Regulation section 301.7701-04(d) for federal income tax purposes.

7. Funding of the Liquidating Trust, Cash

On the Effective Date, the Reorganized Debtors will deposit with the Liquidating Trust the Liquidating Trust Assets available to the Debtors at that time. To the extent that certain Liquidating Trust Assets become available at a later date, such Liquidating Trust Assets will be deposited with the Liquidating Trust as soon as reasonably practicable after that date. The Liquidating Trustee may invest Cash (including any earnings thereon or proceeds therefrom) as permitted by section 345 of the Bankruptcy Code; *provided, however*, that such investments are investments permitted to be made by a Liquidating Trust within the meaning of Treasury Regulation section 301.7701-4(d), as reflected therein, or under applicable IRS guidelines, rulings, or other controlling authorities.

8. Fees and Expenses of the Liquidating Trust

Except as otherwise ordered by the Bankruptcy Court, the Liquidating Trust Expenses on or after the Effective Date shall be paid from the Liquidating Trust Assets without further order of the Bankruptcy Court; *provided, however*, that such fees and expenses shall be subject to the review, upon notice and other procedures set forth in the Liquidating Trust Agreement, of the Liquidating Trust Board.

9. Distributions; Withholding

a. The Liquidating Trustee shall make distributions to the beneficiaries of the Liquidating Trust when and as authorized pursuant to the Liquidating Trust Agreement in compliance with the Plan.

b. Tax Withholdings by Liquidating Trustee. The Liquidating Trustee may withhold from amounts otherwise distributable to any Person and pay to the appropriate tax authority all amounts required to be withheld pursuant to the IRC or any provision of any foreign, state or local tax law with respect to any payment or distribution to the holders of Liquidating Trust Interests. All such amounts withheld and paid to the appropriate tax authority shall be treated as amounts distributed to such holders of Liquidating Trust Interests for all purposes of the Liquidating Trust Agreement. The Liquidating Trustee shall be authorized to collect such tax information from the holders of Liquidating Trust Interests (including, without limitation, social security numbers or other tax identification numbers) as in its sole discretion the Liquidating Trustee deems necessary to effectuate the Plan, the Confirmation Order, and the Liquidating Trust Agreement. In order to receive distributions under the Plan, all holders of Liquidating Trust Interests shall be required to identify themselves to the Liquidating Trustee and provide tax information and the specifics of their holdings, to the extent the Liquidating Trustee deems appropriate in the manner and in accordance with the procedures from time to time established by the Liquidating Trustee for these purposes. This identification requirement may, in certain cases, extend to holders who hold their securities in street name. The Liquidating Trustee may refuse to make a distribution to any holder of a Liquidating Trust Interest that fails to furnish such information in a timely fashion, until such information is delivered, and may treat such holder's Liquidating Trust Interests as disputed; provided, however, that, upon the delivery of such information by a holder of a Liquidating Trust Interest, the Liquidating Trustee shall make such distribution to which the holder of the Liquidating Trust Interest is entitled, without additional interest occasioned by such holder's delay in providing tax information; and, provided, further that, if the Liquidating Trustee fails to withhold in respect of amounts received or distributable with respect to any such holder and the Liquidating Trustee is later held liable for the amount of

such withholding, such holder shall reimburse the Liquidating Trustee for such liability (to the extent such amounts were actually distributed to such holder).

10. Semi-Annual Reports to be Filed by the Liquidating Trustee

The Liquidating Trust shall file semi-annual reports regarding the Liquidating Trust Assets, the Distributions made by it and other matters required to be included in such report in accordance with the Liquidating Trust Agreement. The Liquidating Trustee will file such semi-annual reports on the Debtors' case docket. In addition, the Liquidating Trust will file tax returns as a grantor trust pursuant to the Treasury Regulation Article 1.671-4(a).

11. Federal Income Tax Treatment of the Liquidating Trust

a. Liquidating Trust Assets Treated as Owned by Creditors. For all United States and Canadian federal income tax purposes, all parties (including, without limitation, the Debtors, the Liquidating Trustee, and the Liquidating Trust Beneficiaries) shall treat the transfer of the Liquidating Trust Assets to the Liquidating Trust as (1) a transfer by each Debtor of the Liquidating Trust Assets (subject to any obligations relating to those assets) directly to the Liquidating Trust Beneficiaries in full satisfaction of the Liquidating Trust Beneficiaries' claims against the Debtors and, to the extent Liquidating Trust Assets are allocable to Disputed Claims, to the Disputed Claims Reserve, followed by (2) the transfer by such beneficiaries to the Liquidating Trust of the Liquidating Trust Assets (other than the Liquidating Trust Assets allocable to the Disputed Claims Reserve) in exchange for Liquidating Trust Interests. Accordingly, the Liquidating Trust Beneficiaries shall be treated for United States federal income tax purposes as the grantors and owners of their respective share of the Liquidating Trust Assets (other than such Liquidating Trust Assets as are allocable to the Liquidating Trust Claims Reserve, discussed below). The foregoing treatment shall also apply, to the extent permitted by applicable law, for all state, provincial, territorial and local income tax purposes.

b. Tax Reporting.

i. The Liquidating Trustee shall file all relevant tax returns for the Liquidating Trust in the United States, Canada and elsewhere. The Liquidating Trustee shall treat the Liquidating Trust as a grantor trust for United States federal income tax purposes pursuant to Treasury Regulation section 1.671-4(a) and in accordance with this Article V.E.11. The Liquidating Trustee also will annually send to each holder of a Liquidating Trust Interest a separate statement regarding the receipts and expenditures of the Liquidating Trust as relevant for all U.S. federal income tax purposes and will instruct all such holders to use such information in preparing their U.S. and Canadian federal income tax returns or to forward the appropriate information to such holder's underlying beneficial holders with instructions to utilize such information in preparing their U.S. and Canadian federal income tax returns. The Liquidating Trustee shall also file (or cause to be filed) any other statement, return or disclosure relating to the Liquidating Trust that is required by any governmental units in the United States, Canada and elsewhere.

ii. The Liquidating Trustee will in good faith value all other Liquidating Trust Assets, and shall make all such values available from time to time, to the extent relevant, and such values shall be used consistently by all parties to the Liquidating Trust (including, without limitation, the Debtors, the Liquidating Trustee, and Liquidating Trust Beneficiaries) for all United States and Canadian federal income tax purposes.

iii. Allocations of Liquidating Trust taxable income among the Liquidating Trust Beneficiaries (other than taxable income allocable to the Disputed Claims Reserve) shall be determined by reference to the manner in which an amount of cash representing such taxable income would be distributed (were such cash permitted to be distributed at such time) if, immediately prior to such deemed distribution, the Liquidating Trust had distributed all its assets (valued at their tax book value, and other than assets allocable to the Disputed Claims Reserve) to the holders of the Liquidating Trust Interests, adjusted for prior taxable income and loss and taking into account all prior and concurrent distributions from the Liquidating Trust. Similarly, taxable loss of the Liquidating Trust shall be allocated by reference to the manner in which an economic loss would be borne immediately after a hypothetical liquidating distribution of the remaining Liquidating Trust Assets. The tax book value of the Liquidating Trust Assets for purpose of this paragraph shall equal their fair market value on the Effective Date, adjusted in accordance with tax accounting principles prescribed by the IRC, the applicable Treasury Regulations, and other applicable administrative and judicial authorities and pronouncements.

iv. Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary (including the receipt by the Liquidating Trustee of a private letter ruling if the Liquidating Trustee so requests one, or the receipt of an adverse determination by the IRS upon audit if not contested by the Liquidating Trustee), the Liquidating Trustee shall (A) timely elect to treat any Disputed Claims Reserve as a “disputed ownership fund” governed by Treasury Regulation section 1.468B-9, and (B) to the extent permitted by applicable law, report consistently with the foregoing for state and local income tax purposes. All parties (including the Liquidating Trustee, the Debtors, and the Liquidating Trust Beneficiaries) shall report for United States federal, state and local income tax purposes consistently with the foregoing.

v. The Liquidating Trustee shall be responsible for payment, out of the Liquidating Trust Assets, of any United States, Canadian, federal, provincial, territorial or local taxes imposed on the trust or its assets, including the Disputed Claims Reserve. In the event, and to the extent, any Cash retained on account of Disputed Claims in the Disputed Claims Reserve is insufficient to pay the portion of any such United States, Canadian, federal, provincial, territorial or local taxes attributable to the taxable income arising from the assets allocable to, or retained on account of, Disputed Claims, such United States, Canadian, federal, provincial, territorial or local taxes shall be (i) reimbursed from any subsequent Cash amounts retained on account of Disputed Claims, or (ii) to the extent such Disputed Claims have subsequently been resolved, deducted from any amounts otherwise distributable by the Liquidating Trustee as a result of the resolution of such Disputed Claims.

vi. The Liquidating Trustee may request an expedited determination of taxes of the Liquidating Trust, including the Disputed Claims Reserve, or the Debtors under section 505(b) of the Bankruptcy Code for all tax returns filed for, or on behalf of, the Liquidating Trust or the Debtors for all taxable periods through the dissolution of the Liquidating Trust.

c. Dissolution. The Liquidating Trustee and the Liquidating Trust shall be discharged or dissolved, as the case may be, at such time as (i) all of the Liquidating Trust Assets have been distributed pursuant to the Plan and the Liquidating Trust Agreement, (ii) the Liquidating Trustee determines, in its sole discretion, that the administration of any remaining Liquidating Trust Assets is not likely to yield sufficient additional Liquidating Trust proceeds to justify further pursuit, or (iii) all distributions required to be made by the Liquidating Trustee under the Plan and the Liquidating Trust Agreement have been made; provided, however, in no event shall the Liquidating Trust be dissolved later than three (3) years from the Effective Date unless the Bankruptcy Court, upon motion within the six-month period prior to the third (3rd) anniversary (or within the six-month period prior to the end of an extension period), determines that a fixed period extension (not to exceed three (3) years, together with any prior extensions, without a favorable private letter ruling from the IRS or an opinion of counsel satisfactory to the Liquidating Trustee and the Liquidating Trust Board that any further extension would not adversely affect the status of the trust as a liquidating trust for United States federal income tax purposes) is necessary to facilitate or complete the recovery and liquidation of the Liquidating Trust Assets. If at any time the Liquidating Trustee determines, in reliance upon such professionals as the Liquidating Trustee may retain, that the expense of administering the Liquidating Trust so as to make a final distribution to its beneficiaries is likely to exceed the value of the assets remaining in the Liquidating Trust, the Liquidating Trustee may apply to the Bankruptcy Court for authority to (i) reserve any amount necessary to dissolve the Liquidating Trust, (ii) donate any balance to a charitable organization (A) described in section 501(c)(3) of the IRC, (B) exempt from United States federal income tax under section 501(a) of the IRC, (C) not a “private foundation”, as defined in section 509(a) of the IRC, and (D) that is unrelated to the Debtors, the Liquidating Trust, and any insider of the Liquidating Trustee, and (iii) dissolve the Liquidating Trust.

12. Indemnification of the Liquidating Trustee.

The Liquidating Trustee or the individual(s) comprising the Liquidating Trustee, as the case may be, and the Liquidating Trustee’s agents and professionals, shall not be liable to the Liquidating Trust Beneficiaries for actions taken or omitted in their capacity as, or on behalf of, the Liquidating Trustee, except those acts arising out of their own willful misconduct or gross negligence, and each shall be entitled to indemnification and reimbursement for fees and expenses in defending any and all actions or inactions in their capacity as, or on behalf of, the Liquidating Trustee, except for any actions or inactions involving willful misconduct or gross negligence. Any indemnification claim of the Liquidating Trustee (and the other parties entitled to indemnification under this subsection) shall be satisfied solely from the Liquidating Trust Assets and shall be entitled to a priority distribution therefrom, ahead of the Liquidating Trust Interests and any other claim to or interest in such assets. The Liquidating Trustee shall be entitled to rely, in good faith, on the advice of its retained professionals.

13. Termination of the Liquidating Trust

The Liquidating Trust shall terminate in accordance with the Liquidating Trust Agreement.

F. Operations of the Debtors between the Confirmation Date, the Effective Date and the Closing Date

The Debtors shall continue to operate as Debtors in Possession during the period from the Confirmation Date through the Effective Date. Upon the Effective Date, the Reorganized Debtors will exist and operate the Business in accordance with terms and conditions of the Purchase Agreement and the Sale Order. Upon the Closing Date, the Reorganized Debtors will transfer the Acquired Assets to the Purchaser in accordance with the Purchase Agreement. In addition, on the Closing Date (or earlier in certain circumstances, as set forth in the Purchase Agreement), the Purchaser shall pay to the Reorganized Debtors the Closing Date Payment, which will be transferred to the Liquidating Trust as soon as reasonably practicable upon the Reorganized Debtors' receipt of the Closing Date Payment. Notwithstanding the foregoing, the Reorganized Debtors will not transfer to the Purchaser the Retained Assets, but may, with the consultation of the Creditors' Committee or the Liquidating Trustee, as applicable, contribute or transfer any of the Retained Assets to the Liquidating Trust. Should the Closing Date occur on or before the Effective Date, the Reorganized Debtors will exist solely for the purpose of implementing the Plan and winding up their remaining operations after the Closing in accordance with the terms of the Plan, the Purchase Agreement and the Sale Order.

G. Modifications to the Plan in the Event that the Closing Date Does Not Occur on or Before the Effective Date

If (i) the Closing Date does not occur on or before the Effective Date or (ii) upon consultation with the Creditors' Committee, the Debtors determine in their discretion that the provisions in Exhibit 3 should be triggered, all provisions in Exhibit 3 shall take effect and shall become and be deemed operative provisions of this Plan and all applicable Articles of this Plan shall be and shall be deemed modified by the provisions contained in Exhibit 3. To the extent that the Closing Date does occur on or before the Effective Date, all provisions contained in Exhibit 3 hereto shall be and shall be deemed null, void and of no force and effect. If the Debtors, in consultation with the Creditors' Committee, trigger the provisions in Exhibit 3 in accordance with (ii), above, the Debtors shall file a notice on the docket of such determination.

H. Term of Injunction or Stays

Unless otherwise provided, all injunctions or stays provided for in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Chapter 11 Cases are closed.

I. Cancellation of Securities and Agreements

On the Effective Date, and to the extent not occurring sooner pursuant to the Paydown Orders or any similar order, except as otherwise specifically provided for in the Plan: (1) the remaining obligations of the Debtors, if any, under the Senior Secured Notes Security Agreements, the Indentures and the PMCA, and any other certificate, share, note, bond, indenture, purchase right, option, warrant or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors giving rise to any Claim or Interest (except such certificates, notes or other instruments or documents evidencing indebtedness or obligations of the Debtors that are specifically reinstated pursuant to the Plan), shall be cancelled as to the Debtors, and the Reorganized Debtors shall not have any continuing obligations thereunder and (2) the obligations of the Debtors pursuant, relating or pertaining to any agreements, indentures, certificates of designation, bylaws or certificate or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, purchase rights, options, warrants or other instruments or documents evidencing or creating any indebtedness or obligation of the Debtors (except such agreements, certificates, notes or other instruments evidencing indebtedness or obligations of the Debtors that are specifically reinstated or assumed pursuant to the Plan) shall be released and discharged; *provided, however*, notwithstanding Confirmation or the occurrence of the Effective Date, any such indenture or agreement that governs the rights of the holder of a Claim shall continue in effect solely for purposes of (a) allowing holders of Senior Secured Notes Claims and Senior Exchangeable Notes Claims (as applicable) to receive

Distributions under the Plan as provided herein, (b) allowing the Indenture Trustees, if applicable, to make Distributions under the Plan as provided herein, or any other distribution under the Indentures, and in accordance with any payment priorities established under the Indentures and to deduct therefrom such unpaid compensation, reasonable fees and expenses due thereunder or incurred in making such Distributions and (c) allowing the Indenture Trustees to seek compensation and/or reimbursement of reasonable fees and expenses in accordance with the terms of the Indentures and this Plan, including, without limitation, through the exercise of their respective charging liens; *provided further, however*, that the preceding proviso shall not affect the discharge of Claims or Interests pursuant to the Bankruptcy Code, the Confirmation Order or the Plan, or result in any expense or liability to the Reorganized Debtors, except to the extent set forth in or provided for under this Plan or the Global Settlement Order. On and after the Effective Date, all duties and responsibilities of the Indenture Trustees under the Indentures, and the Purchase Money Agent under the PMCA, as applicable, shall be discharged except to the extent required in order to effectuate the Plan.

J. Corporate Existence

Subject to any Restructuring Transaction and except as otherwise provided herein, in the New Corporate Governance Documents or elsewhere in the Plan Supplement, each Debtor, as Reorganized, shall continue to exist after the Effective Date as a separate corporate entity, limited liability company, partnership or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed, subject to the terms of this Plan.

K. New Certificates of Incorporation and New By-Laws

On or as soon as reasonably practicable after the Effective Date, each of the Reorganized Debtors will file their respective New Certificates of Incorporation with the applicable Secretaries of State and/or other applicable authorities in their respective jurisdictions of incorporation in accordance with the corporate laws of the respective jurisdictions of incorporation. After the Effective Date, each of the Reorganized Debtors may amend and restate their respective New Certificates of Incorporation and New By-Laws and other constituent documents as permitted by the laws of their respective jurisdictions of incorporation and their respective New Certificates of Incorporation and New By-Laws.

L. Reorganized Debtors' Boards of Directors

To the extent known, the identity of the members of the New Boards of each of the Reorganized Debtors will be identified in the Plan Supplement.

M. Officers of Reorganized Debtors

To the extent known, officers of each of the other Reorganized Debtors shall be identified in the Plan Supplement. Such officers shall serve in accordance with applicable non-bankruptcy law and, to the extent applicable, the New Employment Agreements. The officers of each of the Reorganized Debtors will be determined by the New Boards of each of the Reorganized Debtors.

N. Employee Benefits

Except as otherwise provided herein, and in accordance with and subject to the terms of the Purchase Agreement, on and after the Effective Date, the Reorganized Debtors may: (1) honor, in the ordinary course of business, any contracts, agreements, policies, programs and plans for, among other things, compensation (other than equity based compensation related to Interests), health care benefits, disability benefits, deferred compensation benefits, travel benefits, savings, severance benefits, retirement benefits, welfare benefits, workers' compensation insurance and accidental death and dismemberment insurance for the directors, officers and employees of any of the Debtors who served in such capacity at any time and (2) honor, in the ordinary course of business, Claims of employees employed as of the Effective Date for accrued vacation time arising before the Petition Date; *provided, however*, that the Debtors' or Reorganized Debtors' performance under any employment agreement will not entitle any person to any benefit or alleged entitlement under any policy, program or plan that has expired or been

terminated before the Effective Date, or restore, reinstate or revive any such benefit or alleged entitlement under any such policy, program or plan. Nothing herein shall limit, diminish or otherwise alter the Reorganized Debtors' defenses, claims, Causes of Action or other rights with respect to any such contracts, agreements, policies, programs and plans.

O. Vesting of Assets in the Reorganized Debtors

Except as otherwise provided in the Purchase Agreement, the Sale Order or the Plan or any agreement, instrument or other document incorporated therein, on the Effective Date any and all property in each Estate and all Causes of Action (except those released pursuant to the Releases by the Debtors) shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges or other encumbrances; provided that to the extent the Acquired Assets have been transferred to the Purchaser on or before the Effective Date, solely the Retained Assets will vest in each respective Reorganized Debtor. On and after the Effective Date, each Reorganized Debtor will operate its business in accordance with the terms hereof, the Purchase Agreement and the Sale Order and may use, acquire or dispose of property, and compromise or settle any Claims, Interests or Causes of Action free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, but subject to the Purchase Agreement and the Sale Order.

P. Restructuring Transactions

On the Effective Date or as soon as reasonably practicable thereafter, but subject to the Purchase Agreement and the Sale Order, the Reorganized Debtors may enter into any Restructuring Transactions and may take all actions as may be necessary or appropriate to effect a restructuring of their respective businesses or the overall organizational structure of the Reorganized Debtors. The Restructuring Transactions may include one or more mergers, consolidations, restructurings, conversions, dissolutions, transfers or liquidations as may be reasonably determined by (i) the Debtors, or (ii) the Reorganized Debtors to be necessary or appropriate (including, as necessary to comply with any regulatory requirements), subject to the Purchase Agreement and the Sale Order. The actions to effect the Restructuring Transactions, which shall be subject to the Purchase Agreement and the Sale Order, may include: (1) the execution and delivery of appropriate agreements or other documents of merger, consolidation, restructuring, conversion, disposition, transfer, dissolution or liquidation containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable law and any other terms to which the applicable Entities may agree; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, debt or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable parties agree; (3) the filing of appropriate certificates or articles of incorporation or amendments thereof, reincorporation, merger, consolidation, conversion or dissolution pursuant to the law of the applicable jurisdiction; and (4) all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable law in connection with the Restructuring Transactions. In the event a Restructuring Transaction is a merger transaction, upon the consummation of such Restructuring Transaction, each party to such merger shall cease to exist as a separate corporate entity and thereafter the surviving Reorganized Debtor shall assume and perform the obligations of each Reorganized Debtor under the Plan. In the event a Reorganized Debtor is liquidated, the Reorganized Debtors (or the Reorganized Debtor which owned the stock in such liquidating Debtor prior to such liquidation) shall assume and perform such obligations. Implementation of the Restructuring Transactions shall not affect the Distributions under the Plan.

Q. Intercompany Claims

Each Allowed Intercompany Claim shall be reinstated on the Effective Date, except as otherwise determined by the Debtors. After the Effective Date, the Reorganized Debtors shall have the right to resolve or compromise Disputed Intercompany Claims without approval of the Bankruptcy Court subject to and consistent with the terms of the Global Settlement Order.

R. Corporate Action

Upon the Effective Date, all actions contemplated by the Plan shall be deemed authorized and approved in all respects, including (1) entry into the New Employment Agreements; (2) selection of the directors and officers of the Reorganized Debtors; (3) issuance of the New Common Stock, as provided herein; and (4) all other actions

contemplated by the Plan (whether to occur before, on or after the Effective Date). All matters provided for in the Plan involving the corporate structure of the Debtors or the Reorganized Debtors, and any corporate action required by the Debtors or the Reorganized Debtors in connection with the Plan shall be deemed to have occurred and shall be in effect, without any requirement of further action by the directors or officers of the Debtors or the Reorganized Debtors.

On or (as applicable) before the Effective Date, the appropriate officers of the Debtors or the Reorganized Debtors, as applicable, shall be authorized and directed to issue, execute and deliver the agreements, documents, securities, certificates of incorporation, operating agreements and instruments contemplated by the Plan (or necessary or desirable to effect the transactions contemplated by the Plan) in the name of and on behalf of the Reorganized Debtors, including any and all agreements, documents, securities and instruments relating to the foregoing. The authorizations and approvals contemplated by this Article V shall be effective notwithstanding any requirements under non-bankruptcy law.

S. Effectuating Documents; Further Transactions

On and after the Effective Date, the Reorganized Debtors and the managers, officers and members of the boards of directors thereof are authorized to issue, execute, deliver, file or record such contracts, securities, instruments, releases and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement and further evidence the terms and conditions of the Plan and the securities issued pursuant to the Plan in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorization or consents except for those expressly required pursuant to the Plan.

T. Section 1145 Exemption for Interim TSN Trust Interests, Interim TSN Warrants and Liquidating Trust Interests

To the extent that the Interim TSN Trust Interests, Interim TSN Warrants (each, in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof) and the Liquidating Trust Interests constitute "securities," the parties hereto intend that the exemption provisions of section 1145 of the Bankruptcy Code will apply to the Interim TSN Trust Interests, Interim TSN Warrants (each, in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof) and Liquidating Trust Interests.

U. Section 1146 Exemption from Certain Taxes and Fees

Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property in contemplation of, in connection with, or pursuant to the Plan and/or the Purchase Agreement shall not be subject to any stamp tax or other similar tax or governmental assessment in the United States, and the Confirmation Order shall direct and be deemed to direct the appropriate state or local governmental officials or agents to forgo the collection of any such tax or governmental assessment and to accept for filing and recordation instruments or other documents pursuant to such transfers of property without the payment of any such tax or governmental assessment. Such exemption specifically applies, without limitation, to (1) the transfer of the Acquired Assets to the Purchaser pursuant to the Purchase Agreement; (2) the creation of any mortgage, deed of trust, lien or other security interest; (3) the making or assignment of any lease or sublease; (4) any Restructuring Transaction; or (5) the making or delivery of any deed or other instrument of transfer under, in furtherance of or in connection with the Plan, including: (a) any merger agreements; (b) agreements of consolidation, restructuring, disposition, liquidation or dissolution; (c) deeds; or (d) assignments executed in connection with any transaction occurring under the Plan.

V. D&O Liability Insurance Policies and Indemnification Provisions

Notwithstanding anything herein to the contrary, as of the Effective Date, the D&O Liability Insurance Policies and Indemnification Provisions belonging or owed to directors, officers, and employees of the Debtors (or the estates of any of the foregoing) who served or were employed by the Debtors as of or after the Petition Date, excluding claims resulting from gross negligence, willful misconduct, breach of fiduciary duty, or intentional tort, shall be deemed to be, and shall be treated as though they are, executory contracts and the Debtors shall assume (and assign to the Reorganized Debtors if necessary to continue the D&O Liability Insurance Policies in full force) all of

the D&O Liability Insurance Policies and Indemnification Provisions pursuant to section 365(a) of the Bankruptcy Code. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Debtors' foregoing assumption of each of the D&O Liability Insurance Policies and Indemnification Provisions. On or before the Effective Date, the Reorganized Debtors shall obtain tail coverage under a directors' and officers' liability insurance policy for the current and former directors, officers and managers for a period of five years, and placed with such insurers, the terms of which shall be set forth in the Plan Supplement.

In addition, on the Effective Date, the New Corporate Governance Documents of the Reorganized Debtors shall contain provisions which (i) eliminate the personal liability of the Debtors' and the Reorganized Debtors' then-present and future directors and officers for post-emergence monetary (or other) damages resulting from breaches of their fiduciary duties (and any other actions taken in furtherance of this Plan and the Purchase Agreement) to the fullest extent permitted by applicable law in the jurisdiction in which the subject Reorganized Debtor is organized; and (ii) require such Reorganized Debtor, subject to appropriate procedures, to indemnify the Debtors' and the Reorganized Debtors' directors, officers, and other key employees (as such key employees are identified by the New Board) serving on or after the Effective Date for all claims and actions (and any other actions taken in furtherance of this Plan and the Purchase Agreement) to the fullest extent permitted by applicable law in the jurisdiction in which the subject Reorganized Debtor is organized.

Notwithstanding anything to the contrary, as of the Effective Date, all Indemnification Provisions belonging or owed to directors, officers, and employees of the Debtors who served or were employed by the Debtors prior to, but not after, the Petition Date shall be deemed to be, and shall be treated as though they are, executory contracts that are rejected pursuant to section 365 of the Bankruptcy Code under the Plan.

W. Payment of Fees and Expenses of the Indenture Trustees

In accordance with the Final DIP Order, the reasonable, actual and documented fees and expenses of the Senior Secured Notes Indenture Trustee/Agent shall be finally allowed. On the Effective Date or as soon as reasonably practicable thereafter, the Debtors, Reorganized Debtors or the Purchaser (as applicable, and subject to the terms of the Purchase Agreement) shall pay in Cash (1) all reasonable, actual and documented unpaid fees and expenses of the Senior Secured Notes Indenture Trustee/Agent and its advisors, including counsel; and (2) all reasonable, actual and documented unpaid fees and expenses of the Senior Exchangeable Notes Indenture Trustee and its advisors, including counsel. The Debtors, the Purchaser, the Reorganized Debtors and any notice party entitled to receive and review fees and expenses under the Final DIP Order may dispute any portion of such aforementioned fees and expenses in which case (a) the Debtors, Reorganized Debtors or the Purchaser shall pay the portion of such fees and expenses that is not specifically disputed and (b) in the absence of a consensual resolution, the affected Indenture Trustee/Agent or the Reorganized Debtors shall submit the dispute to the Bankruptcy Court for adjudication. For the avoidance of doubt, nothing herein affects an Indenture Trustee's right to exercise its charging lien against Distributions under the Plan (or other distribution under its Indenture) to holders of the Notes.

X. Preservation of Rights and Causes of Action

In accordance with section 1123(b) of the Bankruptcy Code, and except where such Causes of Action have been expressly released (including, for the avoidance of doubt, pursuant to the Releases by the Debtors provided by Article IX.B hereof and pursuant to the Sale Order), the Liquidating Trustee shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, including Causes of Action under chapter 5 of the Bankruptcy Code, whether arising before or after the Petition Date, and the Reorganized Debtors' rights to commence, prosecute or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. No Entity may rely on the absence of a specific reference in the Plan, the Disclosure Statement, or the Schedule of Retained Causes of Action, to any Cause of Action against them as any indication that the Debtors or Reorganized Debtors, as applicable, will not pursue any and all available Causes of Action against them. No preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches, shall apply to such retained Causes of Action upon, after or as a consequence of the Confirmation or consummation of the Plan.

Y. Dissolution of Corporate Entities

After the Closing Date, and at such time as the New Board considers appropriate and consistent with the implementation of the Plan (including the satisfaction of Distributions thereunder) pertaining to each Reorganized Debtor, the New Board or any officer of such Reorganized Debtor will dissolve such Reorganized Debtor and complete the winding up thereof in accordance with applicable law. As soon as practicable after all aspects of the Plan pertaining to each Reorganized Debtor have been completed, each Reorganized Debtor will be dissolved and wound up in accordance with applicable law. The Confirmation Order will serve as evidence of dissolution of the Reorganized Debtors to be submitted to the applicable state or provincial authority.

ARTICLE VI.

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption and Rejection of Executory Contracts and Unexpired Leases

Except as otherwise provided herein, in the Purchase Agreement, or in any contract, instrument, release, indenture or other agreement or document entered into in connection with the Plan, each of the Debtors' Executory Contracts and Unexpired Leases (including the Designated Contracts) shall be deemed assumed as of the Effective Date, unless such Executory Contract or Unexpired Lease: (1) was assumed or rejected previously by the Debtors; (2) expired or terminated pursuant to its own terms before the Effective Date; (3) is the subject of a motion to assume filed on or before the Effective Date; or (4) is identified on the Rejected Executory Contract and Unexpired Lease List.

Entry of the Confirmation Order shall constitute a Bankruptcy Court order approving the assumptions or rejections of such Executory Contracts or Unexpired Leases as set forth in the Plan, all pursuant to sections 365(a) and 1123 of the Bankruptcy Code. To the extent not already included in the Sale Order with regard to any Designated Contract, the Confirmation Order shall constitute an order of the Bankruptcy Court, approving (i) the assumption and assignment, or rejection, as the case may be, of Executory Contracts and Unexpired Leases, as described above, pursuant to sections 365(a) and 1123(b)(2) of the Bankruptcy Code, (ii) that the Reorganized Debtors had properly provided for the cure of any defaults that might have existed, (iii) that each assumption and assignment was in the best interest of the Reorganized Debtors, their estates, and all parties in interest in the Chapter 11 Cases, and (iv) the requirements for assumption and assignment of any Executory Contract or Unexpired Lease to be assumed had been satisfied. Unless otherwise indicated, all assumptions or rejections of Executory Contracts and Unexpired Leases pursuant to the Plan are effective as of the Effective Date. To the extent that an Executory Contract or Unexpired Lease was identified on the list of Designated Contracts by the Purchaser, any such Designated Contract will be assumed by the Debtors or Reorganized Debtors, as applicable, on the Effective Date and assigned by the Debtors or Reorganized Debtors, as applicable, pursuant to the Sale Order to the Purchaser (or Alternative Purchaser under an Alternative Sale, as the case may be) on the Closing Date. Each Executory Contract or Unexpired Lease assumed pursuant to the Plan or by Bankruptcy Court order but not assigned to a third party before the Effective Date shall revert in and be fully enforceable by the applicable contracting Reorganized Debtor in accordance with its terms, except as such terms may have been modified by such order. Notwithstanding anything to the contrary in the Plan, but subject to the Purchase Agreement and the Sale Order, the Debtors, in consultation with the Creditors' Committee and the Liquidating Trust, as applicable, reserve the right to alter, amend, modify or supplement the Rejected Executory Contract and Unexpired Lease List in the Plan Supplement at any time before the Effective Date; *provided*, that to the extent that, as of the Effective Date, there is any pending dispute between one or more of the Debtors and a counterparty to an Executory Contract or Unexpired Lease regarding such counterparty's Cure Claim, the Debtors and Reorganized Debtors shall reserve the right to add the applicable Executory Contract or Unexpired Lease to the Rejected Executory Contract and Unexpired Lease List following the resolution of such dispute, in which event such Executory Contract or Unexpired Lease shall be deemed rejected and such counterparty shall have any and all rights with respect thereto. After the Effective Date, the Reorganized Debtors shall have the right to terminate, amend or modify any intercompany contracts, leases or other agreements without approval of the Bankruptcy Court.

B. Cure of Defaults for Executory Contracts and Unexpired Leases Assumed

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, in consultation with the Creditors' Committee or Liquidating Trustee, as applicable, pursuant

to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on the Effective Date, subject to the limitations described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed or (3) any other matter pertaining to assumption, the payment of Cure Claims required by section 365(b)(1) of the Bankruptcy Code shall be made no later than ten (10) Business Days following the entry of a Final Order or orders resolving the dispute and approving the assumption. At least ten days before the Confirmation Hearing, the Debtors shall distribute, or cause to be distributed, notices of proposed assumption and proposed amounts of Cure Claims to the applicable third parties, which notices shall include procedures for objecting to proposed assumptions of Executory Contracts and Unexpired Leases and any amounts of Cure Claims to be paid in connection therewith and resolution of disputes by the Bankruptcy Court. If an Executory Contract or Unexpired Lease was not contained on the list of Designated Contracts, but such Executory Contract or Unexpired Lease is proposed to be assumed pursuant to the Plan, any objection by a counterparty to such Executory Contract or Unexpired Lease to a proposed assumption or related Cure Claim amount must be filed, served and actually received by the Debtors at least three (3) Business Days before the Confirmation Hearing. If a counterparty to an Executory Contract or Unexpired Lease contained on the list of Designated Contracts believes that it has a Cure Claim that arose between the date of entry of the Sale Order and the Confirmation Date, any objection by a counterparty to such Executory Contract or Unexpired Lease to such Cure Claim must be filed, served and actually received by the Debtors at least ten (10) Business Days before the Confirmation Hearing. Pursuant to the Sale Order, counterparties to any Executory Contract or Unexpired Lease identified on the list of Designated Contracts are estopped and shall not be permitted to object to Cure Claims arising before entry of, and approved pursuant to, the Sale Order. Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or Cure Claim amount (other than any counterparty who is estopped from objection pursuant to the previous sentence) will be deemed to have assented to such assumption or cure amount.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time before the effective date of the assumption. For the avoidance of doubt and notwithstanding anything to the contrary contained herein, payment of any and all Cure Claims shall be made by the Debtors, in consultation with the Creditors' Committee or Liquidating Trustee, as applicable, from the Funding Date Consideration.

C. Claims Based on Rejection of Executory Contracts or Unexpired Leases

All proofs of Claim with respect to Claims arising from the rejection of Executory Contracts and Unexpired Leases, if any, must be filed with the Bankruptcy Court within 30 days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection. Any Claims arising from the rejection of Executory Contracts and Unexpired Leases not filed with the Bankruptcy Court within such time will be automatically disallowed, forever barred from assertion and shall not be enforceable against the Debtors or the Reorganized Debtors, the Estates or their property without the need for any objection by the Reorganized Debtors or further notice to, or action, order or approval of the Bankruptcy Court. All Allowed Claims arising from the rejection of the Debtors' Executory Contracts and Unexpired Leases shall be classified as Unsecured Claims against the applicable Debtor and shall be treated in accordance with Article III of the Plan. The deadline to object to Claims arising from the rejection of Executory Contracts and Unexpired Leases, if any, shall be the later of (a) 180 days following the date on which such Claim was filed and (b) such other period of limitation as may be specifically fixed by an order of the Bankruptcy Court for objecting to such Claims.

D. Insurance Policies

Notwithstanding anything herein to the contrary as of the Effective Date, the Debtors shall assume (and assign to the Reorganized Debtors if necessary to continue the Insurance Policies in full force) all of the Insurance Policies pursuant to section 365(a) of the Bankruptcy Code. To the extent that any Insurance Policy had been identified by the Purchasers as a Designated Contract, the Debtors shall assume such Insurance Policy as of the Effective Date, and the Debtors or the Reorganized Debtors, as applicable, will assign such Insurance Policy to the

Purchaser on the Closing Date. To the extent not already provided in the Sale Order, entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Debtors' foregoing assumption (and, as applicable, assignment to the Purchaser) of each of the Insurance Policies.

E. Modifications, Amendments, Supplements, Restatements or Other Agreements.

Unless otherwise provided or as otherwise set forth in the Purchase Agreement or the Sale Order, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan (or the Purchase Agreement or the Sale Order).

Modifications, amendments, supplements and restatements to Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed (unless otherwise agreed by the contract counterparty) to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority or amount of any Claims that may arise in connection therewith.

F. Reservation of Rights.

Except for any Designated Contract, neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Rejected Executory Contract and Unexpired Lease List, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any Reorganized Debtor has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or Reorganized Debtors, as applicable, shall have 45 days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

G. Contracts and Leases Entered Into After the Petition Date.

Contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed by such Debtor, will be performed by the Debtor or Reorganized Debtor liable thereunder in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order, unless the parties thereto and the Reorganized Debtors (or, upon assignment, the Purchaser) agree to any modifications, amendments, supplements or restatements

ARTICLE VII.

PROVISIONS GOVERNING DISTRIBUTIONS

A. Initial Distribution Date

On the Initial Distribution Date or as soon thereafter as is reasonably practicable, the Liquidating Trustee shall make, or shall make adequate reserves for, the Distributions required to be made under the Plan.

B. Closing Date Payment Distribution Date

On, or as soon as reasonably practicable after, the transfer of the Closing Date Payment to the Liquidating Trust, which will occur on the earliest of (i) the Closing, (ii) two (2) Business Days following the date upon which the FCC or Industry Canada denies, dismisses or designates for an evidentiary hearing the applications for the FCC Consent or the Industry Canada Approval or (iii) two (2) Business Days following the date upon which an Alternative Sale Notice is delivered in accordance with Section 3.5(b)(i) of the Purchase Agreement, the Liquidating

Trustee shall make, or make adequate reserves for, the Distributions required to be made under the Plan from the Closing Date Payment in accordance with this Plan and the Liquidating Trust Agreement.

C. Record Date for Distributions

As of the entry of the Confirmation Order, the various transfer registers for each of the Classes of Claims or Interests as maintained by the Debtors or their respective agents shall be deemed closed, and there shall be no further changes made to reflect any new record holders of any Claims or Interests. The Debtors and the Indenture Trustees shall have no obligation to recognize any transfer of Claims or Interests occurring on or after the Distribution Record Date.

D. Timing and Calculation of Amounts to Be Distributed

Except as otherwise provided in the Plan, on the applicable Distribution Date, each holder of an Allowed Claim or Interest against the Debtors, or the Trust Agreements, shall receive the full amount of the Distributions that the Plan provides for Allowed Claims or Interests in the applicable Class and in the manner provided herein. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims, Distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in Article VIII hereof. Except as otherwise provided herein, holders of Claims shall not be entitled to interest, dividends or accruals on the Distributions provided for herein, regardless of whether such Distributions are delivered on or at any time after the Effective Date.

E. Fractional Distributions

Cash shall not be distributed under the Plan in denominations of less than one cent (\$0.01). The Disbursing Agent shall have no obligation to make any Distribution of Cash that is less than \$10.00.

F. Disbursing Agent

Except as otherwise provided herein, all Distributions under the Plan shall be made by the Reorganized Debtors, the Liquidating Trustee or the Interim TSN Trust Board (but solely in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof), as applicable, as Disbursing Agent, or such other Entity designated by the Reorganized Debtors, in consultation with the Creditors' Committee, as a Disbursing Agent, on the Effective Date. If the Disbursing Agent is not one of the Reorganized Debtors, the Liquidating Trustee or the Interim TSN Trust Board (but solely in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof), such entity shall obtain a bond or surety for the performance of its duties, and all costs and expenses of procuring any such bond or surety shall be borne by the Debtors, Reorganized Debtors, the Liquidating Trust or the Interim TSN Trust Board (but solely in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof), as applicable; *provided, however*, that no Indenture Trustee shall be required to obtain such a bond or surety.

G. Rights and Powers of Disbursing Agent

1. Powers of the Disbursing Agent

The Disbursing Agent shall be empowered to: (a) affect all actions and execute all agreements, instruments and other documents necessary to perform its duties under the Plan and/or the Trust Agreements; (b) make all Distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan and/or the Trust Agreements, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions hereof.

2. Expenses Incurred On or After the Effective Date

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable, actual and documented fees and expenses incurred by any Disbursing Agent in carrying out its obligations under this Article VII of the Plan on or after the Effective Date (including taxes) and any reasonable, actual and documented compensation and expense reimbursement claims (including reasonable attorney fees and expenses) made by the Disbursing Agent related thereto shall be paid in Cash from the Liquidating Trust Assets by the Liquidating Trustee, in its reasonable discretion.

H. Distributions to Holders of Disputed Claims

Notwithstanding any provision otherwise in the Plan and except as may be agreed to by the Debtors or the Reorganized Debtors, as applicable, and the Liquidating Trustee, in each case in their sole discretion, and the holder of a Disputed Claim, no partial payments and no partial Distributions shall be made with respect to any Disputed Claim until all Disputed Claims held by the holder of such Disputed Claim or Interest have become Allowed Claims or have otherwise been resolved by settlement or Final Order.

I. Delivery of Distributions and Undeliverable or Unclaimed Distributions

1. Delivery of Distributions in General

Except as otherwise provided in the Plan and subject to Bankruptcy Rule 9010, Distributions to holders of Allowed Claims shall be made to holders of record as of the Distribution Record Date by the Disbursing Agent: (a) to the signatory set forth on any of the Proofs of Claim filed by such holder or other representative identified therein (or at the last known addresses of such holder if no Proof of Claim is filed or if the Debtors have been notified in writing of a change of address); (b) at the addresses set forth in any written notices of address changes delivered to the Disbursing Agent after the date of any related Proof of Claim; (c) at the addresses reflected in the Schedules if no Proof of Claim has been filed and the Disbursing Agent has not received a written notice of a change of address; or (d) on any counsel that has appeared in the Chapter 11 Cases on the holder's behalf. Distributions under the Plan on account of Allowed Claims shall not be subject to levy, garnishment, attachment or like legal process, so that each holder of an Allowed Claim shall have and receive the benefit of the Distributions in the manner set forth in the Plan. None of the Debtors, the Reorganized Debtors and the applicable Disbursing Agent shall incur any liability whatsoever on account of any Distributions under the Plan except for gross negligence, willful misconduct or fraud.

Except as otherwise provided in the Plan, all Distributions to holders of Notes Claims shall be governed by the Notes and the Indentures and shall be subject to each Indenture Trustee's right to exercise its charging lien for any unpaid fees and expenses. If the Debtors and the Indenture Trustees agree, the Indenture Trustees shall serve as the Disbursing Agent for Distributions on account of Notes Claims under their respective Indentures. All Distributions on account of Notes Claims shall be made (a) to the Indenture Trustees for their respective Notes or Indentures; or (b) with the prior written consent of an Indenture Trustee, through the facilities of DTC (if applicable). Distributions made by an Indenture Trustee to the record holders of Notes, and in turn by the record holders of Notes to the beneficial holders thereof, shall not be made as of the Distribution Record Date but rather shall be accomplished (as it relates to the identity of recipients) in accordance with the applicable Indenture and the policies and procedures of DTC. Distributions made by an Indenture Trustee directly to the beneficial holders of Notes shall only be made to such holders after the surrender by each such holder of the Note certificates representing such Notes Claim. Upon surrender of such Note certificates, the applicable Indenture Trustee shall cancel and destroy such Notes. As soon as practicable after surrender of Note certificates evidencing Allowed Notes Claims, the applicable Indenture Trustee shall distribute to the holder thereof such holder's Pro Rata share of the Distribution, but subject to the rights of such Indenture Trustee to assert its charging lien against such Distribution.

2. Undeliverable Distributions and Unclaimed Property

In the event that any Distribution to any holder is returned as undeliverable, no Distribution to such holder shall be made unless and until the Disbursing Agent has determined the then current address of such holder, at

which time such Distribution shall be made as soon as practicable after such Distribution has become deliverable or has been claimed to such holder without interest; *provided, however*, that such Distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and forfeited at the expiration of six months from the applicable Distribution Date. After such date, all “unclaimed property” or interests in property shall revert to the Liquidating Trust (notwithstanding any applicable federal or state escheat, abandoned or unclaimed property laws to the contrary) and shall be transferred by the Disbursing Agent or Reorganized Debtors (as applicable), in a supplemental Distribution to the holders of Allowed Claims in accordance with this Plan on a Pro Rata basis, and the Claim of any holder to such “unclaimed property” or interests in property shall be discharged and forever barred.

J. Withholding and Reporting Requirements

In connection with the Plan and all instruments issued in connection therewith, the Disbursing Agent shall comply with all applicable withholding and reporting requirements imposed by any federal, state or local taxing authority, and all Distributions under the Plan shall be subject to any such withholding or reporting requirements.

K. Setoffs

Subject to the Sale Order and the Global Settlement Order, the Debtors, the Reorganized Debtors, the Liquidating Trustee and Interim TSN Trust Board may withhold (but not set off except as set forth below) from the Distributions called for under the Plan on account of any Allowed Claim an amount equal to any claims, equity interests, rights and Causes of Action of any nature that the Debtors, the Reorganized Debtors, the Liquidating Trust or the Interim TSN Trust may hold against the holder of any such Allowed Claim. In the event that any such claims, equity interests, rights and Causes of Action of any nature that the Debtors, the Reorganized Debtors, the Liquidating Trust or the Interim TSN Trust Board may hold against the holder of any such Allowed Claim are adjudicated by Final Order or otherwise resolved, the Debtors may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Allowed Claim and the Distributions to be made pursuant hereto on account of such Allowed Claim (before any Distribution is made on account of such Allowed Claim) the amount of any adjudicated or resolved claims, equity interests, rights and Causes of Action of any nature that the Debtors, the Reorganized Debtors, the Liquidating Trust or the Interim TSN Trust may hold against the holder of any such Allowed Claim, but only to the extent of such adjudicated or resolved amount. Neither the failure to effect such a setoff nor the allowance of any Claim under the Plan shall constitute a waiver or release by the Debtors, the Reorganized Debtors, the Liquidating Trust or the Interim TSN Trust of any such claims, equity interests, rights and Causes of Action that the Debtors, the Reorganized Debtors, the Liquidating Trust or the Interim TSN Trust may possess against any such holder, except as specifically provided herein.

L. Claims Paid or Payable by Third Parties

1. Claims or Interests Paid by Third Parties

The Debtors, the Reorganized Debtors, the Liquidating Trustee or the Interim TSN Trust Board, as applicable, shall reduce in part or in full a Claim or Interest to the extent that the holder of such Claim or Interest receives payment in part or in full on account of such Claim or Interest from a party that is not a Debtor, Reorganized Debtor, the Liquidating Trust or the Interim TSN Trust. To the extent a holder of a Claim or Interest receives a Distribution on account of such Claim or Interest and receives payment from a party that is not a Debtor, a Reorganized Debtor, the Liquidating Trust or the Interim TSN Trust on account of such Claim or Interest, such holder shall, within two weeks of receipt thereof, repay or return the Distribution to the applicable Reorganized Debtor, the Liquidating Trust or the Interim TSN Trust, as applicable, to the extent the holder’s total recovery on account of such Claim or Interest from the third party and under the Plan exceeds the amount of such Claim or Interest as of the date of any such Distribution under the Plan.

2. Claims Payable by Third Parties

No Distributions under the Plan shall be made on account of Allowed insured Claims until the holder of such Allowed insured Claim has exhausted all remedies with respect to the Debtors’ Insurance Policies. To the extent that one or more of the Debtors’ insurers agrees to satisfy in full a Claim (if and to the extent adjudicated by a

court of competent jurisdiction), then immediately upon such insurers' agreement, such Claim may be expunged without a Claims objection having to be filed and without any further notice to or action, order or approval of the Bankruptcy Court.

3. Applicability of Insurance Policies

Except as otherwise provided in the Plan, Distributions to holders of Allowed Claims shall be in accordance with the provisions of any applicable Insurance Policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any cause of action that the Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

M. Postpetition Interest

Unless expressly provided herein, the Confirmation Order, the Final DIP Order, the Global Settlement Order or any contract, instrument, release, settlement or other agreement entered into in connection with the Plan, or required by the Bankruptcy Code (including without limitation sections 506(b) and 1129(b) of the Bankruptcy Code), postpetition interest shall not accrue on or after the Petition Date on account of any Claim. Nothing contained in this Plan shall be read to (a) affect the accrual or payment of interest on any claim in the chapter 11 cases of TSC, being jointly administered under Case No. 11-10612 (SHL), or (b) affect the ability of TSC or any other party in interest in the TSC cases to object to any such claim.

N. Section 506(c) Reservation

The Debtors and the Reorganized Debtors reserve all rights under section 506(c) of the Bankruptcy Code with respect to any and all Secured Claims, except to the extent waived pursuant to the Final DIP Order or the Sale Order.

O. Single Satisfaction of Claims

Except as agreed to by the Settlement Parties pursuant to the Settlement, holders of Allowed Claims may assert such Claims against each Debtor obligated with respect to such Claim, and such Claims shall be entitled to share in the recovery provided for the applicable Class of Claims against each obligated Debtor based upon the full Allowed amount of the Claim. Notwithstanding the foregoing, in no case shall the aggregate value of all property received or retained under the Plan on account of Allowed Claims exceed 100% of the underlying Allowed Claim.

ARTICLE VIII.

**PROCEDURES FOR RESOLVING CONTINGENT,
UNLIQUIDATED AND DISPUTED CLAIMS**

A. Prosecution of Objections to Claims

The Debtors, the Reorganized Debtors or the Liquidating Trustee, as applicable, shall have the exclusive authority to file, settle, compromise, withdraw or litigate to judgment any objections to Claims as permitted under the Plan. From and after the Effective Date, the Reorganized Debtors or the Liquidating Trustee may settle or compromise any Disputed Claim without approval of the Bankruptcy Court. The Debtors, the Reorganized Debtors and the Liquidating Trustee reserve all rights to resolve any Disputed Claim outside the Bankruptcy Court under applicable governing law. All objections, affirmative defenses and counterclaims shall be litigated to Final Order; provided, however, that the Debtors, Reorganized Debtors and Liquidating Trustee shall have the authority to file, settle, compromise or withdraw any objections to Claims. Unless otherwise ordered by the Bankruptcy Court, to the extent not already objected to by the Debtors, the Liquidating Trustee shall file and serve all objections to Claims as soon as practicable, but, in each instance, not later than one hundred eighty (180) days following the Effective Date or such later date as may be approved by the Bankruptcy Court.

B. Allowance of Claims

Except as expressly provided herein or in any order entered in the Chapter 11 Cases before the Effective Date (including the Confirmation Order), the Reorganized Debtors and the Liquidating Trust, as applicable, after the Effective Date will have and retain any and all rights and defenses held by the Debtors with respect to any Claim as of the Petition Date. All claims of any Entity against any Debtor shall be disallowed unless and until such Entity pays, in full, the amount it owes each such Debtor.

C. Disputed Claims Reserve

On the Effective Date (or as soon thereafter as is reasonably practicable), the Reorganized Debtors shall deposit in the Disputed Claims Reserve Cash having an aggregate value equal to the aggregate value of the consideration that would have been distributed to the holders of all Disputed Claims as if such Disputed Claims had been Allowed Claims on the Effective Date, with the amount of such Allowed Claims to be determined, solely for the purposes of establishing reserves, to be the lesser of (a) the asserted amount of the Disputed Claims filed with the Bankruptcy Court, or (if no proof of such Claim was filed) scheduled by the Debtors, (b) the amount, if any, estimated by the Bankruptcy Court pursuant to section 502(c) of the Bankruptcy Code pursuant to Article VIII or (c) the amount otherwise agreed to by the Debtors and the holder of such Disputed Claims for reserve purposes.

On the Effective Date (or as soon thereafter as is reasonably practicable), and until such time as each Disputed Claim has been compromised and settled, estimated by the Bankruptcy Court in an amount constituting the allowed amount, or allowed or disallowed by Final Order of the Bankruptcy Court, the Liquidating Trustee shall retain, for the benefit of each holder of a Disputed Claim, Liquidating Trust Interests in an amount equal to the Pro Rata Share of distributions that would have been made to the holder of such Disputed Claim if it were an Allowed Claim in an amount equal to the lesser of (i) the liquidated amount set forth in the filed proof of Claim relating to such Disputed Claim, (ii) the amount in which the Disputed Claim shall be estimated by the Bankruptcy Court pursuant to section 502 of the Bankruptcy Code constitutes and represents the maximum amount in which such Claim may ultimately become an Allowed Claim, or (iii) such other amount as may be agreed upon by the holder of such Disputed Claim and the Liquidating Trustee. Any Liquidating Trust Interests retained and held for the benefit of a holder of a Disputed Claim shall be treated as a payment and reduction on account of such Disputed Claim for purposes of computing any additional amounts to be distributed in Liquidating Trust Interests in the event the Disputed Claim ultimately becomes an Allowed Claim. The Liquidating Trustee shall treat any Assets retained pursuant to this Section of the Plan as part of the Disputed Claims Reserve.

D. Distributions After Allowance

On the Distribution Date following the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Disbursing Agent shall provide to the holder of such Claim the Distribution (if any) to which such holder is entitled under the Plan as of the Effective Date, without any interest to be paid on account of such Claim.

E. Distribution of Excess Amounts in the Disputed Claims Reserve

Any Cash held in the Disputed Claims Reserve after all Disputed Claims have been Allowed or Disallowed shall be transferred by the Disbursing Agent or Reorganized Debtors (as applicable), in a supplemental Distribution to the holders of Allowed Claims in accordance with this Plan. The balance of any Liquidating Trust Interests previously retained but not distributed to a Disputed Claim holder shall be included in future calculations of Liquidating Trust Interests to holders of Allowed Claims.

F. Property Held in the Reserve for Disputed Claims

Each holder of a Disputed Claim that ultimately becomes an Allowed Claim will have recourse only to the undistributed Cash held in the Disputed Claims Reserve for satisfaction of the Distributions to which holders of Allowed Claims are entitled under the Plan, and not to any Reorganized Debtor, the Liquidating Trust or the Interim TSN Trust, their property or any assets previously distributed on account of any Allowed Claim.

G. Estimation of Claims

The Debtors (before the Effective Date), the Liquidating Trustee or the Reorganized Debtors (on or after the Effective Date) may, at any time, and from time to time, request that the Bankruptcy Court estimate any Disputed Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether an objection was previously filed with the Bankruptcy Court with respect to such Claim, or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any Disputed Claim, that estimated amount will constitute either the Allowed amount of such Claim or a maximum limitation on such Claim against any party or Entity, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Debtors (before the Effective Date), the Liquidating Trustee or the Reorganized Debtors (on or after the Effective Date), may elect to pursue any supplemental proceedings to object to any ultimate Distribution on such Claim. All of the objection, estimation, settlement and resolution procedures set forth in the Plan are cumulative and not necessarily exclusive of one another. Claims may be estimated and subsequently compromised, objected to, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court.

H. Deadline to File Objections to Claims

Except with respect to the Claims resolved by the Settlement, any objections to Claims shall be filed on or before the date that is the later of (a) one hundred and eighty (180) days after the Effective Date and (b) the last day of such other period of limitation as may be specifically fixed by an order of the Bankruptcy Court for objecting to certain Claims.

ARTICLE IX.

SETTLEMENT, RELEASE, INJUNCTION AND RELATED PROVISIONS

A. Compromise and Settlement of Claims, Interests and Controversies

As discussed in detail in the Disclosure Statement and as otherwise provided herein, pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration for the Distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good faith compromise of all Claims,

Interests and controversies relating to the contractual, legal and subordination rights that a holder of a Claim may have with respect to any Allowed Claim or Interest, or any Distribution to be made on account of such Allowed Claim or Interest (the "*Plan Settlement*"). The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Plan Settlement, as well as a finding by the Bankruptcy Court that such Plan Settlement is in the best interests of the Debtors, their Estates and holders of Claims and Interests and is fair, equitable and reasonable. In accordance with the provisions of the Plan, pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019(a), without any further notice to or action, order or approval of the Bankruptcy Court, after the Effective Date, the Reorganized Debtors may compromise and settle Claims against them and Causes of Action against other Entities.

B. Releases by the Debtors

Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or the Plan Supplement, for good and valuable consideration, including the contributions of the Released Parties to facilitate the implementation of the Plan, the Plan Settlement, the Settlement and the other contracts, instruments, releases, agreements or documents executed and delivered in connection with the Plan, the Released Parties and each of them are deemed released and discharged by the Debtors, the Reorganized Debtors and the Estates from any and all claims, obligations, rights, suits, damages, Causes of Action, remedies and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, fixed or contingent, matured or unmatured, existing or hereinafter arising, in law, equity or otherwise, that the Debtors, the Reorganized Debtors, the Estates or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, based in whole or in part on any act, omission, transaction, event or other occurrence taking place on or prior to the Effective Date (and, with regard to the New Boards of the Reorganized Debtors, subsequent to the Effective Date) in any way relating to the Debtors, the Chapter 11 Cases, the Canadian Proceedings, the Plan or the Disclosure Statement, or related agreements, instruments or other documents, other than Claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes gross negligence, fraud or willful misconduct, as determined by a Final Order; provided, that nothing in this Article IX.B. shall release the Purchaser or, solely to the extent it is a party to the Purchase Agreement for the purposes of Section 6.19 thereof, DISH from any claims, obligations, rights, suits, damages, Causes of Action, remedies and liabilities arising under the Purchase Agreement; provided, further, that this Article IX.B shall not apply to DISH or any of its subsidiaries, which was released as and to the extent provided pursuant to the Purchase Agreement and the Sale Order. For the avoidance of doubt, the Releases provided under this Article IX.B shall not apply to the TSC Debtors.

C. Releases by Holders of Claims and Interests

As of the Effective Date, to the fullest extent permissible under applicable law, as such law may be extended or interpreted subsequent to the Effective Date, for good and valuable consideration, including the contributions of the Released Parties to facilitate the implementation of the Plan, the Plan Settlement, the Settlement and the other contracts, instruments, releases, agreements or documents executed and delivered in connection with the Plan, each holder of a Claim or an Interest shall be deemed to have conclusively, absolutely, unconditionally, irrevocably and forever, released and discharged the Debtors, the Reorganized Debtors and the Released Parties and each of them from any and all Claims, Interests, obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever, including any derivative Claims, asserted on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, fixed or contingent, matured or unmatured, existing or hereafter arising, in law, equity or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based in whole or in part on any act, omission, transaction, event or other occurrence taking place on or prior to the Effective Date (and, with regard to the New Boards of the Reorganized Debtors, subsequent to the Effective Date) in any way relating to the Debtors, the Chapter 11 Cases, the Canadian Proceedings, the Settlement, this Plan, the Plan Settlement or the Disclosure Statement, or related agreements, instruments or other documents that did or would have given rise to a Claim in the Chapter 11 Cases, other than Claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes gross negligence, fraud or willful misconduct, as determined by a Final Order; provided, that nothing herein shall

be deemed a waiver or release of a Releasing Party's right to receive a Distribution pursuant to the terms of this Plan; provided, further, that nothing in this Article IX.C. shall release the Debtors or the Reorganized Debtors from any claims, obligations, rights, suits, damages, Causes of Action, remedies and liabilities arising under the Purchase Agreement; provided, further, that this Article IX.C shall not apply to DISH or any of its subsidiaries. For the avoidance of doubt, the Releases provided under this Article IX.C shall not apply to the TSC Debtors.

D. Exculpation

Except as otherwise specifically provided in the Plan or Plan Supplement, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any Exculpated Claim, obligation, cause of action or liability for any Exculpated Claim, except to the extent such claim is attributable to gross negligence or willful misconduct, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Debtors and the Reorganized Debtors (and each of their respective Affiliates, agents, directors, officers, employees, advisors and attorneys) have, and upon Confirmation of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the solicitation and distribution of the Interim TSN Trust Interests, Interim TSN Warrants (each, in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof) and Liquidating Trust Interests pursuant to the Plan, and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

Notwithstanding anything herein to the contrary, nothing in the foregoing "Exculpation" shall (1) release any Person or Entity from any liability resulting from any act or omission constituting fraud, willful misconduct, gross negligence, criminal conduct, malpractice, misuse of confidential information that causes damages or *ultra vires* act as determined by a Final Order or (2) limit the liability of the professionals of the Exculpated Parties to their respective clients pursuant to N.Y. Comp. Codes R. & Regs. tit. 22 § 1200.8 Rule 1.8(h)(1) (2009).

E. Discharge of Claims and Termination of Interests

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan, the Distributions, rights and treatment that are provided in the Plan shall be in full and final satisfaction, settlement, release and discharge, effective as of the Effective Date, of all Claims, Interests and causes of action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities and causes of action that arose before the Effective Date, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, in each case whether or not: (1) a Proof of Claim or Interest based upon such Claim, debt, right or Interest is filed or deemed filed pursuant to section 501 of the Bankruptcy Code; (2) a Claim or Interest based upon such Claim, debt, right or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (3) the holder of such a Claim or Interest has accepted the Plan. Except as otherwise provided herein, any default by the Debtors or their Affiliates with respect to any Claim or Interest that existed before or on account of the filing of the Chapter 11 Cases and/or the Canadian Proceedings shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the Effective Date occurring, except as otherwise expressly provided in the Plan.

F. Injunction

FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY CAUSE OF ACTION RELEASED OR TO BE RELEASED PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER.

FROM AND AFTER THE EFFECTIVE DATE, TO THE EXTENT OF THE RELEASES AND EXCULPATION GRANTED IN ARTICLE IX HEREOF, THE RELEASING PARTIES SHALL BE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE RELEASED PARTIES AND THE EXCULPATED PARTIES AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, INTEREST OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO ARTICLE IX HEREOF.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT OR RELATED DOCUMENTS, OR FOR OBLIGATIONS ISSUED PURSUANT TO THE PLAN, ALL ENTITIES WHO HAVE HELD, HOLD OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED PURSUANT TO ARTICLE IX.B OR ARTICLE IX.C OR, DISCHARGED PURSUANT TO ARTICLE IX.E, OR ARE SUBJECT TO EXCULPATION PURSUANT TO ARTICLE IX.D, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS: (1) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (2) ENFORCING, ATTACHING, COLLECTING OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE OR ORDER AGAINST SUCH ENTITIES ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (3) CREATING, PERFECTING OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST SUCH ENTITIES OR THE PROPERTY OR ESTATE OF SUCH ENTITIES ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (4) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED, SETTLED OR DISCHARGED PURSUANT TO THE PLAN; AND (5) ACTING OR PROCEEDING IN ANY MANNER, IN ANY PLACE WHATSOEVER, THAT DOES NOT CONFORM WITH THE PROVISIONS OF THIS PLAN TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW.

THE RIGHTS AFFORDED IN THE PLAN AND THE TREATMENT OF ALL CLAIMS AND INTERESTS HEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION OF ALL CLAIMS AND INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTORS OR ANY OF THEIR ASSETS, PROPERTY OR ESTATES TO THE FULLEST EXTENT SET FORTH IN THE PLAN. ON THE EFFECTIVE DATE, IN ACCORDANCE WITH THE PLAN, ALL SUCH CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND THE EQUITY INTERESTS SHALL BE CANCELLED.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR HEREIN OR IN OBLIGATIONS ISSUED PURSUANT HERETO FROM AND AFTER THE EFFECTIVE DATE, ALL CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL EQUITY INTERESTS SHALL BE CANCELLED, AND THE DEBTORS' LIABILITY WITH RESPECT THERETO SHALL BE EXTINGUISHED COMPLETELY, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER SECTION 502(G) OF THE BANKRUPTCY CODE.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR HEREIN, ALL ENTITIES SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTORS, THE DEBTORS' ESTATES, THE REORGANIZED DEBTORS, EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS OR ANY ACT OR OMISSION, TRANSACTION OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE.

NOTHING CONTAINED IN THIS PLAN SHALL BE READ TO (A) ENJOIN ELEKTROBIT INC. ("**ELEKTROBIT**") FROM COMMENCING OR CONTINUING ANY ACTION ON ACCOUNT OF, IN CONNECTION WITH OR WITH RESPECT TO ANY CLAIM (AS SUCH TERM IS DEFINED IN SECTION 101(5)(A) OF THE BANKRUPTCY CODE) OR ANY OTHER RIGHT, REMEDY OR CAUSE OF ACTION, WHETHER ARISING AT LAW OR IN EQUITY, THAT ELEKTROBIT HAS OR MAY HAVE AGAINST ANY

PARTY IN INTEREST IN TSC'S CHAPTER 11 CASES, BEING JOINTLY ADMINISTERED UNDER CASE NO. 11-10612 (SHL), OR OTHERWISE TO EFFECT A RELEASE, EXCULPATION OR DISCHARGE OF ANY SUCH CLAIM, RIGHT, REMEDY OR CAUSE OF ACTION OR (B) ENJOIN TSC (OR ANY OTHER PARTY IN INTEREST IN THE TSC CASES) FROM OBJECTING TO ANY SUCH CAUSE OF ACTION (OR OTHER RIGHT OR REMEDY).

G. Term of Injunctions or Stays

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

H. Injunction Against Interference With Plan

To the fullest extent permitted by applicable law, and except as may otherwise be stated in the Sale Order, upon the entry of the Confirmation Order, all of the Releasing Parties shall be enjoined from taking any actions to interfere with the implementation or consummation of this Plan or the Sale, including, without limitation, the transfer of the Acquired Assets to the Purchaser.

I. Injunction Related to Releases and Exculpation

The Confirmation Order shall permanently enjoin the commencement or prosecution by any person or entity, whether directly, derivatively or otherwise, of any Claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities released pursuant to this Plan, including but not limited to the claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities released in Article IX of this Plan.

J. Protection Against Discriminatory Treatment

Consistent with section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Reorganized Debtors or deny, revoke, suspend or refuse to renew a license, permit, charter, franchise or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors or another Entity with whom such Reorganized Debtors have been associated, solely because one of the Debtors has been a debtor under chapter 11, an applicant in a CCAA proceeding, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtor is granted or denied a discharge) or has not paid a debt that is dischargeable in the Chapter 11 Cases.

K. No Consent to Change of Control Required

To the fullest extent permitted by applicable law, except as otherwise expressly provided by order of the Bankruptcy Court, none of (a) the facts or circumstances giving rise to the commencement of, or occurring in connection with, the Chapter 11 Cases or (b) any other transaction pursuant to the Plan (including, without limitation, the Restructuring Transactions) shall constitute a "change in ownership" or "change of control" (or a change in working control) of, or in connection with, any Debtor requiring the consent of any person other than the Debtors or the Bankruptcy Court.

L. Release of Liens

Except as otherwise provided herein or in any contract, instrument, release or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable Distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is

Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title and interest of any holder of such mortgages, deeds of trust, Liens, pledges or other security interests shall revert to the Reorganized Debtor and its successors and assigns. For the avoidance of doubt, all mortgages, deeds of trust, Liens, pledges or other security interests against any property of the Estates shall be fully released and discharged on the Effective Date without any further action of any party, including, but not limited to, further order of the Bankruptcy Court, the Canadian Court or filing updated schedules or statements typically filed pursuant to the Uniform Commercial Code, the Personal Property Security Act (Ontario) or in accordance with any other real or personal property registry system in any of the applicable provinces in Canada.

ARTICLE X.

CONDITIONS PRECEDENT TO CONFIRMATION OF THE PLAN AND THE EFFECTIVE DATE

A. *Conditions Precedent to Confirmation*

It shall be a condition to Confirmation hereof that the following provisions, terms and conditions shall have been satisfied or waived pursuant to the provisions of Article X.C.

1. The Bankruptcy Court shall have entered a Final Order, in form and substance acceptable to the Debtors, approving the Disclosure Statement with respect to the Plan as containing adequate information within the meaning of section 1125 of the Bankruptcy Code.

B. *Conditions Precedent to the Effective Date*

It shall be a condition to the Effective Date that the following provisions, terms and conditions shall have been satisfied or waived pursuant to the provisions of Article X.C.

1. The Confirmation Order entered by the Bankruptcy Court shall be a Final Order acceptable in form and substance to the Debtors and the Creditors' Committee.

2. The Canadian Court shall have entered an order, in form and substance acceptable to the Debtors, recognizing the Bankruptcy Court's entry of the Confirmation Order, and such order shall have become a Final Order.

3. The Bankruptcy Court shall have entered one or more orders (which may include the Confirmation Order), authorizing the assumption and rejection of Executory Contracts and Unexpired Leases by the Debtors as contemplated herein, which shall have become Final Orders.

4. The Canadian Court shall have entered one or more orders (which may include the Canadian Court's order recognizing the Confirmation Order) recognizing the Bankruptcy Court's entry of the order(s) described in Article X.B.3 above, and such orders shall have become Final Orders.

5. All of the schedules, documents, supplements and exhibits to the Plan shall have been filed.

6. All actions, documents, certificates, and agreements necessary to implement this Plan, including, without limitation, the New By-Laws and the New Certificates of Incorporation, shall have been effected or executed and delivered to the required parties and, to the extent required, filed with the applicable governmental units in accordance with applicable laws.

7. The Closing Date Payment shall have been received.

8. The FCC shall have approved the interim transfer of the New Common Stock to the Interim TSN Trust; *provided, however*, that this condition precedent shall only be applicable if the provisions of Exhibit 3 hereto are triggered pursuant to Article V.G. hereof.

C. *Waiver of Conditions*

The conditions to Confirmation of the Plan and to the occurrence of the Effective Date set forth in this Article X may be waived at any time by the Debtors; *provided, however*, that the Debtors may not waive (i) entry of the Confirmation Order or (ii) entry of an order recognizing the Confirmation Order issued by the Canadian Court.

D. *Effect of Failure of Conditions*

If Confirmation of the Plan does not occur, the Plan shall be null and void in all respects, including, among other things, the allocation percentages set forth herein and the terms of the Plan Settlement, and nothing contained in the Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any claims by or Claims against the Debtors; (2) prejudice in any manner the rights of the Debtors, any holders of Claims or any other Entity; or (3) constitute an admission, acknowledgment, offer or undertaking by the Debtors, any holders or any other Entity in any respect.

ARTICLE XI.

MODIFICATION, REVOCATION OR WITHDRAWAL OF THE PLAN

A. *Modification and Amendments*

Except as otherwise specifically provided herein, the Debtors reserve the right to modify the Plan as to material terms and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not re-solicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 and those restrictions on modifications set forth in the Plan, the Debtors expressly reserve their rights to alter, amend or modify materially the Plan with respect to any or all Debtors, one or more times, after Confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend or modify the Plan or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. Any such modification or supplement shall be considered a modification of the Plan and shall be made in accordance with this Article XI.

In addition, prior to the Effective Date, the Debtors may make appropriate technical adjustments and modifications to the Plan, without further order or approval of the Bankruptcy Court; *provided, however*, that such technical adjustments and modifications do not adversely affect in a material way the treatment of holders of Claims or Interests.

B. *Effect of Confirmation on Modifications*

Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan occurring after the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

C. *Revocation or Withdrawal of the Plan*

The Debtors reserve the right to revoke or withdraw the Plan (including any or all of the individual Plans for the Debtors) before the Effective Date and to file subsequent chapter 11 plans, provided, however, that the Debtors may not revoke or withdraw the Plan without the consent of the Creditors' Committee and such consent shall not be unreasonably withheld. In addition, the Debtors reserve the right to seek confirmation of some, but not all of the chapter 11 Plans for the Debtors. If the Debtors revoke or withdraw the Plan (or one or more of the individual Plans), or if Confirmation or the Effective Date does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any

Claims or Interests by any Debtor against any other Entity; (b) prejudice in any manner the rights of such Debtor or any other Entity; or (c) constitute an admission, acknowledgement, offer or undertaking of any sort by such Debtor or any other Entity.

ARTICLE XII.

RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain such jurisdiction over the Chapter 11 Cases and all matters, arising out of or related to, the Chapter 11 Cases and the Plan, including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate or establish the priority, Secured or Unsecured status or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or Unsecured status, priority, amount or allowance of Claims;

2. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;

3. resolve any matters related to: (a) the assumption, assumption and assignment or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable in any manner and to hear, determine and, if necessary, liquidate, any Claims arising therefrom, including Rejection Claims, Cure Claims pursuant to section 365 of the Bankruptcy Code or any other matter related to such Executory Contract or Unexpired Lease; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; (c) the Reorganized Debtors amending, modifying or supplementing, after the Effective Date, pursuant to Article VI, any Executory Contracts or Unexpired Leases to the list of Executory Contracts and Unexpired Leases to be assumed or rejected or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory or expired.

4. ensure that Distributions to holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;

5. adjudicate, decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;

6. adjudicate, decide or resolve any and all matters related to any Cause of Action;

7. adjudicate, decide or resolve any and all matters related to section 1141 of the Bankruptcy Code;

8. enter and enforce any order for the sale of property pursuant to sections 363, 1123 or 1146(a) of the Bankruptcy Code;

9. resolve any avoidance or recovery actions under sections 105, 502(d), 542 through 551 and 553 of the Bankruptcy Code;

10. resolve any cases, claims, controversies, suits, disputes or Causes of Action that may arise in connection with the consummation, interpretation or enforcement of the Plan or any entity's obligations incurred in connection with the Plan;

11. resolve any cases, controversies, suits, disputes or Causes of Action that may arise in connection with or under the Notes;

12. issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any entity with consummation or enforcement of the Plan;
13. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the discharge, releases, injunctions, exculpations, indemnifications and other provisions contained in Article IX and enter such orders as may be necessary or appropriate to implement such releases, injunctions and other provisions;
14. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;
15. determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan or the Disclosure Statement;
16. adjudicate any and all disputes arising from or relating to Distributions under the Plan;
17. consider any modifications of the Plan, cure any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;
18. determine requests for the payment of Claims and Interests entitled to priority pursuant to section 507 of the Bankruptcy Code, including requests by Professionals for payment of Accrued Professional Fees;
19. hear and determine disputes arising in connection with the interpretation, implementation or enforcement of the Plan or the Confirmation Order, including disputes arising under agreements, documents or instruments executed in connection with the Plan;
20. hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code;
21. hear and determine all disputes involving the existence, nature or scope of the Debtors' discharge, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred before or after the Effective Date;
22. enforce all orders previously entered by the Bankruptcy Court;
23. hear any other matter not inconsistent with the Bankruptcy Code;
24. enter an order concluding or closing the Chapter 11 Cases;
25. for the period of time (if any) that the Interim TSN Trust is in place, enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases and other agreements or documents created in connection with the Plan or the Disclosure Statement;
26. enter and implement such orders as may be necessary regarding the actions (if any) of the Interim TSN Trust pursuant to the terms of the Plan and the Interim TSN Trust Agreement including, but not limited to, orders regarding the Interim TSN Trust Board's operating decisions and exercise of control over the New Common Stock;
27. hear and determine all matters concerning the Purchase Agreement, including matters relating to any Alternative Sale (even if such Alternative Sale occurs post Confirmation Date or post Effective Date), which includes the exclusive jurisdiction to (a) enforce the terms and provisions of the Sale Order, the Purchase Agreement and the Plan in all respects and to decide any disputes concerning the Sale Order, the Purchase Agreement, and the Plan, or the rights and duties of the parties thereunder or any issues relating to the Purchase

Agreement and the Sale Order and the Plan including, but not limited to, the interpretation of the terms, conditions and provisions hereof and thereof, the status, nature and extent of the Acquired Assets and any assumption or assignment of Executory Contracts or Unexpired Leases and all issues and disputes arising in connection with same and the relief authorized in the Sale Order, inclusive of those concerning the transfer of the Acquired Assets free and clear of all Encumbrances; and (b) with respect to any Alternative Sale to an Alternative Purchaser in accordance with the terms of the Purchase Agreement, (I) determine whether such Alternative Purchaser is entitled to the protections of section 363(m) of the Bankruptcy Code; (II) determine whether the requirements of section 365 of the Bankruptcy Code (including, but not limited to, the requirements of sections 365(b) and 365(f) of the Bankruptcy Code) are satisfied with respect to any proposed assignment of one or more of the Debtors' Executory Contracts to the Alternative Purchaser, (III) approve the assignment of one or more of the Debtors' Executory Contracts to the Alternative Purchaser pursuant to section 365 of the Bankruptcy Code, and (IV) provide such other authorizations and approvals as may be reasonably necessary to consummate such Alternative Sale; and

28. hear and determine all matters concerning the Paydown Orders.

ARTICLE XIII.

MISCELLANEOUS PROVISIONS

A. Immediate Binding Effect

Subject to Article X.B, and notwithstanding Bankruptcy Rules 3020(e), 6004(h) or 7062 or any other Bankruptcy Rule, upon the occurrence of the Effective Date, the terms of the Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Debtors, the Reorganized Debtors and any and all holders of Claims or Interests (irrespective of whether such Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, discharges and injunctions described in the Plan, each Entity acquiring property under the Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors.

B. Additional Documents

On or before the Effective Date, the Debtors may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or Reorganized Debtors, as applicable, and all holders of Claims receiving Distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. Dissolution of Creditors' Committee

On the Effective Date, the Creditors' Committee shall dissolve, and its members shall be released and discharged from all further authority, duties, responsibilities and obligations relating to and arising from the Chapter 11 Cases. The retention and employment of the Professionals retained by the Creditors' Committee shall terminate as of the Effective Date, *provided, however*, that the Creditors' Committee shall exist, and its Professionals shall be retained, after such date with respect to (a) applications filed pursuant to sections 330 and 331 of the Bankruptcy Code, (b) enforcement of the provisions of the Purchase Agreement, the Global Settlement Order, the Plan or the Confirmation Order; and (c) the distributions from the Closing Date Payment and/or the proceeds of the Retained Causes of Action.

D. Successors and Assigns

The rights, benefits and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign, affiliate, officer, director, manager, agent, representative, attorney, beneficiaries or guardian, if any, of each Entity.

E. Service of Documents

After the Effective Date, any pleading, notice or other document required by the Plan to be served on or delivered to the Debtors or the Reorganized Debtors and the Liquidating Trustee, and shall be served on:

If to the Debtors or the Reorganized Debtors:

TerreStar Networks, Inc.
12010 Sunset Hills Road, 6th Flr.
Reston, Virginia 20190
Attn: Doug Brandon, General Counsel

with copies to:

Akin Gump Strauss Hauer & Feld LLP
One Bryant Park
New York, New York 10036
Attn: Ira Dizengoff
Arik Preis
Ashleigh L. Blaylock

If to the Liquidating Trustee:

[ADDRESS TBD]

After the Effective Date, the Debtors may, in their sole discretion, notify Entities that, in order to continue receiving documents pursuant to Bankruptcy Rule 2002, such Entities must file a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have filed such renewed requests.

F. Entire Agreement

Except as otherwise indicated, the Plan and the Plan Supplement supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings and representations on such subjects, all of which have become merged and integrated into the Plan.

G. Severability of Plan Provisions

If, before Confirmation of the Plan, any term or provision of the Plan is held by the Bankruptcy Court or any other court exercising jurisdiction to be invalid, void or unenforceable, the Bankruptcy Court or other court exercising jurisdiction shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the Debtors' consent; and (3) non-severable and mutually dependent.

H. Exhibits

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are filed, copies of such exhibits and documents

shall be available upon request to the Debtors' counsel, by contacting Ashleigh L. Blaylock, Akin Gump Strauss Hauer & Feld LLP, 1333 New Hampshire Avenue, N.W., Washington, D.C. 20036, Telephone: (202) 887-4064, email: blaylocka@akingump.com, at the Bankruptcy Court's web site at www.ecf.nysb.uscourts.gov or at the website of the Notice and Claims Agent, at <http://www.terrestarinfor.com>. To the extent any exhibit or document is inconsistent with the terms of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit or non-document portion of the Plan shall control.

I. Votes Solicited in Good Faith

Upon entry of the Confirmation Order, the Debtors will be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code and any applicable non-bankruptcy law, and pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and their respective Affiliates, agents, representatives, members, principals, shareholders, officers, directors, employees, advisors and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code and, therefore, will have no liability for the violation of any applicable law, rule or regulation governing the solicitation of votes on the Plan.

J. Closing of Chapter 11 Cases

The Reorganized Debtors shall, promptly after the full administration of the Chapter 11 Cases, file with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close the Chapter 11 Cases.

K. Conflicts

Except as set forth in the Plan, to the extent that any provision of the Disclosure Statement or any other order (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements or amendments to any of the foregoing), conflict with or are in any way inconsistent with any provision of the Plan, the Plan shall govern and control; *provided, however*, that if there is a conflict between this Plan and a Plan Supplement document, the Plan Supplement document shall govern and control; and *provided further, however*, that to the extent that any provision of the Plan conflicts with or is in any way inconsistent with any provision of the Confirmation Order, the Confirmation Order shall govern and control. Additionally, to the extent that any provision of the Plan or Confirmation Order conflicts with or is in any way inconsistent with any provision of the Sale Order, the Purchase Agreement or the Global Settlement Order, the Sale Order, the Purchase Agreement or the Global Settlement Order, as applicable, shall govern and control.

Dated: December 27, 2011

Respectfully submitted,

TerreStar Networks Inc. (for itself and on behalf of each of the Debtors)

By: /s/ Jeffrey Epstein
Name: Jeffrey Epstein
Title: Chief Executive Officer

Exhibit 1

Summary of Classification of Claims and Interests for Each Debtor

Debtor	Class	Name of Class	Status	Voting Rights
TerreStar Networks Inc.	1	Other Priority Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar Networks Inc.	2	Other Secured Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar Networks Inc.	3	Unsecured Claims	Impaired	Entitled to Vote
TerreStar Networks Inc.	4	Equity Interests	Impaired	Not Entitled to Vote – Deemed to Reject
Debtor	Class	Name of Class	Status	Voting Rights
TerreStar National Services Inc.	1	Other Priority Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar National Services Inc.	2	Other Secured Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar National Services Inc.	3	Unsecured Claims	Impaired	Entitled to Vote
TerreStar National Services Inc.	4	Equity Interests	Impaired	Not Entitled to Vote – Deemed to Reject
Debtor	Class	Name of Class	Status	Voting Rights
TerreStar License Inc.	1	Other Priority Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar License Inc.	2	Other Secured Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar License Inc.	3	Unsecured Claims	Impaired	Entitled to Vote
TerreStar License Inc.	4	Equity Interests	Impaired	Not Entitled to Vote – Deemed to Reject
Debtor	Class	Name of Class	Status	Voting Rights
0887729 B.C. Ltd.	1	Other Priority Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
0887729 B.C. Ltd.	2	Other Secured Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
0887729 B.C. Ltd.	3	Unsecured Claims	Impaired	Entitled to Vote
0887729 B.C. Ltd.	4	Equity Interests	Impaired	Not Entitled to Vote – Deemed to Reject

Debtor	Class	Name of Class	Status	Voting Rights
TerreStar Networks Holdings (Canada) Inc.	1	Other Priority Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar Networks Holdings (Canada) Inc.	2	Other Secured Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar Networks Holdings (Canada) Inc.	3	Unsecured Claims	Impaired	Entitled to Vote
TerreStar Networks Holdings (Canada) Inc.	4	Equity Interests	Impaired	Not Entitled to Vote – Deemed to Reject
Debtor	Class	Name of Class	Status	Voting Rights
TerreStar Networks (Canada) Inc.	1	Other Priority Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar Networks (Canada) Inc.	2	Other Secured Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar Networks (Canada) Inc.	3	Unsecured Claims	Impaired	Entitled to Vote
TerreStar Networks (Canada) Inc.	4	Equity Interests	Impaired	Not Entitled to Vote – Deemed to Reject

Exhibit 2

Allocated Value

<u>Name of Debtor</u>	<u>Allocated Value</u>
TSN	70.18%
TSL	29.52%
088	0.00%
TSN Canada	0.30%
TSN Canada Holdings	0.00%
TSNSI	0.00%

Exhibit 3

**Modifications to Plan in the Event that
the Closing Date Does Not Occur on or Before the Effective Date**

In the event that the Closing Date does not occur on or before the Effective Date, pursuant to Article V.G. hereof, the Plan shall be amended to give full force and effect to the following modifications:

ARTICLE I

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

Article I(A) of the Plan shall be amended by inserting the following definitions in the appropriate location in accordance with the current alphabetical structure of the section:

- “*Interim TSN Trust*” means the trust or other entity acceptable to the FCC that shall be established on the Effective Date for the purpose of holding the New Common Stock to be issued on the Effective Date.
- “*Interim TSN Trust Agreement*” means the agreement substantially in the form to be filed as part of the Plan Supplement, which will, among other things: (a) establish and govern the Interim TSN Trust; and (b) set forth the respective powers, duties and responsibilities of the Interim TSN Trust Board.
- “*Interim TSN Trust Assets*” means the New Common Stock.
- “*Interim TSN Trust Beneficiaries*” means the holders of Allowed Unsecured Claims.
- “*Interim TSN Trust Board*” means those individuals appointed in accordance with the Interim TSN Trust Agreement with the powers and responsibilities as set forth in Article V.F. of the Plan, including the power to administer the Interim TSN Trust.
- “*Interim TSN Trust Interests*” means the beneficial interests in the Interim TSN Trust, which pursuant to the terms of the Plan have no economic value.
- “*Interim TSN Warrants* ” means the two year warrants issued by the Interim TSN Trust, each with a nominal exercise price and pursuant to the terms of the Plan have no economic value, to purchase the Interim TSN Trust Interests, the terms of which will provide that such warrants will not be exercisable by any Person unless such Person delivers an Ownership Certification to the Interim TSN Trust and such exercise otherwise complies with applicable law, the substantially final form of which shall be filed with the Bankruptcy Court by the Plan Supplement Filing Date.
- “*Interim TSN Warrant Agreement*” means that certain agreement to be executed on or before the Effective Date providing for, among other things, certain rights and obligations of the holders of the Interim TSN Warrants , the substantially final form of which shall be filed with the Court by the Plan Supplement Filing Date.
- “*Ownership Certification*” means a written certification in form and substance satisfactory to the Interim TSN Trust Board to the effect that the Person is a U.S. Person and that the direct and indirect voting and economic interest of such Person are held by Persons at least 75% of whom are U.S. Persons for purposes of Section 310(b)(iv) of the Communications Act as interpreted and applied by the FCC.

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

In Section C of Article III, Class 3 Treatment shall be deleted in its entirety and replaced with the following:

Treatment: Each holder of an Allowed Unsecured Claim shall receive in full and final satisfaction of its Claim, its Pro Rata share (calculated with reference to all Allowed and Disputed Class 3 Claims against the applicable Debtor) of (i) Liquidating Trust Interests applicable to such Debtor based on each such Debtor's Allocated Value and (ii) at the option of each holder of an Allowed Unsecured Claim, (1) Interim TSN Warrants applicable to such Debtor based on each such Debtor's Allocated Value or (2) Cash in an amount equivalent to such holder's Pro Rata share of the Interim TSN Warrants.

**ARTICLE V
MEANS FOR IMPLEMENTATION OF THE PLAN**

After section D(2) of Article V, the following shall be inserted as Section D(3):

3. Interim TSN Trust Interests/Warrants

All Interim TSN Trust Warrants shall be issued at an exercise price of \$0.01, which shall be permitted to be exercised pursuant to and subject to the limitations of the Interim TSN Warrant Agreement. On or before the Effective Date, the Interim TSN Warrant Agreement shall be executed. The Interim TSN Warrants will be available for Distribution to the holders of Allowed Claims entitled to Distributions from the Interim TSN Trust under the Plan.

After section E of Article V, the following shall be inserted as Section F:

F. *The Interim TSN Trust*

1. Generally

On the Effective Date, and subject to Bankruptcy Court and FCC approval, the Interim TSN Trust will be established and become effective for the benefit of the holders of Allowed Claims entitled to Distributions from the Interim TSN Trust under the Plan. On the Effective Date, the holders of Allowed Unsecured Claims will, at their option, receive the Interim TSN Warrants or the Cash equivalent to such holder's share of the Interim TSN Warrants. The powers, authority, responsibilities, and duties of the Interim TSN Trust and the Interim TSN Trust Board are set forth in and shall be governed by the Interim TSN Trust Agreement. The Interim TSN Trust Agreement shall contain provisions customary to trust agreements utilized in comparable circumstances, including, without limitation, any and all provisions necessary to ensure the continued treatment of the Interim TSN Trust as a grantor trust and the Interim TSN Trust Beneficiaries as the grantors and owners thereof for federal income tax purposes. The Interim TSN Trust and the Interim TSN Trust Board, including any successors, shall be bound by the Plan and shall not challenge any provision of the Plan.

2. Purpose and Establishment of the Interim TSN Trust

On the Effective Date, the Interim TSN Trust shall be established for the purposes set forth in the Interim TSN Trust Agreement. Specifically, all currently issued and outstanding stock of TSN will be cancelled pursuant to this Plan, and the New Common Stock will be issued in the name of the Interim TSN Trust. After the Closing Date, all Retained Assets of Reorganized TSN will be contributed to the Liquidating Trust. As soon as practicable after the Closing Date, the Interim TSN Trust will be dissolved and Reorganized TSN will be wound up and dissolved. The New Common Stock will not, at any time, be distributed to the holders of the Interim TSN Warrants or Interim TSN Trust Interests.

For all federal income tax purposes, the Interim TSN Trust Beneficiaries will be treated as grantors and deemed owners of the Interim TSN Trust and it is intended that the Interim TSN Trust be classified as a liquidating trust under Treasury Regulations section 301.7701-4(d) and qualify as a “grantor trust” pursuant to Treasury Regulation section 1.671-4(a), with no objective to continue or engage in the conduct of a trade or business. The value of the interests in the Interim TSN Trust for U.S. federal income tax purposes will be zero. Accordingly, for all federal income tax purposes, it is intended that the Interim TSN Trust Beneficiaries be treated as if they had received a distribution of an undivided interest in the assets of the Interim TSN Trust (i.e., the New Common Stock) and then contributed such undivided interest to the Interim TSN Trust. The Interim TSN Trust Board shall, in an expeditious but orderly manner, make timely distributions of the Interim TSN Warrants to the holders of Allowed Claims entitled and electing to receive such Interim TSN Warrants under the Plan and the Interim TSN Trust Agreement. The Interim TSN Trust shall not be deemed a successor in interest of the Debtors for any purpose other than as specifically set forth herein or in the Interim TSN Trust Agreement.

The terms of the Interim TSN Trust Agreement shall insulate the Interim TSN Trust Beneficiaries from the day-to-day operation, management, and control of the Interim TSN Trust under the applicable FCC rules. Pursuant to the insulation provisions of the Interim TSN Trust Agreement, the Interim TSN Trust Board shall be authorized to vote the New Common Stock it holds in Reorganized TSN in any manner, subject to the ultimate jurisdiction, control and approval of the Bankruptcy Court. The Interim TSN Trust Beneficiaries shall not have the right to revoke the Trust at will nor to replace at will any member of the Interim TSN Trust Board. None of the members of the Interim TSN Trust Board shall have a familial, personal or extra-trust business relationship with any of the Interim TSN Trust Beneficiaries.

On or before the Effective Date, the Interim TSN Trust Agreement shall be executed and the Debtors shall take all other steps necessary to establish the Interim TSN Trust pursuant to the Interim TSN Trust Agreement and consistent with the Plan.

3. Transferability of Beneficial Interests and Interim TSN Warrants

Ownership of an Interim TSN Trust Interest or an Interim TSN Warrant shall be uncertificated and shall be in book entry form. The Interim TSN Trust Interests and Interim TSN Warrants will not be registered pursuant to the Securities Act, as amended, or any state securities law. If the Interim TSN Trust Interests and Interim TSN Warrants constitute “securities,” the parties hereto intend that the exemption provisions of section 1145 of the Bankruptcy Code will apply to the Interim TSN Trust Interests and the Interim TSN Warrants. The Interim TSN Trust Interests and the Interim TSN Warrants will be non-transferable.

4. Appointment of the Interim TSN Trust Board

On or prior to the Effective Date, the Debtors, in consultation with the Creditors’ Committee, shall appoint the Interim TSN Trust Board, a majority of whose members shall consist of members of the Board of Directors of TSN, in accordance with FCC requirements. The Interim TSN Trust Board may not act inconsistently with their duties under the Interim TSN Trust Agreement and/or the Plan.

5. Distributions; Withholding

The Interim TSN Trust Board shall make Distributions to the beneficiaries of the Interim TSN Trust when and as authorized pursuant to the Interim TSN Trust Agreement in compliance with the Plan. The Interim TSN Trust Board may withhold from amounts otherwise distributable to any Entity any and all amounts required by the Interim TSN Trust Agreement, any law, regulation, rule, ruling, directive, treaty, or other governmental requirement.

6. Termination of the Interim TSN Trust

The Interim TSN Trust shall terminate as soon as practicable after Closing, but in no event later than the second anniversary of the Effective Date; *provided that*, on or after the date that is less than thirty (30) days before such termination date, the Bankruptcy Court, upon motion by a party in interest, may extend the term of the Interim TSN Trust for a finite period if such an extension is necessary to complete any pending matters required under the Interim TSN Trust Agreement provided that the aggregate of all extensions shall not exceed two years unless the Interim TSN Trust Board receives an opinion of counsel or a favorable ruling from the Internal Revenue Service to the effect that any such extension would not adversely affect the status of the Interim TSN Trust as a liquidating

trust within the meaning of Section 301.7701-4(d) of the Treasury Regulations for federal income tax purposes. There is not anticipated to be any liquidating distribution of assets, i.e., the New Common Stock, by the Interim TSN Trust to holders of the Interim TSN Trust Interests therein, but in the event assets are distributed, there will be no tax consequences upon such liquidating distribution, and a holder of the Interim TSN Trust Interests would carryover its basis and holding period to the distributed assets. Notwithstanding the foregoing, multiple extensions may be obtained so long as the conditions in the preceding sentence are met no more than six months prior to the expiration of the then-current termination date of the Interim TSN Trust.

Exhibit 2

**Blackline of the Solicitation Version of the Plan as
Against the Version Filed on 12/19/2011**

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

)		
In re:)	Chapter 11	
)		
TERRESTAR NETWORKS INC., <i>et al.</i> , ¹)	Case No. 10-15446 (SHL)	
)		
Debtors.)	Jointly Administered	
)		

JOINT CHAPTER 11 PLAN OF TERRESTAR NETWORKS INC., ET AL.

~~**THIS CHAPTER 11 PLAN IS BEING SUBMITTED FOR APPROVAL BY THE BANKRUPTCY COURT. THIS CHAPTER 11 PLAN HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT. ACCORDINGLY, THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE CHAPTER 11 PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT.**~~

Dated: December 19~~27~~²⁷, 2011

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal taxpayer-identification number, are TerreStar Networks Inc. (3931); TerreStar License Inc. (6537); TerreStar National Services Inc. (6319); TerreStar Networks Holdings (Canada) Inc. (1337); TerreStar Networks (Canada) Inc. (8766) and 0887729 B.C. Ltd. (1345).

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EXHIBITS

- EXHIBIT 1 Summary of Classification of Claims and Interests for Each Debtor
- EXHIBIT 2 Allocated Value
- EXHIBIT 3 Modifications to Plan in the Event that the Closing Date Does Not Occur on or Before the Effective Date

THE DEBTORS HEREBY ADOPT AND INCORPORATE EACH EXHIBIT ATTACHED TO THIS
PLAN BY REFERENCE AS THOUGH FULLY SET FORTH HEREIN.

INTRODUCTION

The Debtors in these Chapter 11 Cases respectfully propose the following joint chapter 11 plan. Capitalized terms used in the Plan and not otherwise defined shall have the meanings ascribed to such terms in Article I.A hereof.

ARTICLE I.

DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME AND GOVERNING LAW

A. *Defined Terms*

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

1. “088” means 0887729 B.C. Ltd.
2. “088 Interests” means Interests in 0887729 B.C. Ltd.
3. “*Accrued Professional Compensation*” means, at any given moment, all accrued, contingent and/or unpaid fees (including success fees pursuant to previously agreed terms of engagement) for legal, financial advisory, accounting and other services and obligations for reimbursement of expenses in each case rendered or incurred before the Effective Date by any retained Professional in the Chapter 11 Cases that are awardable and allowable under sections 328, 330(a) or 331 of the Bankruptcy Code, or that are awardable and allowable under section 503 of the Bankruptcy Code, that the Bankruptcy Court has not denied by a Final Order, all to the extent that any such fees and expenses have not been previously paid. To the extent that the Bankruptcy Court or any higher court denies or reduces by a Final Order any amount of a Professional’s fees or expenses, then those reduced or denied amounts shall no longer constitute Accrued Professional Compensation. For the avoidance of doubt, Accrued Professional Compensation shall not include any accrued, contingent and/or unpaid fees for services and obligations for reimbursement of expenses rendered or incurred before the Effective Date by (i) any Entity retained pursuant to the Ordinary Course Professional Order and authorized to be compensated thereunder without filing a fee application, (ii) the Senior Secured Notes Indenture Trustee/Agent, the Purchase Money Agent, and the PMCA Lenders, who are authorized to be compensated under the Final DIP Order and/or the Paydown Orders without filing a fee application, (iii) the Senior Exchangeable Notes Trustee, or (iv) the Information Officer and its counsel in connection with the Canadian Proceedings, who are authorized to be compensated their actual and documented fees and expenses without filing a fee application.
4. “*Acquired Assets*” shall have the meaning assigned and set forth in Section 2.1 of the Purchase Agreement.
5. “*Ad Hoc Group*” means the ad hoc group of certain holders of the Senior Secured Notes.
6. “*Administrative Claim*” means any right to payment constituting a cost or expense of administration of the Chapter 11 Cases of the Debtors of the kind specified in section 503(b) of the Bankruptcy Code and entitled to priority pursuant to sections 507(a)(2) or 507(b) of the Bankruptcy Code, including, but not limited to: (a) the actual and necessary costs and expenses incurred after the Petition Date and through the Effective Date of preserving the Estates and operating the businesses of the Debtors; (b) compensation for legal, financial advisory, accounting and other services and reimbursement of expenses Allowed pursuant to sections 328, 330(a), 331 or 363 of the Bankruptcy Code or otherwise for the period commencing on the Petition Date and through the Effective Date; and (c) all fees and charges assessed against the Estates pursuant to chapter 123 of title 28 of the United States Code, 28 U.S.C. §§ 1–4001.
7. “*Administrative Claims Bar Date*” means the bar date for Administrative Claims as such term is defined in Article II.A.3 hereof.

8. “*Affiliate*” has the meaning set forth in section (101)(2) of the Bankruptcy Code and, with respect to the Purchase Agreement, has the meaning set forth in Rule 12b-2 of the Exchange Act; *provided, however, that* EchoStar, on the one hand, and the Purchaser and DISH, on the other hand, shall not be deemed Affiliates of each other for purposes of the Plan; *and provided further, that* for the avoidance of doubt, except as explicitly set forth herein, DISH and the Purchaser are not parties to the Plan Settlement or the Plan.

9. “*Allocated Value*” means the percentage of the Purchase Price allocated to each individual Debtor based upon the Plan Settlement set forth herein and further explained in the Disclosure Statement. Each Debtor’s Allocated Value was determined as part of the overall Settlement and the Plan Settlement embodied herein. The Allocated Value for each Debtor is set forth on Exhibit 2 to the Plan.

10. “*Allowed Claim*” or “*Allowed [] Claim*” (with respect to a specific type of Claim, if specified) means: (a) any Claim (or a portion thereof) as to which no action to dispute, deny, equitably subordinate or otherwise limit recovery with respect thereto, or alter priority thereof, has been filed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules or applicable law; or (b) any Claim or portion thereof that is allowed (i) in any contract, instrument, indenture or other agreement entered into in connection with the Plan, (ii) pursuant to the terms of the Plan, (iii) by Final Order of the Bankruptcy Court, including, without limitation, the Global Settlement Order, or (iv) with respect to an Administrative Expense Claim only (x) that was incurred by a Debtor in the ordinary course of business during the Chapter 11 Cases of the Debtors to the extent due and owing without defense, offset, recoupment or counterclaim of any kind, and (y) that is not otherwise disputed.

11. “*Alternative Sale*” means the possible transaction contemplated by the Purchase Agreement wherein, after the Funding Date, Purchaser or the Debtors may under certain circumstances set forth in the Purchase Agreement deliver a written notice to implement the Alternative Sale Procedures and require that the Debtors sell or otherwise dispose of some or all of the Acquired Assets to one or more Third Parties that are eligible to hold legal title to such Acquired Assets, with all proceeds from such sale(s) accruing to the sole benefit and account of Purchaser in accordance with the procedures set forth in Exhibit B of the Purchase Agreement.

12. “*Alternative Sale Procedures*” means those processes and obligations triggered by either the Purchaser’s or the Debtors’ delivery of written notice to implement the Alternative Sale Procedures under Section 3.5(b) of the Purchase Agreement as determined pursuant to Exhibit B of the Purchase Agreement, and as the parties to the Purchase Agreement may otherwise agree.

13. “*Applicable Law*” means any law, regulation, rule, order, judgment, guideline or decree to which the Business, any Acquired Asset, or any Debtor, is subject.

14. “*Avoidance Actions*” means any and all avoidance, recovery, subordination or other actions or remedies that may be brought on behalf of the Debtors or their estates under the Bankruptcy Code or applicable non-bankruptcy law, including, without limitations, actions or remedies under sections 510, 542, 543, 544, 545, 547, 548, 549, 550, 551, 552 and 553 of the Bankruptcy Code, except for any such actions (i) against Purchaser and/or any of its Affiliates (which claims were released at Funding); (ii) against the Released Parties; or (iii) related to the Acquired Assets set forth in clauses (a) through (u) of the Purchase Agreement.

15. “*Bankruptcy Code*” means title 11 of the United States Code, as amended from time to time.

16. “*Bankruptcy Court*” means the United States Bankruptcy Court for the Southern District of New York having jurisdiction over the Chapter 11 Cases or any other court having jurisdiction over the Chapter 11 Cases, including, to the extent of the withdrawal of any reference under 28 U.S.C. § 157, the United States District Court for the Southern District of New York.

17. “*Bankruptcy Rules*” means the Federal Rules of Bankruptcy Procedure, as applicable to the Chapter 11 Cases, promulgated under section 2075 of title 28 of the United States Code, 28 U.S.C. §§ 1–4001, as well as the general and local rules of the Bankruptcy Court and the Order Pursuant to Sections 105(a) and (d) of the Bankruptcy Code and Bankruptcy Rules 1015(c), 2002(m) and 9007 Implementing Certain Notice and Case Management Procedures [Docket No. 60], as it may be amended from time to time.

18. “*Business*” means the Debtors’ business of operating a mobile wireless communications system based on integrated satellite and ground-based technology to provide mobile coverage throughout the United States and Canada.

19. “*Business Day*” means any day other than a Saturday, Sunday or a day on which banks in New York are authorized or obligated by Applicable Law or executive order to close or are otherwise generally closed.

20. “*Canadian Court*” means the Ontario Superior Court of Justice (Commercial List).

21. “*Canadian Proceedings*” means the recognition proceeding (Court File No.: CV-10-8944-00CL) commenced on October 21, 2010 before the Canadian Court by TSN, as foreign representative on behalf of the Debtors, pursuant to Part IV of the CCAA, to, among other things, recognize the jointly administered Chapter 11 Cases as a “foreign main proceeding.”

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

23. “*Causes of Action*” means any action, claim, cause of action, controversy, demand, right, action, Lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, offset, power, privilege, license and franchise of any kind or character whatsoever of the Debtors, known, unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity or pursuant to any other theory of law. Causes of Action also include: (a) any right of setoff, counterclaim or recoupment and any claim on contracts or for breaches of duties imposed by law or in equity; (b) the right to object to Claims or Interests; (c) any claim pursuant to section 362 or chapter 5 of the Bankruptcy Code, including Avoidance Actions; (d) any claim or defense including fraud, mistake, duress and usury and any other defenses set forth in section 558 of the Bankruptcy Code; (e) any state law fraudulent transfer claim; and (f) any claim set forth on the Schedule of Retained Causes of Action. For the avoidance of doubt, Causes of Action shall not include any rights, privileges, claims, demands, choses in action, prepayments, deposits, refunds, indemnification rights, warranty claims, offsets and other claims of the Debtors against (i) Third Parties relating to the Acquired Assets set forth in clauses (a) through (u) of Section 2.1 of the Purchase Agreement; (ii) against Purchaser and/or any of its Affiliates (which claims were released at Funding); or (iii) against the Released Parties.

24. “*CCAA*” means the *Companies’ Creditors Arrangement Act* (Canada), R.S.C. 1985, c. C-36, as amended.

25. “*Chapter 11 Cases*” means (a) when used with reference to a particular Debtor, the chapter 11 case pending for that Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court and (b) when used with reference to all Debtors, the procedurally consolidated chapter 11 cases pending for the Debtors in the Bankruptcy Court under Case No. 10-15446 (SHL).

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

27. “*Class*” means a category of holders of Claims or Interests as set forth in Article III.

28. “*Closing*” shall have the meaning assigned and set forth in the Purchase Agreement.

29. “*Closing Date*” shall have the meaning assigned and set forth in the Purchase Agreement.

30. “*Closing Date Payment*” means \$30 million, less the amount of the Employee Obligations, which shall be payable as set forth in Section 2.5(b)(v) of the Purchase Agreement.

31. “*Collateral*” means any property or interest in property of the Debtors subject to a Lien to secure the payment or performance of a Claim.

32. “*Communications Act*” means Chapter 5 of title 47 of the United States Code, 47 U.S.C. § 151 et seq., as amended, and in effect from time to time.

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

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

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

36. “*Confirmation Order*” means the order entered by the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

37. “*Creditors’ Committee*” means the statutory committee of unsecured creditors of the Debtors appointed in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code by the U.S. Trustee, as such committee membership may be reconstituted from time to time.

38. “*Cure Claim*” means a Claim based upon a monetary default, if any, by any Debtor on an Executory Contract or Unexpired Lease at the time such contract or lease is assumed by such Debtor pursuant to sections 365 or 1123 of the Bankruptcy Code.

39. “*D&O Liability Insurance Policies*” means all insurance policies of any of the Debtors for directors’, managers’ and officers’ liability, as set forth on the schedule of Insurance Policies to be included in the Plan Supplement.

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

41. “*Debtors*” means, collectively, TSN, TLI, TSNSI, TSN Holdings (Canada), TSN Canada and 088.

42. “*Designated Contract*” means all Executory Contracts and Unexpired Leases set forth on section 2.1(c) of the Disclosure Letter.

43. “*Disallowed*” means a finding of the Bankruptcy Court in a Final Order, or provision in the Plan providing that a Disputed Claim or Interest shall not be Allowed.

44. “*Disbursing Agent*” means the Debtors, Reorganized Debtors, the Liquidating Trustee, or the Interim TSN Trust Board (but solely in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof), as applicable, or the Entity or Entities chosen by the Reorganized Debtors (upon consultation with the Creditors’ Committee) to make or facilitate Distributions pursuant to the Plan and/or the Liquidating Trust Agreement.

45. “*Disclosure Letter*” means the disclosure letter of even date with the Purchase Agreement prepared by the Debtors and delivered to the Purchaser simultaneously with the execution of the Purchase Agreement, as the same may be amended from time to time as agreed to by the parties to the Purchase Agreement, subject to the Sale Order.

46. “*Disclosure Statement*” means the disclosure statement that relates to this Plan, as such disclosure statement may be amended, modified, or supplemented (including all exhibits and schedules annexed thereto or referred to therein).

47. “*DISH*” means DISH Network Corporation.

48. “*Disputed Claim*” or “*Disputed [] Claim*” (with respect to a specific type of Claim, if specified) means a Claim that is not an Allowed Claim or Disallowed Claim as of the relevant date.

49. “*Disputed Claims Reserve*” means the reserve to be created by the Debtors to hold Cash which reserve shall be held for the benefit of holders of Disputed Claims as of the Effective Date that subsequently become Allowed Claims, for Distribution according to the procedures set forth in Article ~~V~~VIII. For the avoidance of doubt, and pursuant to the Settlement, neither the Sprint Claim nor any of the claims filed by LightSquared LP or LightSquared Inc. on account of Proofs of Claim no. 92 and no. 93 (collectively, the “*LightSquared Claims*”) is a Disputed Claim; *provided, however*, that the treatment of the LightSquared Claims and the Sprint Claim pursuant to the Settlement shall render such claims fully satisfied and any and all other claims filed by LightSquared shall be disallowed and expunged in their entirety.

50. “*Distributions*” means the distributions of Cash, Liquidating Trust Interests, Interim TSN Trust Interests and/or Interim TSN Warrants (but solely in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof) to be made in accordance with the Plan and the Trust Agreements. For the avoidance of doubt, “*Distributions*” shall not refer to payments made pursuant to the Paydown Orders. For the further avoidance of doubt, *Distributions* shall not include any Acquired Assets.

51. “*Distribution Date*” means any of the Initial Distribution Date or the Periodic Distribution Dates.

52. “*Distribution Record Date*” means the date that the Confirmation Order is entered by the Bankruptcy Court.

53. “*EchoStar*” means EchoStar Corporation and its subsidiaries.

54. “*Effective Date*” means the first Business Day after which all provisions, terms and conditions specified in Article X.B have been satisfied or waived pursuant to Article X.C.

55. “*Employee*” means any employee of the Debtors or Reorganized Debtors as of the Closing Date.

56. “*Employee Obligations*” shall have the meaning assigned and set forth in the Purchase Agreement.

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

58. “*Equity Interests*” mean all Interests held by persons or entities in the Debtors. For the avoidance of doubt, *Equity Interests* include the TSN Preferred Shares and the Intercompany Interests.

59. “*Estate*” means, as to each Debtor, the estate created for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

60. “*Exculpated Claim*” means any claim related to any act or omission in connection with, relating to or arising out of the Debtors’ restructuring efforts, the Debtors’ Chapter 11 Cases, the Canadian Proceedings, the Purchase Agreement, the Paydown Orders, the Settlement, the Plan Settlement, the formulation, preparation, dissemination, negotiation or filing of the Disclosure Statement, Plan, DIP Loan Agreement or any contract, instrument, release or other agreement or document created or entered into in connection with the Disclosure Statement, the Plan, the Settlement or the Plan Settlement, the filing of the Chapter 11 Cases, the Canadian Proceedings, the pursuit of Confirmation and recognition thereof in the Canadian Proceedings, the pursuit of consummation of the Plan, the administration and implementation of the Plan, including the issuance of Plan securities, or the Distribution of property under the Plan or any other related agreement, or the negotiation, documentation and implementation of the Settlement; provided, however, that *Exculpated Claims* shall not include any act or omission that is determined in a Final Order to have constituted gross negligence, willful misconduct or fraud. For the avoidance of doubt, no Cause of Action, obligation or liability expressly set forth in or preserved by the Plan or the Schedule of Retained Causes of Action constitutes an *Exculpated Claim*.

61. “*Exculpated Party*” means each of: (a) the Debtors, and the Reorganized Debtors; (b) the Creditors’ Committee and the current and former members thereof, in their capacity as such; (c) EchoStar; (d) the Indenture Trustees; (e) the Purchase Money Agent; (f) Deloitte & Touche Inc., in its capacity as information officer in the Canadian Proceedings; (g) the New Boards of the Reorganized Debtors and the members of the Interim TSN Trust Board (in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof), in connection with the Chapter 11 Cases, including, but not limited to any action taken in furtherance of this Plan, the Purchase Agreement and the Sale Order; (h) Harbinger, LightSquared Inc. and LightSquared LP; (i) Sprint; (j) the Ad Hoc Group, the members thereof as of the date of the Global Settlement Order and the former members that, as of the date of entry of the Confirmation Order, have not objected to the Plan and, as of the Effective Date, have not sought (in any manner, whether by filing a motion or otherwise) the reimbursement or other payment of any fees or expenses, including, without limitation, the fees and expenses of any advisors in connection with the chapter 11 cases, in their capacity as such; (k) Solus and (l) with respect to each of the foregoing Entities in clauses (a) through (k), such Entities’ subsidiaries, affiliates, members, officers, directors, agents, financial advisors, accountants, investment bankers, consultants, attorneys, employees, partners, and representatives, in each case solely in their capacity as such.

62. “*Executory Contracts and Unexpired Leases*” means contracts and leases to which one or more of the Debtors are party that are subject to assumption or rejection under section 365 of the Bankruptcy Code.

63. “*FCC*” means the Federal Communications Commission and any successor governmental agency performing functions similar to those performed by the Federal Communications Commission on the Effective Date.

64. “*FCC Consent*” shall have the meaning assigned and set forth in the Purchase Agreement.

65. “*Final Order*” means, as applicable, an order or judgment of the Bankruptcy Court, the Canadian Court or other court of competent jurisdiction with respect to the relevant subject matter, which has not been reversed, stayed, modified or amended, and as to which the time to appeal or petition for certiorari has expired and as to which no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved, by the highest court to which such order or judgment could be appealed, or from which certiorari could be sought or the new trial, reargument or rehearing, shall have been denied, resulted in no modification of such order or has otherwise been dismissed with prejudice.

66. “*Funding*” shall have the meaning assigned and set forth in the Purchase Agreement.

67. “*Funding Date*” means August 11, 2011.

68. “*Funding Date Consideration*” means \$1.345 billion (one billion, three hundred forty five million dollars).

69. “*Funding Date Payment*” means the Funding Date Consideration less the Working Capital Fund, which is available for Distribution pursuant to this Plan or which has been or may be distributed pursuant to Bankruptcy Court order, including, without limitation, pursuant to the Paydown Orders and the Global Settlement Order.

70. “*Global Settlement Order*” means the Stipulation and Order entered by the Bankruptcy Court on December 15, 2011 [Docket No. 857], approving the Settlement.

71. “*Governmental Units*” has the meaning set forth in section 101 of the Bankruptcy Code.

72. “*Harbinger*” means collectively, Harbinger Capital Partners LLC and its managed and affiliated funds.

73. “*Holdback Amount*” means, with respect to Accrued Professional Compensation, amounts held back pursuant to an order or orders of the Bankruptcy Court in the Chapter 11 Cases, including the Interim Compensation Order.

74. “*Holdback Amount Reserve*” means, with respect to Accrued Professional Compensation, a reserve established by the Reorganized Debtors, and the Purchaser, on the Effective Date for the benefit of the Professionals, and to be held in trust for the Professionals, for the payment of the Holdback Amount. To the extent any amounts held in the Holdback Amount Reserve are not ultimately paid to Professionals, such amounts shall be contributed to the Liquidating Trust and distributed in accordance with the Plan and the Liquidating Trust Agreement. The Debtors and the Purchaser shall be responsible for funding the Holdback Amount Reserve in accordance with the Purchase Agreement.

75. “*Impaired*” has the meaning set forth in section 1124 of the Bankruptcy Code.

76. “*Impaired Class*” means a Class of Claims or Interests that are Impaired. For the avoidance of doubt, Impaired Classes are Classes 3 and 4.

77. “*Indemnification Provisions*” means each of the indemnification provisions, agreements or obligations in place as of the Petition Date, whether in the bylaws, certificates of incorporation or other formation documents in the case of a limited liability company, board resolutions or employment contracts, for the Debtors and the current directors, officers, members (including *ex officio* members), employees, attorneys, other professionals and agents of the Debtors.

78. “*Indenture Trustees*” means, collectively, the Senior Secured Notes Indenture Trustee/Agent and the Senior Exchangeable Notes Indenture Trustee.

79. “*Indentures*” means, collectively, the Senior Secured Notes Indenture and the Senior Exchangeable Notes Indenture.

80. “*Industry Canada*” means the Canadian federal Department of Industry, or any successor or any department or agency thereof, administering the *Radiocommunication Act* (Canada), among other statutes, including its staff acting under delegated authority, and includes the Minister of Industry (Canada) and the Commissioner of Competition (Canada).

81. “*Industry Canada Approval*” shall have the meaning assigned and set forth in the Purchase Agreement.

82. “*Information Officer*” means Deloitte & Touche Inc. in its capacity as the court-appointed information officer in connection with the Canadian Proceedings.

83. “*Initial Distribution Date*” means the date occurring on or as soon as reasonably practicable after the Effective Date when Distributions under the Plan shall commence.

84. “*Insurance Policies*” means, collectively, all of the Debtors’ insurance policies listed on the schedule of Insurance Policies to be included in the Plan Supplement.

85. “*Intercompany Claim*” means any Claim held by a Debtor against another Debtor.

86. “*Intercompany Interests*” mean the Interests in a Debtor held by another Debtor.

87. “*Interest*” means any equity security in a Debtor as defined in section 101(16) of the Bankruptcy Code, including all issued, unissued, authorized or outstanding shares of capital stock of any of the Debtors together with any warrants, options or contractual rights to purchase or acquire such equity securities at any time and all rights arising with respect thereto. For the avoidance of doubt, the Interests include the Preferred Shares.

88. “*Interim Compensation Order*” means the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [Docket No. 174].

89. “*Lien*” has the meaning set forth in section 101(37) of the Bankruptcy Code, including, with respect to any asset, any mortgage or deed of trust, pledge, hypothecation, assignment, deposit arrangement, lien, charge, claim, security interest, easement or encumbrance, or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any lease or title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and the filing of, or agreement to give, any financing statement perfecting a security interest under the Uniform Commercial Code as in effect from time to time in the State of New York or comparable law of any jurisdiction) and, in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

90. “*Liquidating Trust*” means the Entity described in Article V.E that will succeed to all of the Retained Assets and liabilities of the Estates, subject to the terms of the Plan and/or the Liquidating Trust Agreement, as of the Effective Date.

91. “*Liquidating Trust Agreement*” means the trust agreement substantially in the form to be filed as part of the Plan Supplement, which will, among other things: (a) establish and govern the Liquidating Trust; (b) set forth the respective powers, duties and responsibilities of the Liquidating Trustee and the Liquidating Trust Board; and (c) provide for Distribution of Liquidating Trust Assets to the Liquidating Trust Beneficiaries.

92. “*Liquidating Trust Assets*” means (a) the Net Funding Date Proceeds; (b) the Closing Date Payment; (c) the Retained Causes of Action Net Proceeds; (d) Cash on hand of the Debtors as of December 31, 2011; (e) the Working Capital Excess Amount; and (f) any or all of the Retained Assets, as determined by the Debtors or Reorganized Debtors in consultation with the Creditors’ Committee or Liquidating Trustee, as applicable.

93. “*Liquidating Trust Beneficiaries*” means the holders of Allowed Unsecured Claims.

94. “*Liquidating Trust Board*” means those individuals appointed in accordance with the Liquidating Trust Agreement with the powers and responsibilities as set forth in Article V.E. of the Plan.

95. “*Liquidating Trust Expenses*” means the reasonable fees and expenses of the Liquidating Trustee and Liquidating Trust Board, including, without limitation, reasonable professional fees, which shall be paid from the Liquidating Trust Assets.

96. “*Liquidating Trust Interests*” means the beneficial interests in the Liquidating Trust.

97. “*Liquidating Trustee*” means the person appointed by the Creditors’ Committee, in accordance with the Liquidating Trust Agreement to administer the Liquidating Trust.

98. “*Net Funding Date Proceeds*” means the amount of the Funding Date Payment remaining after the Paydown or any other similar payment to creditors pursuant to an order of the Bankruptcy Court.

99. “*New Boards*” means the boards of directors of the Reorganized Debtors as of the Effective Date.

100. “*New By-laws*” means the new by-laws of the Reorganized Debtors, the form of which shall be included in the Plan Supplement.

101. “*New Certificate of Incorporation*” means the form of initial certificate of incorporation or other articles of amendment or reorganization equivalent under applicable law, of each Reorganized Debtor, the form of which shall be included in the Plan Supplement.

102. “*New Common Stock*” means the single share of common stock of Reorganized TSN authorized pursuant to the Plan, which shall be issued in the name of the Interim TSN Trust in the event that the provisions of

Exhibit 3 are triggered pursuant to Article V.G. hereof, and otherwise in the name of the Liquidating Trust, as of the Effective Date.

103. “*New Corporate Governance Documents*” means the New Certificates of Incorporation and the New By-Laws.

104. “*New Employment Agreements*” means employment agreements that the Reorganized Debtors shall enter into with certain individuals in the Debtors’ senior management, the salient terms of which shall be included in the Plan Supplement.

105. “*Notes*” means, collectively, the Senior Secured Notes and the Senior Exchangeable Notes.

106. “*Notes Claims*” means, collectively, the Senior Secured Notes Claims and the Senior Exchangeable Notes Claims.

107. “*Notice and Claims Agent*” means The Garden City Group, Inc., located at P.O. Box 9576, Dublin, Ohio 43017-4876, (866) 405-2137, retained as the Debtors’ notice, claims and solicitation agent.

108. “*Ordinary Course Professional Order*” means the Order Authorizing the Debtors’ Retention and Compensation of Certain Professionals Utilized in the Ordinary Course of Business [Docket No. 173].

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

110. “*Other Secured Claims*” means a Secured Claim against the Debtors, other than the PMCA Claims and the Senior Secured Notes Claims.

111. “*Paydown*” means (a) the payment made by the Debtors from the Funding Date Payment to the holders of secured obligations in the following amounts: (i) \$800 million on account of outstanding prepetition principal and interest obligations under the Senior Secured Notes as directed under the First Paydown Order; (ii) approximately \$90.2 million in connection with the pay off of a substantial portion of the outstanding obligations under the PMCA; and (iii) \$85,093,933.77 in connection with the pay off in full of all of the outstanding obligations under the DIP Loan Agreement; (b) the payment made by the Debtors from the Funding Date Payment to the holders of the Senior Secured Notes in the amount of \$143,959,275 in connection with the pay off in part of certain of the outstanding obligations under the Senior Secured Notes Indenture; (c) the payment of \$8,456,706.41 in connection with the pay off of all remaining amounts due and owing under the PMCA to the PMCA Lenders pursuant to the PMCA Settlement Order; (d) any payments made pursuant to the Global Settlement Order; or (e) any payment made by the Debtors from the Funding Date Payment to the holders of secured obligations pursuant to any similar order of the Bankruptcy Court authorizing such a payment.

112. “*Paydown Orders*” means (a) the Order entered by the Bankruptcy Court [Docket No. 730] on August 3, 2011, granting the Debtors’ *Motion for Entry of an Order Pursuant to 11 U.S.C. §§ 105 and 363 Authorizing the Debtors to Repay Existing Secured Claims* [Docket No. 662] (the “*First Paydown Order*”); (b) the Order entered by the Bankruptcy Court [Docket No. 792] on October 4, 2011, granting the Debtors’ *Motion for Entry of an Order Pursuant to 11 U.S.C. §§ 105 and 363 Authorizing the Debtors to Repay Certain Amounts Due and Owing Under the 15% Notes Indenture* [Docket No. 768] (the “*Second Paydown Order*”); (c) *Stipulation and Agreed order Approving the Debtors’ Motion for Entry of an Order Pursuant to Bankruptcy Code Section 363(b) and Federal Rule of Bankruptcy Procedures 9019 Approving the Stipulation between the Debtors, the Creditors’ Committee, Harbinger, the PMCA Lenders, and the Collateral Agent* [Docket No. 800] (the “*PMCA Settlement Order*”); (d) the Global Settlement Order; or (e) any other similar order entered by the Bankruptcy Court.

113. “*Periodic Distribution Date*” means, unless otherwise ordered by the Bankruptcy Court, the first Business Day that is no more than 120 days after the Initial Distribution Date and for the first year thereafter, the first Business Day that is no more than 120 days after the immediately preceding Periodic Distribution Date. After one year following the Distribution Date, the Periodic Distribution Date will occur on the first Business Day that is

no more than 180 days after the immediately preceding Periodic Distribution Date. Notwithstanding the foregoing, if the Disbursing Agent determines, in consultation with the Liquidating Trustee, that there are not sufficient Distributions to be made on a date that would otherwise be a Periodic Distribution Date, then the Periodic Distribution Date shall be on the last Business Day of the subsequent calendar quarter. Notwithstanding the foregoing, and to the extent that the Debtors do not receive the Closing Date Payment before the Effective Date, there shall be a Periodic Distribution Date, to the extent possible, no later than 30 days after the Reorganized Debtors receive the Closing Date Payment.

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

115. “*Petition Date*” means October 19, 2010.

116. “*Plan*” means this joint plan of reorganization under chapter 11 of the Bankruptcy Code, either in its present form or as it may be altered, amended, modified or supplemented from time to time in accordance with the Bankruptcy Code, the Bankruptcy Rules or herewith, as the case may be, and the Plan Supplement, which is incorporated herein by reference.

117. “*Plan Settlement*” has the meaning set forth in Article IX.A. hereof.

118. “*Plan Supplement*” means the compilation of documents and forms of documents, schedules and exhibits to the Plan to be filed by the Debtors by the Plan Supplement Filing Date comprised of, without limitation, the following: (a) the Trust Agreements; (b) the New Corporate Governance Documents, (c) the identity of the known members of the New Boards and the nature and compensation for any director who is an “insider” under the Bankruptcy Code; (d) the Rejected Executory Contract and Unexpired Lease List; (e) the Schedule of Retained Causes of Action; (f) the New Employment Agreements; (g) the terms and conditions of the tail coverage; (h) a schedule of the Insurance Policies; (i) the Interim TSN Warrant Agreement (but solely in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof); and all exhibits, attachments, supplements, annexes, schedules, and ancillary documents related to each of the foregoing.

119. “*Plan Supplement Filing Date*” means the date on which the Plan Supplement shall be filed with the Bankruptcy Court, which date shall be no later than ten (10) days prior to the Confirmation Hearing; provided, however, that the identity of the initial members of the New Boards and the nature and compensation for any director who is an “insider” under the Bankruptcy Code known at the time shall not be required to be disclosed and filed with the Bankruptcy Court until five (5) days before the Confirmation Hearing or such later date as may be approved by the Bankruptcy Court without further notice.

120. “*Priority Tax Claim*” means any Claim of a governmental unit, as defined in section 101(27) of the Bankruptcy Code, of the kind specified in section 507(a)(8) of the Bankruptcy Code.

121. “*Pro Rata*” means, as applicable: (a) the proportion that an Allowed Claim or Interest in a particular Class bears to the aggregate amount of Allowed Claims or Interests in that Class and (b) the proportion that all Allowed Claims or Interests in a particular Class bear to the aggregate amount of Allowed Claims or Interests in such Class and other Classes entitled to share in the same recovery under the Plan.

122. “*Professional*” means an Entity: (a) retained pursuant to a Final Order in accordance with sections 327, 363 or 1103 of the Bankruptcy Code and to be compensated for services rendered before or on the Effective Date, pursuant to sections 327, 328, 329, 330, 363 and 331 of the Bankruptcy Code or (b) awarded compensation and reimbursement by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.

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

124. “*Purchaser*” means Gamma Acquisition L.L.C., a Colorado limited liability company, and wholly owned subsidiary of DISH.

125. “*Purchase Agreement*” means that certain Purchase Agreement entered into on June 14, 2011 by and among the Debtors, as sellers, and Purchaser, and solely with respect to Section 6.19 of the Purchase Agreement, DISH, as such agreement may be amended from time to time in accordance with its terms.

126. “*Purchase Money Agent*” means U.S. Bank National Association in its capacity as Collateral Agent under the PMCA.

127. “*Purchase Money Credit Agreement*” or “*PMCA*” means the Purchase Money Credit Agreement, dated as of February 5, 2008, among TSN, as borrower, each of the guarantors named therein, the lenders party thereto and the Purchase Money Agent, as amended or supplemented from time to time.

128. “*Purchase Money Lenders*” means those lenders currently party to the PMCA.

129. “*Purchase Price*” means \$1.375 billion which has been paid or will be paid by the Purchaser to the Debtors pursuant to the Purchase Agreement, and which shall consist of: (i) the Funding Date Consideration; (ii) the Closing Date Payment; and (iii) the Purchaser’s assumption of the Employee Obligations on the Closing Date.

130. “*Rejected Executory Contract and Unexpired Lease List*” means the list (as may be amended) of Executory Contracts and Unexpired Leases that will be rejected by the Debtors pursuant to the provisions of Article VI.

131. “*Rejection Claim*” means a Claim arising from the rejection of an Executory Contract or Unexpired Lease pursuant to section 365 of the Bankruptcy Code.

132. “*Releasing Parties*” means all Entities who have held, hold or may hold Claims or Interests that have been released pursuant to Article IX.B or Article IX.C, discharged pursuant to Article IX.E or are subject to exculpation pursuant to Article IX.D of the Plan.

133. “*Released Party*” means each of (in each case solely in their respective capacities): (a) the Debtors; (b) the current and former directors and officers of the Debtors who were directors or officers of the Debtors as of or after the Petition Date; (c) EchoStar; (d) the DIP Agent; (e) the Purchase Money Agent; (f) the Creditors’ Committee and the current and former members thereof; (g) Deloitte & Touche Inc., in its capacity as Information Officer; (h) the Indenture Trustees; (i) the members of the New Boards; (j) the members of the Interim TSN Trust Board (in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof); (k) the Liquidating Trust Trustee; (l) the members of the Liquidating Trust Board; (m) the Reorganized Debtors; (n) Harbinger, LightSquared Inc. and LightSquared LP; (o) Sprint; (p) the Ad Hoc Group, the members thereof as of the date of the Global Settlement Order and the former members who, as of the date of entry of the Confirmation Order, have not objected to the Plan and, as of the Effective Date, have not sought (in any manner, whether by filing a motion or otherwise) the reimbursement or other payment of any fees or expenses, (including, without limitation, the fees and expenses of any advisors) in connection with the chapter 11 cases, in their capacity as such; (q) Solus; and (r) with respect to each of the foregoing Entities in clauses (a) through (q), such Entities’ subsidiaries, Affiliates, members, officers, directors, agents, financial advisors, accountants, investment bankers, consultants, attorneys, employees, partners, and representatives, in each case, only in their capacity as such; provided, however, that for the avoidance of doubt, nothing in this Plan shall be deemed to release the Purchaser or any of its Affiliates from their obligations under the Purchase Agreement; provided, further, that Articles IX.B and IX.C of this Plan shall not apply to DISH, which was released as and to the extent provided pursuant to the Purchase Agreement (including Exhibit A thereto).

134. “*Reorganized*” means, with respect to the Debtors, any Debtor or any successor thereto, by merger, consolidation or otherwise, on or after the Effective Date.

135. “*Restructuring Transactions*” means a dissolution or winding up of the corporate existence of a debtor or the consolidation, merger, restructuring, conversion, dissolution, transfer, liquidation, contribution of assets, or other transaction pursuant to which a Reorganized Debtor merges with or transfers substantially all of its assets and liabilities to a Reorganized Debtor or newly formed Entity, prior to, on or after the Effective Date.

136. “*Retained Assets*” means those assets that are retained by the Debtors and will not be sold or assigned to Purchaser, as set forth in Section 2.2 of the Purchase Agreement.

137. “*Retained Causes of Action*” the Causes of Action to be retained by the Liquidating Trustee (or such other Entity or Person determined by the Reorganized Debtors and the Creditors’ Committee) after the Effective Date.

138. “*Retained Causes of Action Net Proceeds*” the proceeds of the Retained Causes of Action, if any, net of direct expenses of the recovery thereof (e.g., the fees, expenses and costs of the subject litigation).

139. “*Sale*” means the sale of substantially all of the Debtors’ assets to the Purchaser pursuant to the Purchase Agreement.

140. “*Sale Incentive Plan*” means the Sale Incentive Plan described in the *Debtors’ Motion for Entry of an Order Approving the TSN Debtors’ Key Employment Incentive Plan* [Docket No. 385], as approved by the Bankruptcy Court on February 23, 2011 [Docket No. 444], and as modified by the order [Docket No. 750] entered by the Bankruptcy Court on August 26, 2011.

141. “*Sale Order*” means the Order (A) Approving Asset Purchase Agreement And Authorizing The Sale Of Assets Of Debtor Outside The Ordinary Course Of Business; (B) Authorizing The Sale Of Assets Free And Clear Of All Liens, Claims, Interests And Encumbrances; (C) Authorizing The Assumption And Sale And Assignment Of Certain Executory Contracts And Unexpired Leases; And (D) Granting Related Relief [Docket No. 668], entered by the Bankruptcy Court on July 7, 2011.

142. “*Schedule of Retained Causes of Action*” means the schedule, to be included as part of the Plan Supplement, listing the Retained Causes of Action.

143. “*Schedules*” means, collectively, the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases and statements of financial affairs filed by the Debtors pursuant to section 521 of the Bankruptcy Code and in substantial accordance with the Official Bankruptcy Forms, as may be amended from time to time before entry of a final decree.

144. “*SEC*” means the Securities and Exchange Commission.

145. “*Secured*” means, when referring to a Claim: (a) secured by a Lien on property in which the Estate of the Debtor against which the Claim is asserted has an interest, which Lien is valid, perfected and enforceable pursuant to applicable law or by reason of a Bankruptcy Court order, to the extent of the value of the creditor’s interest in the Estates’ interest in such property as determined pursuant to section 506(a) of the Bankruptcy Code; (b) subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the property subject to setoff; or (c) otherwise Allowed by Final Order of the Court (which may be the Confirmation Order or Global Settlement Order) as a Secured Claim.

146. “*Securities Act*” means the U.S. Securities Act of 1933, as amended.

147. “*Senior Exchangeable Notes*” means the 6.5% senior exchangeable payment-in-kind notes, issued by TSN pursuant to the Senior Exchangeable Notes Indenture.

148. “*Senior Exchangeable Notes Claims*” means the Allowed Claims arising under the Senior Exchangeable Notes Indenture.

149. “*Senior Exchangeable Notes Indenture*” means the Indenture, dated as of February 7, 2008 between TSN, as issuer, each of the guarantors named therein and the Senior Exchangeable Notes Indenture Trustee, as well as any guarantees and other documents entered into in connection therewith.

150. “*Senior Exchangeable Notes Indenture Trustee*” means Deutsche Bank National Trust Company and/or its predecessors and duly appointed successors, in its capacity as indenture trustee under the Senior Exchangeable Notes Indenture.

151. “*Senior Secured Notes*” means the 15% senior secured payment-in-kind notes, issued by TSN pursuant to the Senior Secured Notes Indenture.

152. “*Senior Secured Notes Claims*” means the Allowed Claims of the Senior Secured Notes Indenture Trustee/Agent for its reasonable fees and expenses arising under the Senior Secured Notes Indenture, all other Claims arising under the Senior Secured Notes Indenture having been Allowed and satisfied in full pursuant to the Global Settlement Order.

153. “*Senior Secured Notes Indenture*” means the Indenture, dated as of February 14, 2007 between TSN, as issuer, the guarantors from time to time party thereto and the Senior Secured Notes Indenture Trustee/Agent, as well as any guarantees and other documents entered into in connection therewith, and as amended by those certain First and Second Supplemental Indentures, each dated as of February 7, 2008.

154. “*Senior Secured Notes Indenture Trustee/Agent*” means U.S. Bank National Association and/or its duly appointed successor, in its capacity as indenture trustee and collateral agent under the Senior Secured Notes Indenture.

155. “*Senior Secured Notes Security Agreements*” means, collectively: (i) the Security Agreement, dated as of February 14, 2007, among TSN and the domestic guarantors to the Senior Secured Notes Indenture, as grantors, and the Senior Secured Notes Indenture Trustee/Agent; and (ii) the Security Agreement, dated as of February 14, 2007, among TSN and the Canadian guarantors to the Senior Secured Notes Indenture, as grantors, and the Senior Secured Notes Indenture Trustee/Agent.

156. “*Settlement*” means the settlement entered into by and among the Settlement Parties reflected in the Global Settlement Order that resolves and settles certain disputes and pending litigation matters in the Debtors’ chapter 11 cases.

157. “*Settlement Parties*” means EchoStar, Sprint, Harbinger, the Creditors’ Committee, the Ad Hoc Group (and each of its members as of the date of the Global Settlement Order), the Senior Secured Notes Indenture Trustee/Agent, Solus, LightSquared Inc. and LightSquared LP, and the Debtors.

158. “*Solus*” means Solus Alternative Asset Management LP.

159. “*Sprint*” means Sprint Nextel Corporation.

160. “*Sprint Claim*” means the proofs of claim filed on December 9, 2010, in the amount of \$104,194,649.00 against each Debtor entity in connection with certain spectrum relocation costs incurred by Sprint [Claim Nos. 49, 66, 67, 70, 79 and 82].

161. “*TLI*” means TerreStar License, Inc.

162. “*Trust Agreements*” means the Interim TSN Trust Agreement (in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof) and the Liquidating Trust Agreement.

163. “*TSC*” means TerreStar Corporation.

164. “*TSC 9019 Order*” means the Stipulation and Order entered by the Bankruptcy Court on December 15, 2011 [Docket No. 299], in the chapter 11 cases of TSC and its affiliated debtors and debtors in possession, *inter alia* assigning to Sprint the first \$2.6 million to be distributed on account of the TSC Intercompany Claim, and payable pursuant to the terms thereof.

165. “*TSC Intercompany Claim*” means the Allowed Claim held by TSC against TSN in the amount of \$56.9 million, on account of certain notes dated June 6, 2009, July 6, 2009, August 4, 2009, August 26, 2009, and September 21, 2009.

166. “*TSN*” means TerreStar Networks Inc.

167. “*TSN Canada*” means TerreStar Networks (Canada) Inc.

168. “*TSN Holdings (Canada)*” means TerreStar Networks Holdings (Canada) Inc.

169. “*TSN Preferred Shares*” means collectively, the TSN Series A Preferred Share and the TSN Series B Preferred Share.

170. “*TSN Series A Preferred Share*” means the one share of non-voting Series A preferred stock of TSN, which was issued to EchoStar.

171. “*TSN Series B Preferred Share*” means the one share of non-voting Series B preferred stock of TSN, which was issued to Harbinger.

172. “*TSNSI*” means TerreStar National Services, Inc.

173. “*Third Party*” means any Person other than Debtors and their Affiliates, the Purchaser, or DISH any of its respective subsidiaries.

174. “*Unimpaired*” means any Claim or Interest that is not designated as Impaired.

175. “*Unsecured Claims*” means any unsecured claim against any Debtor other than an Intercompany Claim or the Sprint Claim, including, without limitation, a Senior Exchangeable Notes Claim, a trade claim, the TSC Intercompany Claim, or a claim arising out of the rejection of Executory Contracts or Unexpired Leases by any Debtor.

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

177. “*U.S. Trustee Fees*” means fees arising under 28 U.S.C. § 1930(a)(6) or accrued interest thereon arising under 31 U.S.C. § 3717.

178. “*Valuation Allocation Dispute*” means the potential dispute among various parties with regard to the proper allocation of expenses among the six Debtor Entities.

179. “*Voting Deadline*” means 5:00 p.m. (prevailing Eastern Time) on February 1, 2012.

180. “*Working Capital Fund*” means that portion of the Purchase Price that consists of \$90 million, which was deposited into an escrow account on the Funding Date to provide funding for working capital and administrative expenses requested to be paid by the Debtors pursuant to and according to the terms of the Purchase Agreement.

181. “*Working Capital Excess Amount*” means the amount, if any, remaining in the Working Capital Fund after payment of all working capital and administrative expenses required to be paid by the Debtors pursuant to and according to the terms of the Purchase Agreement, other than those funds specifically required to fund the Holdback Amount Reserve.

B. Rules of Interpretation

For purposes of this Plan: (a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender

shall include the masculine, feminine and the neuter gender; (b) any reference herein to a contract, lease, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (c) any reference herein to an existing document or exhibit having been filed or to be filed shall mean that document or exhibit, as it may thereafter be amended, modified or supplemented; (d) unless otherwise specified, all references herein to "Articles" are references to Articles hereof or hereto; (e) unless otherwise stated, the words "herein," "hereof" and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan; (f) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (g) the word "including" shall always mean, "including, without limitation"; (h) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; and (i) any immaterial effectuating provisions may be interpreted by the Reorganized Debtors in a manner that is consistent with the overall purpose and intent of the Plan all without further Bankruptcy Court order.

C. Computation of Time

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

D. Governing Law

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

E. Reference to Monetary Figures

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

ARTICLE II.

ADMINISTRATIVE CLAIMS, U.S. TRUSTEE FEES, AND PRIORITY TAX CLAIMS

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, U.S. Trustee Fees and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III and shall have the following treatment:

A. Administrative Claims

1. Administrative Claims

Except with respect to Administrative Claims that are Claims for Accrued Professional Compensation and except to the extent that a holder of an Allowed Administrative Claim agrees to less favorable treatment, each holder of an Allowed Administrative Claim shall, in complete satisfaction of such Allowed Administrative Claim, be paid Cash in the full amount of such Allowed Administrative Claim on the later of: (a) the Initial Distribution Date; (b) the first date such Administrative Claim is Allowed or as soon as reasonably practicable thereafter; and (c) the date such Allowed Administrative Claim becomes due and payable by its terms, or as soon thereafter as is reasonably practicable; *provided, however*, that (1) the Debtors may pay certain Administrative Claims from the Working Capital Fund that have already been approved by the Bankruptcy Court or incurred in the ordinary course of business, upon receipt of the Working Capital Fund, and (2) payment of any Administrative Claims (other than

Accrued Professional Compensation, which shall be treated in accordance with the next subsection) incurred after December 31, 2011 shall be paid pursuant to the terms of the Purchase Agreement.

2. Professional Compensation

(a) Claims for Accrued Professional Compensation

Professionals or other Entities asserting a Claim for Accrued Professional Compensation for services rendered before the Effective Date must file and serve on the Debtors and such other Entities who are designated by the Bankruptcy Rules, the Confirmation Order, the Interim Compensation Order or other order of the Bankruptcy Court an application for final allowance of such Claim for Accrued Professional Compensation no later than 45 days after the Effective Date, or any other date scheduled by the Bankruptcy Court. Objections to any Claim for Accrued Professional Compensation must be filed and served on the Reorganized Debtors, the Creditors' Committee, the Office of the U.S. Trustee and the requesting party no later than the earlier of (a) 30 days after such application is filed or (b) 75 days after the Effective Date. All Accrued Professional Compensation and all claims for professional compensation sought under section 503(b) of the Bankruptcy Code shall be paid either by the Debtors or the Purchaser pursuant to the terms of the Purchase Agreement.

(b) Treatment of Claims for Accrued Professional Compensation

A Claim for Accrued Professional Compensation in respect of which a final fee application has been properly filed and served pursuant to this Plan shall be payable to the extent approved by order of the Bankruptcy Court. Subject to the Holdback Amount, on the Effective Date, or as soon thereafter as reasonably practicable, to the extent not otherwise paid, all Allowed Claims for Accrued Professional Compensation (including estimated Accrued Professional Compensation through the Effective Date) shall be paid in full in Cash. To receive payment on the Effective Date for unbilled fees and expenses incurred through the Effective Date, each Professional shall reasonably estimate fees and expenses due for unbilled fees and expenses for periods that will not have been billed as of the Effective Date and shall deliver such estimates to the Debtors, the Purchaser, and the U.S. Trustee prior to the Effective Date. If the estimated payment received by such Professional exceeds the actual allowed Accrued Professional Compensation for the estimated period, such excess amount shall be deducted from the Holdback Amount for such Professional and if the Holdback Amount is insufficient, such Professional shall disgorge the difference to: (i) the Debtors; or (ii) the Purchaser, in each case, pursuant to the terms of the Purchase Agreement. If the estimated payment received by the Professional is lower than the Accrued Professional Compensation of such Professional, the difference shall be promptly paid to the Professional by: (i) the Debtors; or (ii) the Purchaser, in each case, pursuant to the terms of the Purchase Agreement. For the avoidance of doubt, all Accrued Professional Compensation and all claims for professional compensation sought under section 503(b) of the Bankruptcy Code shall be paid either by the Debtors or the Purchaser, in each case pursuant to the terms of the Purchase Agreement.

On the Effective Date, the Reorganized Debtors and the Purchaser shall fund the Holdback Amount Reserve for payment of the Holdback Amount in accordance with the terms of the Purchase Agreement. Upon final allowance by the Bankruptcy Court of the Accrued Professional Compensation, or entry of an earlier order of the Bankruptcy Court granting the release of any Holdback Amounts, such amounts, less any excess paid in connection with estimated fees and expenses through the Effective Date, shall be paid promptly and directly to the Professionals.

(c) Post- Effective Date Fees and Expenses

Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Reorganized Debtors and the Liquidating Trustee may employ and pay any Professional its reasonable, actual and documented fees and expenses for services rendered or expenses incurred after the Effective Date in the ordinary course of business without any further notice to any party or action (including, without limitation, without the need to file a fee application), order or approval of the Bankruptcy Court; provided, however, that to the extent such compensation or expense reimbursement is incurred, accrued, payable or paid prior to the Closing Date, the Purchaser shall be provided with an invoice showing all reasonable, actual and documented fees and expenses.

3. Administrative Claim Bar Date

Except as otherwise provided in this Article II.A, requests for payment of Administrative Claims must be filed and served on the Reorganized Debtors and the Purchaser pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than 45 days after the Effective Date. Holders of Administrative Claims that are required to, but do not, file and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped and enjoined from asserting such Administrative Claims against the Debtors or Reorganized Debtors or their property and such Administrative Claims shall be deemed discharged as of the Effective Date. Objections to such requests, if any, must be filed and served on the Reorganized Debtors and the requesting party no later than 90 days after the Effective Date. Notwithstanding the foregoing, no request for payment of an Administrative Claim need be filed with respect to an Administrative Claim previously Allowed by Final Order, including all Administrative Claims expressly Allowed under this Plan. For the avoidance of doubt, all Administrative Claims incurred after December 31, 2011 shall be paid in accordance with the Purchase Agreement.

B. U.S. Trustee Fees

On the Effective Date, the Debtors shall pay all U.S. Trustee Fees that are due and owing as of the Effective Date.

C. Priority Tax Claims

Each holder of an Allowed Priority Tax Claim due and payable on or before the Effective Date shall receive, on the Distribution Date, at the option of the Debtors, one of the following treatments, in complete satisfaction of such Allowed Priority Tax Claim: (1) Cash in an amount equal to the amount of such Allowed Priority Tax Claim; or (2) such other treatment as may be agreed upon by such holder and the Debtors or otherwise determined upon an order of the Bankruptcy Court.

ARTICLE III.

CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

A. General Rules of Classification

(i) Pursuant to section 1122 of the Bankruptcy Code, set forth below is a designation of Classes of Claims against and Interests in the Debtors. A Claim or Interest is placed in a particular Class only to the extent that the Claim or Interest falls within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest falls within the description of such other Classes. A Claim or Interest is also placed in a particular Class for the purpose of receiving Distributions pursuant to the Plan only to the extent that such Claim or Interest is an Allowed Claim in that Class and such Claim or Interest has not been paid, released, or otherwise settled prior to the Effective Date.

(ii) This Plan constitutes a separate chapter 11 plan for each Debtor, each of which shall include the classifications set forth below. For the avoidance of doubt, to the extent a Class contains Allowed Claims or Interests with respect to a particular Debtor, such Class is designated with respect to such Debtor. To the extent there are no Allowed Claims or Interests in a Class with respect to a particular Debtor, such Class is deemed to be omitted with respect to such Debtor. To the extent that certain Allowed Claims or Interests do not exist with respect to a particular Debtor, such Class is deemed to include only the Allowed Claims or Interests that do exist with respect to such Debtor. In accordance with section 1123(a)(1) of the Bankruptcy Code, the Debtors have not classified Administrative Claims and Priority Tax Claims, as described in Article II.

B. Summary of Classification

The following chart represents the general classification of Claims and Interests against the Debtors

pursuant to the Plan. Attached hereto as Exhibit 1 is a chart that delineates class for each individual Debtor and voting rights thereto.

Class	Claim	Status
1	Other Priority Claims	Unimpaired
2	Other Secured Claims	Unimpaired
3	Unsecured Claims	Impaired
4	Equity Interests	Impaired

A chart delineating the applicable classes for each individual Debtor is attached hereto as Exhibit 1.

C. *Treatment of Claims and Interests*

1. Class 1 – Other Priority Claims

- (a) *Classification:* Class 1 consists of Other Priority Claims.
- (b) *Treatment:* Except to the extent that a holder of an Allowed Other Priority Claim (i) has been paid by the Debtors, in whole or in part, prior to the Effective Date or (ii) agrees to a less favorable treatment, each holder of an Allowed Other Priority Claim shall receive, on the Initial Distribution Date and in full satisfaction, settlement, release, and discharge of, and in exchange for such Other Priority Claim, Cash in the full amount of such Allowed Other Priority Claim.
- (c) *Voting:* Class 1 is Unimpaired, and the holders of Other Priority Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Other Priority Claims are not entitled to vote to accept or reject the Plan.

2. Class 2 – Other Secured Claims

- (a) *Classification:* Class 2 consists of Other Secured Claims. Although all Other Secured Claims have been placed in one Class for the purposes of nomenclature, each Other Secured Claim, to the extent secured by a Lien on any property or interest in property of the Debtors different than that securing any other Other Secured Claims, shall be treated as being in a separate sub-Class for the purpose of receiving distributions under the Plan.
- (b) *Treatment:* On the Initial Distribution Date, except to the extent that a holder of an Allowed Other Secured Claim agrees to a less favorable treatment, at the option of the Debtors or the Reorganized Debtors (i) each Allowed Other Secured Claim shall be reinstated and Unimpaired in accordance with section 1124(2) of the Bankruptcy Code, or (ii) each holder of an Allowed Other Secured Claim shall receive, in full satisfaction, settlement, release, and discharge of, and in exchange for, such Other Secured Claim, either (w) Cash in the full amount of such Allowed Other Secured Claim, including any postpetition interest accrued pursuant to section 506(b) of the Bankruptcy Code, (x) the proceeds of the sale or disposition of the collateral securing such Allowed Other Secured Claim to the extent of the value of the holder's secured interest in such collateral, (y) the collateral securing such Allowed Other Secured Claim and any interest on such Allowed Other Secured Claim required to be paid pursuant to section 506(b) of the Bankruptcy Code, or (z) such other distribution as necessary to satisfy the requirements of section 1129 of the Bankruptcy Code.

- (c) *Voting:* Class 2 is Unimpaired, and the holders of Other Secured Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, holders of Other Secured Claims are not entitled to vote to accept or reject the Plan.

3. Class 3 – Unsecured Claims against each Debtor

- (a) *Classification:* Class 3 consists of Unsecured Claims against each of the Debtors.
- (b) *Treatment:* Each holder of an Allowed Unsecured Claim shall receive in full and final satisfaction of its Claim, its Pro Rata share (calculated with reference to all Allowed and Disputed Class 3 Claims against the applicable Debtor) of Liquidating Trust Interests applicable to such Debtor based on each such Debtor's Allocated Value; *provided, however,* that if, pursuant to Article V.G. hereof, the provisions of Exhibit 3 hereto are triggered, the treatment of holders of Allowed Claims in Class 3 shall be as provided in Exhibit 3.
- (c) *Voting:* Holders of Unsecured Claims in Class 3 are Impaired, and receiving property under the Plan. Therefore, holders of Unsecured Claims in Class 3 are entitled to vote to accept or reject the Plan.

4. Class 4 – Equity Interests

- (a) *Classification:* Class 4 consists of all Equity Interests.
- (b) *Treatment:* On the Effective Date, all Equity Interests shall be deemed cancelled and shall be of no further force and effect, whether surrendered for cancellation or otherwise, and there shall be no distribution to the holders of Equity Interests.
- (c) *Voting:* Class 4 is Impaired, and the holders of Equity Interests are conclusively presumed to have rejected the Plan. Therefore, holders of Equity Interests are not entitled to vote to accept or reject the Plan.

ARTICLE IV.

ACCEPTANCE REQUIREMENTS

A. Acceptance or Rejection of the Plan

1. Voting Classes

Class 3 is Impaired under the Plan and is receiving property under the Plan. Therefore, such Class is entitled to vote to accept or reject the Plan.

2. Presumed Acceptance of the Plan

Classes 1 and 2 are Unimpaired under the Plan and are, therefore, conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code.

3. Presumed Rejection of the Plan

Class 4 is Impaired under the Plan and is not receiving any distribution under the Plan and is, therefore, conclusively presumed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code.

B. Vacant Classes

Any Class of Claims or Interests that does not have a holder of an Allowed Claim or Allowed Interest, as applicable, or a Claim or Interest temporarily Allowed by the Bankruptcy Court as of the date of the Confirmation Hearing shall be deemed to accept the Plan for purposes of determining acceptance or rejection of the Plan by such Class pursuant to sections 1129(a)(8) and 1129(a)(10) of the Bankruptcy Code.

C. Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation by acceptance of the Plan by an Impaired Class of Claims. The Debtors shall seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Debtors reserve the right to modify the Plan in accordance with Article XI hereof to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification.

ARTICLE V.

MEANS FOR IMPLEMENTATION OF THE PLAN

A. Sale of Assets

On July 7, 2011, the Bankruptcy Court approved the Sale and entered the Sale Order. Pursuant to the Purchase Agreement, the Sale will be consummated and the Acquired Assets will be transferred to the Purchaser on the Closing Date, which shall occur after satisfaction or waiver of the conditions in Article VII of the Purchase Agreement, including, inter alia, the issuance of the FCC Consent and Industry Canada Approval. Pursuant to Article V.O hereof, after the Effective Date and before the Closing Date, all property of the Estates (including the Acquired Assets, to the extent the Closing Date does not occur on or before the Effective Date) will vest in the Reorganized Debtors and the Reorganized Debtors will operate the Business until the Closing Date in accordance with this Plan and subject to the Purchase Agreement and the Sale Order. Should the Closing Date occur on or before the Effective Date, the only activities of the Reorganized Debtors after the Effective Date will be the winding up of operations in accordance with this Plan, the Purchase Agreement and the Sale Order and the implementation of the terms of this Plan.

Proceeds from the Sale will be used (1) by the Liquidating Trust to satisfy Claims, as provided herein and (2) to fund the Working Capital Fund, which will contain funds necessary to operate the Business and administer the Chapter 11 Cases and Canadian Proceedings until December 31, 2011. Any funds remaining either in the Working Capital Fund or as Cash on hand of the Debtors as of December 31, 2011 shall be retained by the Debtors or transferred to the Liquidating Trust and be made available for Distributions in accordance with the Plan. Subject to the terms of the Purchase Agreement, after December 31, 2011, funding necessary to operate the Business and administer the Chapter 11 Cases and Canadian Proceedings will be provided to the Debtors by the Purchaser pursuant to the Purchase Agreement.

B. Retained Assets

On the Effective Date, pursuant to Article V.O hereof, the Retained Assets will vest in the Reorganized Debtors. Before and following the Effective Date, the Debtors or the Reorganized Debtors, as applicable, will use the Retained Assets to, among other things, operate the Business and administer this Plan until the Closing Date; *provided, however,* that, subject to the terms of the Purchase Agreement, after December 31, 2011, funding necessary to operate the Business will be provided by the Purchaser pursuant to the Purchase Agreement. The Debtors or Reorganized Debtors, as applicable, in consultation with the Creditors' Committee or Liquidating Trustee, as applicable, may from time to time transfer Retained Assets to the Liquidating Trust to be used to satisfy Claims, as provided herein.

C. Plan Settlement

As discussed in detail in the Disclosure Statement, the Plan Settlement addresses the treatment of certain Claims that were Allowed pursuant to the Settlement. Among other things, under the Plan Settlement,² and notwithstanding anything to the contrary contained herein:

- Holders of Unsecured Claims at TSN (other than any party which holds the Sprint Claim) will receive their Pro Rata portion of 70.18% of the remaining sale proceeds;
- Holders of Unsecured Claims at TSL (other than any party which holds the Sprint Claim) will receive their Pro Rata portion of 29.52% of the remaining sale proceeds;
- Holders of Unsecured Claims at TSN Canada (other than any party which holds the Sprint Claim) will receive their Pro Rata portion of 0.30% of the remaining sale proceeds;

All of the Settlement Parties have agreed that the recovery percentages for holders of Unsecured Claims listed above will not change even if the Bankruptcy Court modifies but still confirms the Plan. In any event, no single holder of a Senior Exchangeable Notes Claim shall be compelled to accept a lower recovery on account of its Claim than any other holder of a Senior Exchangeable Notes Claim. Subject to Article VII, all Distributions made to holders of Allowed Claims and Interests in any Class are intended to be and shall be final and indefeasible.

D. Sources of Consideration for Plan Distributions

All Cash consideration necessary for the Debtors, Reorganized Debtors or Liquidating Trustee, as applicable, to make payments or Distributions to the holders of Allowed Claims entitled to such Distributions under the Plan and/or the Liquidating Trust Agreement shall be obtained from (i) the Funding Date Payment, (ii) the Closing Date Payment, (iii) the Retained Causes of Action Net Proceeds, (iv) other Cash on hand or, (v) solely to the extent set forth in the Purchase Agreement, the Purchaser.

E. The Liquidating Trust

1. Generally

On the Effective Date, the Liquidating Trust will be established and become effective for the benefit of the holders of Allowed Claims entitled to Distributions from the Liquidating Trust under the Plan. The powers, authority, responsibilities, and duties of the Liquidating Trust and the Liquidating Trustees are set forth in and shall be governed by the Liquidating Trust Agreement. The Liquidating Trust Agreement shall contain provisions customary to trust agreements utilized in comparable circumstances, including, without limitation, any and all provisions necessary to ensure the continued treatment of the Liquidating Trust as a grantor trust and the beneficiaries of the Liquidating Trust as the grantors and owners thereof for federal income tax purposes. The Liquidating Trust and the Liquidating Trustees, including any successors, shall be bound by the Plan and shall not challenge any provision of the Plan.

2. Purpose and Establishment of the Liquidating Trust

On the Effective Date, the Liquidating Trust shall be established for the purposes set forth in the Liquidating Trust Agreement.

On the Effective Date, the Liquidating Trust shall be established pursuant to the Liquidating Trust Agreement for the purpose of (a) administering the Liquidating Trust Assets; (b) resolving all Disputed Claims; (c) pursuing Retained Causes of Action; and (d) making all required Distributions to the Liquidating Trust

² The terms of the Plan Settlement set forth below are subject in all respects to the Global Settlement Order. In addition, this Plan only recites those terms of the Plan Settlement which are material to the Plan. Capitalized terms used in this section but not defined shall have the meanings ascribed to them in the Global Settlement Order.

Beneficiaries as provided for under the Plan. The Liquidating Trust is intended to qualify as a liquidating trust pursuant to Treasury Regulation section 301.7701-4(d) and as a grantor trust pursuant to Treasury Regulation section 1.671-4(a), with no objective to continue or engage in the conduct of a trade or business. The Liquidating Trust shall not be deemed a successor in interest of the Debtors for any purpose other than as specifically set forth herein or in the Liquidating Trust Agreement.

On or before the Effective Date, the Liquidating Trust Agreement shall be executed and the Debtors shall take all other steps necessary to establish the Liquidating Trust pursuant to the Liquidating Trust Agreement and consistent with the Plan.

3. Transferability of Liquidating Trust Interests

Ownership of a Liquidating Trust Interest shall be uncertificated and shall be in book entry form. The Liquidating Trust Interests will not be registered pursuant to the Securities Act, or any state securities law. If the Liquidating Trust Interests constitute "securities," the parties hereto intend that the exemption provisions of section 1145 of the Bankruptcy Code will apply to the Liquidating Trust Interests. The Liquidating Trust Interests will be non-transferable and non-assignable except by will, intestate succession or operation of law.

4. Liquidating Trust Assets

The Liquidating Trust shall consist of the Liquidating Trust Assets. On the Effective Date, the Debtors shall transfer all of the Liquidating Trust Assets to the Liquidating Trust. The Liquidating Trust Assets may be transferred subject to certain liabilities, as provided in the Plan or the Liquidating Trust Agreement. Such transfer shall be exempt from any stamp, real estate transfer, mortgage reporting, sales, use or other similar tax, pursuant to section 1146(a) of the Bankruptcy Code. Upon delivery of the Liquidating Trust Assets to the Liquidating Trust, the Debtors and their predecessors, successors and assigns shall be discharged and released from all liability with respect to the delivery of such distributions.

5. Appointment of the Liquidating Trustee and Liquidating Trust Board

On or prior to the Effective Date, the Creditors' Committee, in consultation with the Debtors, shall appoint a Liquidating Trustee in accordance with the Liquidating Trust Agreement. Additionally, on or prior to the Confirmation Date, a 3 member Liquidating Trust Board shall be appointed, which members shall be appointed by the Creditors' Committee, in consultation with the Debtors. The Liquidating Trustee shall serve at the direction of the Liquidating Trust Board, *provided, however*, the Liquidating Trust Board may not direct the Liquidating Trustee or the members of the Liquidating Trust Board to act inconsistently with their duties under the Liquidating Trust Agreement and/or the Plan. The Liquidating Trust Board may not terminate the Liquidating Trustee for any reason, absent approval by the Bankruptcy Court in accordance with the provisions of the Liquidating Trust Agreement. In the event the Liquidating Trustee dies, is terminated, or resigns for any reason, the Liquidating Trust Board shall designate a successor.

6. Rights and Powers of the Liquidating Trustee

In furtherance of and consistent with the purpose of the Liquidating Trust and the Plan, and subject to the terms of the Confirmation Order, the Plan and the Liquidating Trust Agreement, and the oversight of the Liquidating Trust Board, the Liquidating Trustee shall be deemed the Estates' representative in accordance with section 1123 of the Bankruptcy Code with regard to the Liquidating Trust and shall have all the rights and powers set forth in the Liquidating Trust Agreement, including, without limitation, the powers of a trustee under sections 704 and 1106 of the Bankruptcy Code and Rule 2004 of the Bankruptcy Rules (including, without limitation, the right to (1) effect all actions and execute all agreements, instruments and other documents necessary to implement the provisions of the Plan and the Liquidating Trust Agreement; (2) to hold, manage, convert to Cash, and distribute the Liquidating Trust Assets, including prosecuting and resolving the Claims belonging to the Liquidating Trust; (3) to hold the Liquidating Trust Assets for the benefit of the Liquidating Trust Beneficiaries, whether their Claims are Allowed on or after the Effective Date; (4) in the Liquidating Trustee's reasonable business judgment, to investigate, prosecute, settle and/or abandon rights, causes of action, or litigation of the Liquidating Trust, including, without limitation, Avoidance Actions; (5) to monitor and enforce the implementation of the Plan; (6) to file all tax and regulatory forms, returns, reports, and other documents required with respect to the Liquidating Trust; (7) in the Liquidating Trustee's reasonable business judgment, to object to Claims, and manage, control, prosecute, and/or settle on behalf

of the Liquidating Trust, objections to Claims on account of which the Liquidating Trustee will be responsible (if Allowed) for making distributions under the Plan and the Liquidating Trust Agreement; (8) to hold, manage, and distribute Cash or non-Cash Liquidating Trust Assets obtained through the exercise of its power and authority; (9) establish and administer any necessary reserves for Disputed Claims that may be required with regard to the Liquidating Trust Agreement; (10) object to the Disputed Claims and prosecute, settle, compromise, withdraw or resolve in any manner approved by the Bankruptcy Court such objections or any other litigation or proceeding between creditors in the cases; (11) to act as a signatory to the Debtors for all purposes, including those associated with the novation of contracts or other obligations arising out of the sales of the Debtors' assets; and (12) employ and compensate professionals and other agents, provided, however, that any such compensation shall be made only out of the Liquidating Trust Assets, to the extent not inconsistent with the status of the Liquidating Trust as a liquidating trust within the meaning of U.S. Treasury Regulation section 301.7701-04(d) for federal income tax purposes.

7. Funding of the Liquidating Trust, Cash

On the Effective Date, the Reorganized Debtors will deposit with the Liquidating Trust the Liquidating Trust Assets available to the Debtors at that time. To the extent that certain Liquidating Trust Assets become available at a later date, such Liquidating Trust Assets will be deposited with the Liquidating Trust as soon as reasonably practicable after that date. The Liquidating Trustee may invest Cash (including any earnings thereon or proceeds therefrom) as permitted by section 345 of the Bankruptcy Code; *provided, however*, that such investments are investments permitted to be made by a Liquidating Trust within the meaning of Treasury Regulation section 301.7701-4(d), as reflected therein, or under applicable IRS guidelines, rulings, or other controlling authorities.

8. Fees and Expenses of the Liquidating Trust

Except as otherwise ordered by the Bankruptcy Court, the Liquidating Trust Expenses on or after the Effective Date shall be paid from the Liquidating Trust Assets without further order of the Bankruptcy Court; *provided, however*, that such fees and expenses shall be subject to the review, upon notice and other procedures set forth in the Liquidating Trust Agreement, of the Liquidating Trust Board.

9. Distributions; Withholding

a. The Liquidating Trustee shall make distributions to the beneficiaries of the Liquidating Trust when and as authorized pursuant to the Liquidating Trust Agreement in compliance with the Plan.

b. Tax Withholdings by Liquidating Trustee. The Liquidating Trustee may withhold from amounts otherwise distributable to any Person and pay to the appropriate tax authority all amounts required to be withheld pursuant to the IRC or any provision of any foreign, state or local tax law with respect to any payment or distribution to the holders of Liquidating Trust Interests. All such amounts withheld and paid to the appropriate tax authority shall be treated as amounts distributed to such holders of Liquidating Trust Interests for all purposes of the Liquidating Trust Agreement. The Liquidating Trustee shall be authorized to collect such tax information from the holders of Liquidating Trust Interests (including, without limitation, social security numbers or other tax identification numbers) as in its sole discretion the Liquidating Trustee deems necessary to effectuate the Plan, the Confirmation Order, and the Liquidating Trust Agreement. In order to receive distributions under the Plan, all holders of Liquidating Trust Interests shall be required to identify themselves to the Liquidating Trustee and provide tax information and the specifics of their holdings, to the extent the Liquidating Trustee deems appropriate in the manner and in accordance with the procedures from time to time established by the Liquidating Trustee for these purposes. This identification requirement may, in certain cases, extend to holders who hold their securities in street name. The Liquidating Trustee may refuse to make a distribution to any holder of a Liquidating Trust Interest that fails to furnish such information in a timely fashion, until such information is delivered, and may treat such holder's Liquidating Trust Interests as disputed; provided, however, that, upon the delivery of such information by a holder of a Liquidating Trust Interest, the Liquidating Trustee shall make such distribution to which the holder of the Liquidating Trust Interest is entitled, without additional interest occasioned by such holder's delay in providing tax information; and, provided, further that, if the Liquidating Trustee fails to withhold in respect of amounts received or distributable with respect to any such holder and the Liquidating Trustee is later held liable for the amount of such withholding, such holder shall reimburse the Liquidating Trustee for such liability (to the extent such amounts

were actually distributed to such holder).

10. Semi-Annual Reports to be Filed by the Liquidating Trustee

The Liquidating Trust shall file semi-annual reports regarding the Liquidating Trust Assets, the Distributions made by it and other matters required to be included in such report in accordance with the Liquidating Trust Agreement. The Liquidating Trustee will file such semi-annual reports on the Debtors' case docket. In addition, the Liquidating Trust will file tax returns as a grantor trust pursuant to the Treasury Regulation Article 1.671-4(a).

11. Federal Income Tax Treatment of the Liquidating Trust

a. Liquidating Trust Assets Treated as Owned by Creditors. For all United States and Canadian federal income tax purposes, all parties (including, without limitation, the Debtors, the Liquidating Trustee, and the Liquidating Trust Beneficiaries) shall treat the transfer of the Liquidating Trust Assets to the Liquidating Trust as (1) a transfer by each Debtor of the Liquidating Trust Assets (subject to any obligations relating to those assets) directly to the Liquidating Trust Beneficiaries in full satisfaction of the Liquidating Trust Beneficiaries' claims against the Debtors and, to the extent Liquidating Trust Assets are allocable to Disputed Claims, to the Disputed Claims Reserve, followed by (2) the transfer by such beneficiaries to the Liquidating Trust of the Liquidating Trust Assets (other than the Liquidating Trust Assets allocable to the Disputed Claims Reserve) in exchange for Liquidating Trust Interests. Accordingly, the Liquidating Trust Beneficiaries shall be treated for United States federal income tax purposes as the grantors and owners of their respective share of the Liquidating Trust Assets (other than such Liquidating Trust Assets as are allocable to the Liquidating Trust Claims Reserve, discussed below). The foregoing treatment shall also apply, to the extent permitted by applicable law, for all state, provincial, territorial and local income tax purposes.

b. Tax Reporting.

i. The Liquidating Trustee shall file all relevant tax returns for the Liquidating Trust in the United States, Canada and elsewhere. The Liquidating Trustee shall treat the Liquidating Trust as a grantor trust for United States federal income tax purposes pursuant to Treasury Regulation section 1.671-4(a) and in accordance with this ~~Section~~Article V.E.11. The Liquidating Trustee also will annually send to each holder of a Liquidating Trust Interest a separate statement regarding the receipts and expenditures of the Liquidating Trust as relevant for all U.S. federal income tax purposes and will instruct all such holders to use such information in preparing their U.S. and Canadian federal income tax returns or to forward the appropriate information to such holder's underlying beneficial holders with instructions to utilize such information in preparing their U.S. and Canadian federal income tax returns. The Liquidating Trustee shall also file (or cause to be filed) any other statement, return or disclosure relating to the Liquidating Trust that is required by any governmental units in the United States, Canada and elsewhere.

ii. The Liquidating Trustee will in good faith value all other Liquidating Trust Assets, and shall make all such values available from time to time, to the extent relevant, and such values shall be used consistently by all parties to the Liquidating Trust (including, without limitation, the Debtors, the Liquidating Trustee, and Liquidating Trust Beneficiaries) for all United States and Canadian federal income tax purposes.

iii. Allocations of Liquidating Trust taxable income among the Liquidating Trust Beneficiaries (other than taxable income allocable to the Disputed Claims Reserve) shall be determined by reference to the manner in which an amount of cash representing such taxable income would be distributed (were such cash permitted to be distributed at such time) if, immediately prior to such deemed distribution, the Liquidating Trust had distributed all its assets (valued at their tax book value, and other than assets allocable to the Disputed Claims Reserve) to the holders of the Liquidating Trust Interests, adjusted for prior taxable income and loss and taking into account all prior and concurrent distributions from the Liquidating Trust. Similarly, taxable loss of the Liquidating Trust shall be allocated by reference to the manner in which an economic loss would be borne immediately after a hypothetical liquidating distribution of the remaining Liquidating Trust Assets. The tax book value of the Liquidating Trust Assets for purpose of this paragraph shall equal their fair market value on the Effective Date, adjusted in accordance with tax accounting principles prescribed by the IRC, the applicable Treasury Regulations, and other applicable administrative and judicial authorities and pronouncements.

iv. Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary (including the receipt by the Liquidating Trustee of a private letter ruling if the Liquidating Trustee so requests one, or the receipt of an adverse determination by the IRS upon audit if not contested by the Liquidating Trustee), the Liquidating Trustee shall (A) timely elect to treat any Disputed Claims Reserve as a “disputed ownership fund” governed by Treasury Regulation section 1.468B-9, and (B) to the extent permitted by applicable law, report consistently with the foregoing for state and local income tax purposes. All parties (including the Liquidating Trustee, the Debtors, and the Liquidating Trust Beneficiaries) shall report for United States federal, state and local income tax purposes consistently with the foregoing.

v. The Liquidating Trustee shall be responsible for payment, out of the Liquidating Trust Assets, of any United States, Canadian, federal, provincial, territorial or local taxes imposed on the trust or its assets, including the Disputed Claims Reserve. In the event, and to the extent, any Cash retained on account of Disputed Claims in the Disputed Claims Reserve is insufficient to pay the portion of any such United States, Canadian, federal, provincial, territorial or local taxes attributable to the taxable income arising from the assets allocable to, or retained on account of, Disputed Claims, such United States, Canadian, federal, provincial, territorial or local taxes shall be (i) reimbursed from any subsequent Cash amounts retained on account of Disputed Claims, or (ii) to the extent such Disputed Claims have subsequently been resolved, deducted from any amounts otherwise distributable by the Liquidating Trustee as a result of the resolution of such Disputed Claims.

vi. The Liquidating Trustee may request an expedited determination of taxes of the Liquidating Trust, including the Disputed Claims Reserve, or the Debtors under section 505(b) of the Bankruptcy Code for all tax returns filed for, or on behalf of, the Liquidating Trust or the Debtors for all taxable periods through the dissolution of the Liquidating Trust.

c. Dissolution. The Liquidating Trustee and the Liquidating Trust shall be discharged or dissolved, as the case may be, at such time as (i) all of the Liquidating Trust Assets have been distributed pursuant to the Plan and the Liquidating Trust Agreement, (ii) the Liquidating Trustee determines, in its sole discretion, that the administration of any remaining Liquidating Trust Assets is not likely to yield sufficient additional Liquidating Trust proceeds to justify further pursuit, or (iii) all distributions required to be made by the Liquidating Trustee under the Plan and the Liquidating Trust Agreement have been made; provided, however, in no event shall the Liquidating Trust be dissolved later than three (3) years from the Effective Date unless the Bankruptcy Court, upon motion within the six-month period prior to the third (3rd) anniversary (or within the six-month period prior to the end of an extension period), determines that a fixed period extension (not to exceed three (3) years, together with any prior extensions, without a favorable private letter ruling from the IRS or an opinion of counsel satisfactory to the Liquidating Trustee and the Liquidating Trust Board that any further extension would not adversely affect the status of the trust as a liquidating trust for United States federal income tax purposes) is necessary to facilitate or complete the recovery and liquidation of the Liquidating Trust Assets. If at any time the Liquidating Trustee determines, in reliance upon such professionals as the Liquidating Trustee may retain, that the expense of administering the Liquidating Trust so as to make a final distribution to its beneficiaries is likely to exceed the value of the assets remaining in the Liquidating Trust, the Liquidating Trustee may apply to the Bankruptcy Court for authority to (i) reserve any amount necessary to dissolve the Liquidating Trust, (ii) donate any balance to a charitable organization (A) described in section 501(c)(3) of the IRC, (B) exempt from United States federal income tax under section 501(a) of the IRC, (C) not a “private foundation”, as defined in section 509(a) of the IRC, and (D) that is unrelated to the Debtors, the Liquidating Trust, and any insider of the Liquidating Trustee, and (iii) dissolve the Liquidating Trust.

12. Indemnification of the Liquidating Trustee.

The Liquidating Trustee or the individual(s) comprising the Liquidating Trustee, as the case may be, and the Liquidating Trustee’s agents and professionals, shall not be liable to the Liquidating Trust Beneficiaries for actions taken or omitted in their capacity as, or on behalf of, the Liquidating Trustee, except those acts arising out of their own willful misconduct or gross negligence, and each shall be entitled to indemnification and reimbursement for fees and expenses in defending any and all actions or inactions in their capacity as, or on behalf of, the Liquidating Trustee, except for any actions or inactions involving willful misconduct or gross negligence. Any indemnification claim of the Liquidating Trustee (and the other parties entitled to indemnification under this subsection) shall be satisfied solely from the Liquidating Trust Assets and shall be entitled to a priority distribution therefrom, ahead of the Liquidating Trust Interests and any other claim to or interest in such assets. The Liquidating Trustee shall be entitled to rely, in good faith, on the advice of its retained professionals.

13. Termination of the Liquidating Trust

The Liquidating Trust shall terminate in accordance with the Liquidating Trust Agreement.

F. Operations of the Debtors between the Confirmation Date, the Effective Date and the Closing Date

The Debtors shall continue to operate as Debtors in Possession during the period from the Confirmation Date through the Effective Date. Upon the Effective Date, the Reorganized Debtors will exist and operate the Business in accordance with terms and conditions of the Purchase Agreement and the Sale Order. Upon the Closing Date, the Reorganized Debtors will transfer the Acquired Assets to the Purchaser in accordance with the Purchase Agreement. In addition, on the Closing Date (or earlier in certain circumstances, as set forth in the Purchase Agreement), the Purchaser shall pay to the Reorganized Debtors the Closing Date Payment, which will be transferred to the Liquidating Trust as soon as reasonably practicable upon the Reorganized Debtors' receipt of the Closing Date Payment. Notwithstanding the foregoing, the Reorganized Debtors will not transfer to the Purchaser the Retained Assets, but may, with the consultation of the Creditors' Committee or the Liquidating Trustee, as applicable, contribute or transfer any of the Retained Assets to the Liquidating Trust. Should the Closing Date occur on or before the Effective Date, the Reorganized Debtors will exist solely for the purpose of implementing the Plan and winding up their remaining operations after the Closing in accordance with the terms of the Plan, the Purchase Agreement and the Sale Order.

G. Modifications to the Plan in the Event that the Closing Date Does Not Occur on or Before the Effective Date

If (i) the Closing Date does not occur on or before the Effective Date or (ii) upon consultation with the Creditors' Committee, the Debtors determine in their discretion that the provisions in Exhibit 3 should be triggered, all provisions in Exhibit 3 shall take effect and shall become and be deemed operative provisions of this Plan and all applicable Articles of this Plan shall be and shall be deemed modified by the provisions contained in Exhibit 3. To the extent that the Closing Date does occur on or before the Effective Date, all provisions contained in Exhibit 3 hereto shall be and shall be deemed null, void and of no force and effect. If the Debtors, in consultation with the Creditors' Committee, trigger the provisions in Exhibit 3 in accordance with (ii), above, the Debtors shall file a notice on the docket of such determination.

H. Term of Injunction or Stays

Unless otherwise provided, all injunctions or stays provided for in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Chapter 11 Cases are closed.

I. Cancellation of Securities and Agreements

On the Effective Date, and to the extent not occurring sooner pursuant to the Paydown Orders or any similar order, except as otherwise specifically provided for in the Plan: (1) the remaining obligations of the Debtors, if any, under the Senior Secured Notes Security Agreements, the Indentures and the PMCA, and any other certificate, share, note, bond, indenture, purchase right, option, warrant or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors giving rise to any Claim or Interest (except such certificates, notes or other instruments or documents evidencing indebtedness or obligations of the Debtors that are specifically reinstated pursuant to the Plan), shall be cancelled as to the Debtors, and the Reorganized Debtors shall not have any continuing obligations thereunder and (2) the obligations of the Debtors pursuant, relating or pertaining to any agreements, indentures, certificates of designation, bylaws or certificate or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, purchase rights, options, warrants or other instruments or documents evidencing or creating any indebtedness or obligation of the Debtors (except such agreements, certificates, notes or other instruments evidencing indebtedness or obligations of the Debtors that are specifically reinstated or assumed pursuant to the Plan) shall be released and discharged; *provided, however*, notwithstanding Confirmation or the occurrence of the Effective Date, any such indenture or agreement that governs the rights of the holder of a Claim shall continue in effect solely for purposes of (a) allowing holders of Senior Secured Notes Claims and Senior Exchangeable Notes Claims (as applicable) to receive

Distributions under the Plan as provided herein, (b) allowing the Indenture Trustees, if applicable, to make Distributions under the Plan as provided herein, or any other distribution under the Indentures, and in accordance with any payment priorities established under the Indentures and to deduct therefrom such unpaid compensation, reasonable fees and expenses due thereunder or incurred in making such Distributions and (c) allowing the Indenture Trustees to seek compensation and/or reimbursement of reasonable fees and expenses in accordance with the terms of the Indentures and this Plan, including, without limitation, through the exercise of their respective charging liens; *provided further, however*, that the preceding proviso shall not affect the discharge of Claims or Interests pursuant to the Bankruptcy Code, the Confirmation Order or the Plan, or result in any expense or liability to the Reorganized Debtors, except to the extent set forth in or provided for under this Plan or the Global Settlement Order. On and after the Effective Date, all duties and responsibilities of the Indenture Trustees under the Indentures, and the Purchase Money Agent under the PMCA, as applicable, shall be discharged except to the extent required in order to effectuate the Plan.

J. Corporate Existence

Subject to any Restructuring Transaction and except as otherwise provided herein, in the New Corporate Governance Documents or elsewhere in the Plan Supplement, each Debtor, as Reorganized, shall continue to exist after the Effective Date as a separate corporate entity, limited liability company, partnership or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed, subject to the terms of this Plan.

K. New Certificates of Incorporation and New By-Laws

On or as soon as reasonably practicable after the Effective Date, each of the Reorganized Debtors will file their respective New Certificates of Incorporation with the applicable Secretaries of State and/or other applicable authorities in their respective jurisdictions of incorporation in accordance with the corporate laws of the respective jurisdictions of incorporation. After the Effective Date, each of the Reorganized Debtors may amend and restate their respective New Certificates of Incorporation and New By-Laws and other constituent documents as permitted by the laws of their respective jurisdictions of incorporation and their respective New Certificates of Incorporation and New By-Laws.

L. Reorganized Debtors' Boards of Directors

To the extent known, the identity of the members of the New Boards of each of the Reorganized Debtors will be identified in the Plan Supplement.

M. Officers of Reorganized Debtors

To the extent known, officers of each of the other Reorganized Debtors shall be identified in the Plan Supplement. Such officers shall serve in accordance with applicable non-bankruptcy law and, to the extent applicable, the New Employment Agreements. The officers of each of the Reorganized Debtors will be determined by the New Boards of each of the Reorganized Debtors.

N. Employee Benefits

Except as otherwise provided herein, and in accordance with and subject to the terms of the Purchase Agreement, on and after the Effective Date, the Reorganized Debtors may: (1) honor, in the ordinary course of business, any contracts, agreements, policies, programs and plans for, among other things, compensation (other than equity based compensation related to Interests), health care benefits, disability benefits, deferred compensation benefits, travel benefits, savings, severance benefits, retirement benefits, welfare benefits, workers' compensation insurance and accidental death and dismemberment insurance for the directors, officers and employees of any of the Debtors who served in such capacity at any time and (2) honor, in the ordinary course of business, Claims of employees employed as of the Effective Date for accrued vacation time arising before the Petition Date; *provided, however*, that the Debtors' or Reorganized Debtors' performance under any employment agreement will not entitle any person to any benefit or alleged entitlement under any policy, program or plan that has expired or been

terminated before the Effective Date, or restore, reinstate or revive any such benefit or alleged entitlement under any such policy, program or plan. Nothing herein shall limit, diminish or otherwise alter the Reorganized Debtors' defenses, claims, Causes of Action or other rights with respect to any such contracts, agreements, policies, programs and plans.

O. Vesting of Assets in the Reorganized Debtors

Except as otherwise provided in the Purchase Agreement, the Sale Order or the Plan or any agreement, instrument or other document incorporated therein, on the Effective Date any and all property in each Estate and all Causes of Action (except those released pursuant to the Releases by the Debtors) shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges or other encumbrances; provided that to the extent the Acquired Assets have been transferred to the Purchaser on or before the Effective Date, solely the Retained Assets will vest in each respective Reorganized Debtor. On and after the Effective Date, each Reorganized Debtor will operate its business in accordance with the terms hereof, the Purchase Agreement and the Sale Order and may use, acquire or dispose of property, and compromise or settle any Claims, Interests or Causes of Action free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, but subject to the Purchase Agreement and the Sale Order.

P. Restructuring Transactions

On the Effective Date or as soon as reasonably practicable thereafter, but subject to the Purchase Agreement and the Sale Order, the Reorganized Debtors may enter into any Restructuring Transactions and may take all actions as may be necessary or appropriate to effect a restructuring of their respective businesses or the overall organizational structure of the Reorganized Debtors. The Restructuring Transactions may include one or more mergers, consolidations, restructurings, conversions, dissolutions, transfers or liquidations as may be reasonably determined by (i) the Debtors, or (ii) the Reorganized Debtors to be necessary or appropriate (including, as necessary to comply with any regulatory requirements), subject to the Purchase Agreement and the Sale Order. The actions to effect the Restructuring Transactions, which shall be subject to the Purchase Agreement and the Sale Order, may include: (1) the execution and delivery of appropriate agreements or other documents of merger, consolidation, restructuring, conversion, disposition, transfer, dissolution or liquidation containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable law and any other terms to which the applicable Entities may agree; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption or delegation of any asset, property, right, liability, debt or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable parties agree; (3) the filing of appropriate certificates or articles of incorporation or amendments thereof, reincorporation, merger, consolidation, conversion or dissolution pursuant to the law of the applicable jurisdiction; and (4) all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable law in connection with the Restructuring Transactions. In the event a Restructuring Transaction is a merger transaction, upon the consummation of such Restructuring Transaction, each party to such merger shall cease to exist as a separate corporate entity and thereafter the surviving Reorganized Debtor shall assume and perform the obligations of each Reorganized Debtor under the Plan. In the event a Reorganized Debtor is liquidated, the Reorganized Debtors (or the Reorganized Debtor which owned the stock in such liquidating Debtor prior to such liquidation) shall assume and perform such obligations. Implementation of the Restructuring Transactions shall not affect the Distributions under the Plan.

Q. Intercompany Claims

Each Allowed Intercompany Claim shall be reinstated on the Effective Date, except as otherwise determined by the Debtors. After the Effective Date, the Reorganized Debtors shall have the right to resolve or compromise Disputed Intercompany Claims without approval of the Bankruptcy Court subject to and consistent with the terms of the Global Settlement Order.

R. Corporate Action

Upon the Effective Date, all actions contemplated by the Plan shall be deemed authorized and approved in all respects, including (1) entry into the New Employment Agreements; (2) selection of the directors and officers of the Reorganized Debtors; (3) issuance of the New Common Stock, as provided herein; and (4) all other actions

contemplated by the Plan (whether to occur before, on or after the Effective Date). All matters provided for in the Plan involving the corporate structure of the Debtors or the Reorganized Debtors, and any corporate action required by the Debtors or the Reorganized Debtors in connection with the Plan shall be deemed to have occurred and shall be in effect, without any requirement of further action by the directors or officers of the Debtors or the Reorganized Debtors.

On or (as applicable) before the Effective Date, the appropriate officers of the Debtors or the Reorganized Debtors, as applicable, shall be authorized and directed to issue, execute and deliver the agreements, documents, securities, certificates of incorporation, operating agreements and instruments contemplated by the Plan (or necessary or desirable to effect the transactions contemplated by the Plan) in the name of and on behalf of the Reorganized Debtors, including any and all agreements, documents, securities and instruments relating to the foregoing. The authorizations and approvals contemplated by this Article V shall be effective notwithstanding any requirements under non-bankruptcy law.

S. Effectuating Documents; Further Transactions

On and after the Effective Date, the Reorganized Debtors and the managers, officers and members of the boards of directors thereof are authorized to issue, execute, deliver, file or record such contracts, securities, instruments, releases and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement and further evidence the terms and conditions of the Plan and the securities issued pursuant to the Plan in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorization or consents except for those expressly required pursuant to the Plan.

T. Section 1145 Exemption for Interim TSN Trust Interests, Interim TSN Warrants and Liquidating Trust Interests

To the extent that the Interim TSN Trust Interests, Interim TSN Warrants (each, in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof) and the Liquidating Trust Interests constitute "securities," the parties hereto intend that the exemption provisions of section 1145 of the Bankruptcy Code will apply to the Interim TSN Trust Interests, Interim TSN Warrants (each, in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof) and Liquidating Trust Interests.

U. Section 1146 Exemption from Certain Taxes and Fees

Pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property in contemplation of, in connection with, or pursuant to the Plan and/or the Purchase Agreement shall not be subject to any stamp tax or other similar tax or governmental assessment in the United States, and the Confirmation Order shall direct and be deemed to direct the appropriate state or local governmental officials or agents to forgo the collection of any such tax or governmental assessment and to accept for filing and recordation instruments or other documents pursuant to such transfers of property without the payment of any such tax or governmental assessment. Such exemption specifically applies, without limitation, to (1) the transfer of the Acquired Assets to the Purchaser pursuant to the Purchase Agreement; (2) the creation of any mortgage, deed of trust, lien or other security interest; (3) the making or assignment of any lease or sublease; (4) any Restructuring Transaction; or (5) the making or delivery of any deed or other instrument of transfer under, in furtherance of or in connection with the Plan, including: (a) any merger agreements; (b) agreements of consolidation, restructuring, disposition, liquidation or dissolution; (c) deeds; or (d) assignments executed in connection with any transaction occurring under the Plan.

V. D&O Liability Insurance Policies and Indemnification Provisions

Notwithstanding anything herein to the contrary, as of the Effective Date, the D&O Liability Insurance Policies and Indemnification Provisions belonging or owed to directors, officers, and employees of the Debtors (or the estates of any of the foregoing) who served or were employed by the Debtors as of or after the Petition Date, excluding claims resulting from gross negligence, willful misconduct, breach of fiduciary duty, or intentional tort, shall be deemed to be, and shall be treated as though they are, executory contracts and the Debtors shall assume (and assign to the Reorganized Debtors if necessary to continue the D&O Liability Insurance Policies in full force) all of

the D&O Liability Insurance Policies and Indemnification Provisions pursuant to section 365(a) of the Bankruptcy Code. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Debtors' foregoing assumption of each of the D&O Liability Insurance Policies and Indemnification Provisions. On or before the Effective Date, the Reorganized Debtors shall obtain tail coverage under a directors' and officers' liability insurance policy for the current and former directors, officers and managers for a period of five years, and placed with such insurers, the terms of which shall be set forth in the Plan Supplement.

In addition, on the Effective Date, the New Corporate Governance Documents of the Reorganized Debtors shall contain provisions which (i) eliminate the personal liability of the Debtors' and the Reorganized Debtors' then-present and future directors and officers for post-emergence monetary (or other) damages resulting from breaches of their fiduciary duties (and any other actions taken in furtherance of this Plan and the Purchase Agreement) to the fullest extent permitted by applicable law in the jurisdiction in which the subject Reorganized Debtor is organized; and (ii) require such Reorganized Debtor, subject to appropriate procedures, to indemnify the Debtors' and the Reorganized Debtors' directors, officers, and other key employees (as such key employees are identified by the New Board) serving on or after the Effective Date for all claims and actions (and any other actions taken in furtherance of this Plan and the Purchase Agreement) to the fullest extent permitted by applicable law in the jurisdiction in which the subject Reorganized Debtor is organized.

Notwithstanding anything to the contrary, as of the Effective Date, all Indemnification Provisions belonging or owed to directors, officers, and employees of the Debtors who served or were employed by the Debtors prior to, but not after, the Petition Date shall be deemed to be, and shall be treated as though they are, executory contracts that are rejected pursuant to section 365 of the Bankruptcy Code under the Plan.

W. Payment of Fees and Expenses of the Indenture Trustees

In accordance with the Final DIP Order, the reasonable, actual and documented fees and expenses of the Senior Secured Notes Indenture Trustee/Agent shall be finally allowed. On the Effective Date or as soon as reasonably practicable thereafter, the Debtors, Reorganized Debtors or the Purchaser (as applicable, and subject to the terms of the Purchase Agreement) shall pay in Cash (1) all reasonable, actual and documented unpaid fees and expenses of the Senior Secured Notes Indenture Trustee/Agent and its advisors, including counsel; and (2) all reasonable, actual and documented unpaid fees and expenses of the Senior Exchangeable Notes Indenture Trustee and its advisors, including counsel. The Debtors, the Purchaser, the Reorganized Debtors and any notice party entitled to receive and review fees and expenses under the Final DIP Order may dispute any portion of such aforementioned fees and expenses in which case (a) the Debtors, Reorganized Debtors or the Purchaser shall pay the portion of such fees and expenses that is not specifically disputed and (b) in the absence of a consensual resolution, the affected Indenture Trustee/Agent or the Reorganized Debtors shall submit the dispute to the Bankruptcy Court for adjudication. For the avoidance of doubt, nothing herein affects an Indenture Trustee's right to exercise its charging lien against Distributions under the Plan (or other distribution under its Indenture) to holders of the Notes.

X. Preservation of Rights and Causes of Action

In accordance with section 1123(b) of the Bankruptcy Code, and except where such Causes of Action have been expressly released (including, for the avoidance of doubt, pursuant to the Releases by the Debtors provided by Article IX.B hereof and pursuant to the Sale Order), the Liquidating Trustee shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, including Causes of Action under chapter 5 of the Bankruptcy Code, whether arising before or after the Petition Date, and the Reorganized Debtors' rights to commence, prosecute or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. No Entity may rely on the absence of a specific reference in the Plan, the Disclosure Statement, or the Schedule of Retained Causes of Action, to any Cause of Action against them as any indication that the Debtors or Reorganized Debtors, as applicable, will not pursue any and all available Causes of Action against them. No preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches, shall apply to such retained Causes of Action upon, after or as a consequence of the Confirmation or consummation of the Plan.

Y. Dissolution of Corporate Entities

After the Closing Date, and at such time as the New Board considers appropriate and consistent with the implementation of the Plan (including the satisfaction of Distributions thereunder) pertaining to each Reorganized Debtor, the New Board or any officer of such Reorganized Debtor will dissolve such Reorganized Debtor and complete the winding up thereof in accordance with applicable law. As soon as practicable after all aspects of the Plan pertaining to each Reorganized Debtor have been completed, each Reorganized Debtor will be dissolved and wound up in accordance with applicable law. The Confirmation Order will serve as evidence of dissolution of the Reorganized Debtors to be submitted to the applicable state or provincial authority.

ARTICLE VI.

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption and Rejection of Executory Contracts and Unexpired Leases

Except as otherwise provided herein, in the Purchase Agreement, or in any contract, instrument, release, indenture or other agreement or document entered into in connection with the Plan, each of the Debtors' Executory Contracts and Unexpired Leases (including the Designated Contracts) shall be deemed assumed as of the Effective Date, unless such Executory Contract or Unexpired Lease: (1) was assumed or rejected previously by the Debtors; (2) expired or terminated pursuant to its own terms before the Effective Date; (3) is the subject of a motion to assume filed on or before the Effective Date; or (4) is identified on the Rejected Executory Contract and Unexpired Lease List.

Entry of the Confirmation Order shall constitute a Bankruptcy Court order approving the assumptions or rejections of such Executory Contracts or Unexpired Leases as set forth in the Plan, all pursuant to sections 365(a) and 1123 of the Bankruptcy Code. To the extent not already included in the Sale Order with regard to any Designated Contract, the Confirmation Order shall constitute an order of the Bankruptcy Court, approving (i) the assumption and assignment, or rejection, as the case may be, of Executory Contracts and Unexpired Leases, as described above, pursuant to sections 365(a) and 1123(b)(2) of the Bankruptcy Code, (ii) that the Reorganized Debtors had properly provided for the cure of any defaults that might have existed, (iii) that each assumption and assignment was in the best interest of the Reorganized Debtors, their estates, and all parties in interest in the Chapter 11 Cases, and (iv) the requirements for assumption and assignment of any Executory Contract or Unexpired Lease to be assumed had been satisfied. Unless otherwise indicated, all assumptions or rejections of Executory Contracts and Unexpired Leases pursuant to the Plan are effective as of the Effective Date. To the extent that an Executory Contract or Unexpired Lease was identified on the list of Designated Contracts by the Purchaser, any such Designated Contract will be assumed by the Debtors or Reorganized Debtors, as applicable, on the Effective Date and assigned by the Debtors or Reorganized Debtors, as applicable, pursuant to the Sale Order to the Purchaser (or Alternative Purchaser under an Alternative Sale, as the case may be) on the Closing Date. Each Executory Contract or Unexpired Lease assumed pursuant to the Plan or by Bankruptcy Court order but not assigned to a third party before the Effective Date shall revert in and be fully enforceable by the applicable contracting Reorganized Debtor in accordance with its terms, except as such terms may have been modified by such order. Notwithstanding anything to the contrary in the Plan, but subject to the Purchase Agreement and the Sale Order, the Debtors, in consultation with the Creditors' Committee and the Liquidating Trust, as applicable, reserve the right to alter, amend, modify or supplement the Rejected Executory Contract and Unexpired Lease List in the Plan Supplement at any time before the Effective Date; *provided*, that to the extent that, as of the Effective Date, there is any pending dispute between one or more of the Debtors and a counterparty to an Executory Contract or Unexpired Lease regarding such counterparty's Cure Claim, the Debtors and Reorganized Debtors shall reserve the right to add the applicable Executory Contract or Unexpired Lease to the Rejected Executory Contract and Unexpired Lease List following the resolution of such dispute, in which event such Executory Contract or Unexpired Lease shall be deemed rejected and such counterparty shall have any and all rights with respect thereto. After the Effective Date, the Reorganized Debtors shall have the right to terminate, amend or modify any intercompany contracts, leases or other agreements without approval of the Bankruptcy Court.

B. Cure of Defaults for Executory Contracts and Unexpired Leases Assumed

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, in consultation with the Creditors' Committee or Liquidating Trustee, as applicable, pursuant

to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on the Effective Date, subject to the limitations described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed or (3) any other matter pertaining to assumption, the payment of Cure Claims required by section 365(b)(1) of the Bankruptcy Code shall be made no later than ten (10) Business Days following the entry of a Final Order or orders resolving the dispute and approving the assumption. At least ten days before the Confirmation Hearing, the Debtors shall distribute, or cause to be distributed, notices of proposed assumption and proposed amounts of Cure Claims to the applicable third parties, which notices shall include procedures for objecting to proposed assumptions of Executory Contracts and Unexpired Leases and any amounts of Cure Claims to be paid in connection therewith and resolution of disputes by the Bankruptcy Court. If an Executory Contract or Unexpired Lease was not contained on the list of Designated Contracts, but such Executory Contract or Unexpired Lease is proposed to be assumed pursuant to the Plan, any objection by a counterparty to such Executory Contract or Unexpired Lease to a proposed assumption or related Cure Claim amount must be filed, served and actually received by the Debtors at least three (3) Business Days before the Confirmation Hearing. If a counterparty to an Executory Contract or Unexpired Lease contained on the list of Designated Contracts believes that it has a Cure Claim that arose between the date of entry of the Sale Order and the Confirmation Date, any objection by a counterparty to such Executory Contract or Unexpired Lease to such Cure Claim must be filed, served and actually received by the Debtors at least ten (10) Business Days before the Confirmation Hearing. Pursuant to the Sale Order, counterparties to any Executory Contract or Unexpired Lease identified on the list of Designated Contracts are estopped and shall not be permitted to object to Cure Claims arising before entry of, and approved pursuant to, the Sale Order. Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or Cure Claim amount (other than any counterparty who is estopped from objection pursuant to the previous sentence) will be deemed to have assented to such assumption or cure amount.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time before the effective date of the assumption. For the avoidance of doubt and notwithstanding anything to the contrary contained herein, payment of any and all Cure Claims shall be made by the Debtors, in consultation with the Creditors' Committee or Liquidating Trustee, as applicable, from the Funding Date Consideration.

C. Claims Based on Rejection of Executory Contracts or Unexpired Leases

All proofs of Claim with respect to Claims arising from the rejection of Executory Contracts and Unexpired Leases, if any, must be filed with the Bankruptcy Court within 30 days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection. Any Claims arising from the rejection of Executory Contracts and Unexpired Leases not filed with the Bankruptcy Court within such time will be automatically disallowed, forever barred from assertion and shall not be enforceable against the Debtors or the Reorganized Debtors, the Estates or their property without the need for any objection by the Reorganized Debtors or further notice to, or action, order or approval of the Bankruptcy Court. All Allowed Claims arising from the rejection of the Debtors' Executory Contracts and Unexpired Leases shall be classified as Unsecured Claims against the applicable Debtor and shall be treated in accordance with Article III of the Plan. The deadline to object to Claims arising from the rejection of Executory Contracts and Unexpired Leases, if any, shall be the later of (a) 180 days following the date on which such Claim was filed and (b) such other period of limitation as may be specifically fixed by an order of the Bankruptcy Court for objecting to such Claims.

D. Insurance Policies

Notwithstanding anything herein to the contrary as of the Effective Date, the Debtors shall assume (and assign to the Reorganized Debtors if necessary to continue the Insurance Policies in full force) all of the Insurance Policies pursuant to section 365(a) of the Bankruptcy Code. To the extent that any Insurance Policy had been identified by the Purchasers as a Designated Contract, the Debtors shall assume such Insurance Policy as of the Effective Date, and the Debtors or the Reorganized Debtors, as applicable, will assign such Insurance Policy to the

Purchaser on the Closing Date. To the extent not already provided in the Sale Order, entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Debtors' foregoing assumption (and, as applicable, assignment to the Purchaser) of each of the Insurance Policies.

E. Modifications, Amendments, Supplements, Restatements or Other Agreements.

Unless otherwise provided or as otherwise set forth in the Purchase Agreement or the Sale Order, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan (or the Purchase Agreement or the Sale Order).

Modifications, amendments, supplements and restatements to Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed (unless otherwise agreed by the contract counterparty) to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority or amount of any Claims that may arise in connection therewith.

F. Reservation of Rights.

Except for any Designated Contract, neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Rejected Executory Contract and Unexpired Lease List, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any Reorganized Debtor has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or Reorganized Debtors, as applicable, shall have 45 days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

G. Contracts and Leases Entered Into After the Petition Date.

Contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed by such Debtor, will be performed by the Debtor or Reorganized Debtor liable thereunder in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order, unless the parties thereto and the Reorganized Debtors (or, upon assignment, the Purchaser) agree to any modifications, amendments, supplements or restatements

ARTICLE VII.

PROVISIONS GOVERNING DISTRIBUTIONS

A. Initial Distribution Date

On the Initial Distribution Date or as soon thereafter as is reasonably practicable, the Liquidating Trustee shall make, or shall make adequate reserves for, the Distributions required to be made under the Plan.

B. Closing Date Payment Distribution Date

On, or as soon as reasonably practicable after, the transfer of the Closing Date Payment to the Liquidating Trust, which will occur on the earliest of (i) the Closing, (ii) two (2) Business Days following the date upon which the FCC or Industry Canada denies, dismisses or designates for an evidentiary hearing the applications for the FCC Consent or the Industry Canada Approval or (iii) two (2) Business Days following the date upon which an Alternative Sale Notice is delivered in accordance with Section 3.5(b)(i) of the Purchase Agreement, the Liquidating

Trustee shall make, or make adequate reserves for, the Distributions required to be made under the Plan from the Closing Date Payment in accordance with this Plan and the Liquidating Trust Agreement.

C. Record Date for Distributions

As of the entry of the Confirmation Order, the various transfer registers for each of the Classes of Claims or Interests as maintained by the Debtors or their respective agents shall be deemed closed, and there shall be no further changes made to reflect any new record holders of any Claims or Interests. The Debtors and the Indenture Trustees shall have no obligation to recognize any transfer of Claims or Interests occurring on or after the Distribution Record Date.

D. Timing and Calculation of Amounts to Be Distributed

Except as otherwise provided in the Plan, on the applicable Distribution Date, each holder of an Allowed Claim or Interest against the Debtors, or the Trust Agreements, shall receive the full amount of the Distributions that the Plan provides for Allowed Claims or Interests in the applicable Class and in the manner provided herein. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims, Distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in Article VIII hereof. Except as otherwise provided herein, holders of Claims shall not be entitled to interest, dividends or accruals on the Distributions provided for herein, regardless of whether such Distributions are delivered on or at any time after the Effective Date.

E. Fractional Distributions

Cash shall not be distributed under the Plan in denominations of less than one cent (\$0.01). The Disbursing Agent shall have no obligation to make any Distribution of Cash that is less than \$10.00.

F. Disbursing Agent

Except as otherwise provided herein, all Distributions under the Plan shall be made by the Reorganized Debtors, the Liquidating Trustee or the Interim TSN Trust Board (but solely in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof), as applicable, as Disbursing Agent, or such other Entity designated by the Reorganized Debtors, in consultation with the Creditors' Committee, as a Disbursing Agent, on the Effective Date. If the Disbursing Agent is not one of the Reorganized Debtors, the Liquidating Trustee or the Interim TSN Trust Board (but solely in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof), such entity shall obtain a bond or surety for the performance of its duties, and all costs and expenses of procuring any such bond or surety shall be borne by the Debtors, Reorganized Debtors, the Liquidating Trust or the Interim TSN Trust Board (but solely in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof), as applicable; *provided, however*, that no Indenture Trustee shall be required to obtain such a bond or surety.

G. Rights and Powers of Disbursing Agent

1. Powers of the Disbursing Agent

The Disbursing Agent shall be empowered to: (a) affect all actions and execute all agreements, instruments and other documents necessary to perform its duties under the Plan and/or the Trust Agreements; (b) make all Distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan and/or the Trust Agreements, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions hereof.

2. Expenses Incurred On or After the Effective Date

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable, actual and documented fees and expenses incurred by any Disbursing Agent in carrying out its obligations under this Article VII of the Plan on or after the Effective Date (including taxes) and any reasonable, actual and documented compensation and expense reimbursement claims (including reasonable attorney fees and expenses) made by the Disbursing Agent related thereto shall be paid in Cash from the Liquidating Trust Assets by the Liquidating Trustee, in its reasonable discretion.

H. Distributions to Holders of Disputed Claims

Notwithstanding any provision otherwise in the Plan and except as may be agreed to by the Debtors or the Reorganized Debtors, as applicable, and the Liquidating Trustee, in each case in their sole discretion, and the holder of a Disputed Claim, no partial payments and no partial Distributions shall be made with respect to any Disputed Claim until all Disputed Claims held by the holder of such Disputed Claim or Interest have become Allowed Claims or have otherwise been resolved by settlement or Final Order.

I. Delivery of Distributions and Undeliverable or Unclaimed Distributions

1. Delivery of Distributions in General

Except as otherwise provided in the Plan and subject to Bankruptcy Rule 9010, Distributions to holders of Allowed Claims shall be made to holders of record as of the Distribution Record Date by the Disbursing Agent: (a) to the signatory set forth on any of the Proofs of Claim filed by such holder or other representative identified therein (or at the last known addresses of such holder if no Proof of Claim is filed or if the Debtors have been notified in writing of a change of address); (b) at the addresses set forth in any written notices of address changes delivered to the Disbursing Agent after the date of any related Proof of Claim; (c) at the addresses reflected in the Schedules if no Proof of Claim has been filed and the Disbursing Agent has not received a written notice of a change of address; or (d) on any counsel that has appeared in the Chapter 11 Cases on the holder's behalf. Distributions under the Plan on account of Allowed Claims shall not be subject to levy, garnishment, attachment or like legal process, so that each holder of an Allowed Claim shall have and receive the benefit of the Distributions in the manner set forth in the Plan. None of the Debtors, the Reorganized Debtors and the applicable Disbursing Agent shall incur any liability whatsoever on account of any Distributions under the Plan except for gross negligence, willful misconduct or fraud.

Except as otherwise provided in the Plan, all Distributions to holders of Notes Claims shall be governed by the Notes and the Indentures and shall be subject to each Indenture Trustee's right to exercise its charging lien for any unpaid fees and expenses. If the Debtors and the Indenture Trustees agree, the Indenture Trustees shall serve as the Disbursing Agent for Distributions on account of Notes Claims under their respective Indentures. All Distributions on account of Notes Claims shall be made (a) to the Indenture Trustees for their respective Notes or Indentures; or (b) with the prior written consent of an Indenture Trustee, through the facilities of DTC (if applicable). Distributions made by an Indenture Trustee to the record holders of Notes, and in turn by the record holders of Notes to the beneficial holders thereof, shall not be made as of the Distribution Record Date but rather shall be accomplished (as it relates to the identity of recipients) in accordance with the applicable Indenture and the policies and procedures of DTC. Distributions made by an Indenture Trustee directly to the beneficial holders of Notes shall only be made to such holders after the surrender by each such holder of the Note certificates representing such Notes Claim. Upon surrender of such Note certificates, the applicable Indenture Trustee shall cancel and destroy such Notes. As soon as practicable after surrender of Note certificates evidencing Allowed Notes Claims, the applicable Indenture Trustee shall distribute to the holder thereof such holder's Pro Rata share of the Distribution, but subject to the rights of such Indenture Trustee to assert its charging lien against such Distribution.

2. Undeliverable Distributions and Unclaimed Property

In the event that any Distribution to any holder is returned as undeliverable, no Distribution to such holder shall be made unless and until the Disbursing Agent has determined the then current address of such holder, at

which time such Distribution shall be made as soon as practicable after such Distribution has become deliverable or has been claimed to such holder without interest; *provided, however*, that such Distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and forfeited at the expiration of six months from the applicable Distribution Date. After such date, all “unclaimed property” or interests in property shall revert to the Liquidating Trust (notwithstanding any applicable federal or state escheat, abandoned or unclaimed property laws to the contrary) and shall be transferred by the Disbursing Agent or Reorganized Debtors (as applicable), in a supplemental Distribution to the holders of Allowed Claims in accordance with this Plan on a Pro Rata basis, and the Claim of any holder to such “unclaimed property” or interests in property shall be discharged and forever barred.

J. Withholding and Reporting Requirements

In connection with the Plan and all instruments issued in connection therewith, the Disbursing Agent shall comply with all applicable withholding and reporting requirements imposed by any federal, state or local taxing authority, and all Distributions under the Plan shall be subject to any such withholding or reporting requirements.

K. Setoffs

Subject to the Sale Order and the Global Settlement Order, the Debtors, the Reorganized Debtors, the Liquidating Trustee and Interim TSN Trust Board may withhold (but not set off except as set forth below) from the Distributions called for under the Plan on account of any Allowed Claim an amount equal to any claims, equity interests, rights and Causes of Action of any nature that the Debtors, the Reorganized Debtors, the Liquidating Trust or the Interim TSN Trust may hold against the holder of any such Allowed Claim. In the event that any such claims, equity interests, rights and Causes of Action of any nature that the Debtors, the Reorganized Debtors, the Liquidating Trust or the Interim TSN Trust Board may hold against the holder of any such Allowed Claim are adjudicated by Final Order or otherwise resolved, the Debtors may, pursuant to section 553 of the Bankruptcy Code or applicable non-bankruptcy law, set off against any Allowed Claim and the Distributions to be made pursuant hereto on account of such Allowed Claim (before any Distribution is made on account of such Allowed Claim) the amount of any adjudicated or resolved claims, equity interests, rights and Causes of Action of any nature that the Debtors, the Reorganized Debtors, the Liquidating Trust or the Interim TSN Trust may hold against the holder of any such Allowed Claim, but only to the extent of such adjudicated or resolved amount. Neither the failure to effect such a setoff nor the allowance of any Claim under the Plan shall constitute a waiver or release by the Debtors, the Reorganized Debtors, the Liquidating Trust or the Interim TSN Trust of any such claims, equity interests, rights and Causes of Action that the Debtors, the Reorganized Debtors, the Liquidating Trust or the Interim TSN Trust may possess against any such holder, except as specifically provided herein.

L. Claims Paid or Payable by Third Parties

1. Claims or Interests Paid by Third Parties

The Debtors, the Reorganized Debtors, the Liquidating Trustee or the Interim TSN Trust Board, as applicable, shall reduce in part or in full a Claim or Interest to the extent that the holder of such Claim or Interest receives payment in part or in full on account of such Claim or Interest from a party that is not a Debtor, Reorganized Debtor, the Liquidating Trust or the Interim TSN Trust. To the extent a holder of a Claim or Interest receives a Distribution on account of such Claim or Interest and receives payment from a party that is not a Debtor, a Reorganized Debtor, the Liquidating Trust or the Interim TSN Trust on account of such Claim or Interest, such holder shall, within two weeks of receipt thereof, repay or return the Distribution to the applicable Reorganized Debtor, the Liquidating Trust or the Interim TSN Trust, as applicable, to the extent the holder’s total recovery on account of such Claim or Interest from the third party and under the Plan exceeds the amount of such Claim or Interest as of the date of any such Distribution under the Plan.

2. Claims Payable by Third Parties

No Distributions under the Plan shall be made on account of Allowed insured Claims until the holder of such Allowed insured Claim has exhausted all remedies with respect to the Debtors’ Insurance Policies. To the extent that one or more of the Debtors’ insurers agrees to satisfy in full a Claim (if and to the extent adjudicated by a

court of competent jurisdiction), then immediately upon such insurers' agreement, such Claim may be expunged without a Claims objection having to be filed and without any further notice to or action, order or approval of the Bankruptcy Court.

3. Applicability of Insurance Policies

Except as otherwise provided in the Plan, Distributions to holders of Allowed Claims shall be in accordance with the provisions of any applicable Insurance Policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any cause of action that the Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

M. Postpetition Interest

Unless expressly provided herein, the Confirmation Order, the Final DIP Order, the Global Settlement Order or any contract, instrument, release, settlement or other agreement entered into in connection with the Plan, or required by the Bankruptcy Code (including without limitation sections 506(b) and 1129(b) of the Bankruptcy Code), postpetition interest shall not accrue on or after the Petition Date on account of any Claim. Nothing contained in this Plan shall be read to (a) affect the accrual or payment of interest on any claim in the chapter 11 cases of TSC, being jointly administered under Case No. 11-10612 (SHL), or (b) affect the ability of TSC or any other party in interest in the TSC cases to object to any such claim.

N. Section 506(c) Reservation

The Debtors and the Reorganized Debtors reserve all rights under section 506(c) of the Bankruptcy Code with respect to any and all Secured Claims, except to the extent waived pursuant to the Final DIP Order or the Sale Order.

O. Single Satisfaction of Claims

Except as agreed to by the Settlement Parties pursuant to the Settlement, holders of Allowed Claims may assert such Claims against each Debtor obligated with respect to such Claim, and such Claims shall be entitled to share in the recovery provided for the applicable Class of Claims against each obligated Debtor based upon the full Allowed amount of the Claim. Notwithstanding the foregoing, in no case shall the aggregate value of all property received or retained under the Plan on account of Allowed Claims exceed 100% of the underlying Allowed Claim.

ARTICLE VIII.

**PROCEDURES FOR RESOLVING CONTINGENT,
UNLIQUIDATED AND DISPUTED CLAIMS**

A. Prosecution of Objections to Claims

The Debtors, the Reorganized Debtors or the Liquidating Trustee, as applicable, shall have the exclusive authority to file, settle, compromise, withdraw or litigate to judgment any objections to Claims as permitted under the Plan. From and after the Effective Date, the Reorganized Debtors or the Liquidating Trustee may settle or compromise any Disputed Claim without approval of the Bankruptcy Court. The Debtors, the Reorganized Debtors and the Liquidating Trustee reserve all rights to resolve any Disputed Claim outside the Bankruptcy Court under applicable governing law. All objections, affirmative defenses and counterclaims shall be litigated to Final Order; provided, however, that the Debtors, Reorganized Debtors and Liquidating Trustee shall have the authority to file, settle, compromise or withdraw any objections to Claims. Unless otherwise ordered by the Bankruptcy Court, to the extent not already objected to by the Debtors, the Liquidating Trustee shall file and serve all objections to Claims as soon as practicable, but, in each instance, not later than one hundred eighty (180) days following the Effective Date or such later date as may be approved by the Bankruptcy Court.

B. Allowance of Claims

Except as expressly provided herein or in any order entered in the Chapter 11 Cases before the Effective Date (including the Confirmation Order), the Reorganized Debtors and the Liquidating Trust, as applicable, after the Effective Date will have and retain any and all rights and defenses held by the Debtors with respect to any Claim as of the Petition Date. All claims of any Entity against any Debtor shall be disallowed unless and until such Entity pays, in full, the amount it owes each such Debtor.

C. Disputed Claims Reserve

On the Effective Date (or as soon thereafter as is reasonably practicable), the Reorganized Debtors shall deposit in the Disputed Claims Reserve Cash having an aggregate value equal to the aggregate value of the consideration that would have been distributed to the holders of all Disputed Claims as if such Disputed Claims had been Allowed Claims on the Effective Date, with the amount of such Allowed Claims to be determined, solely for the purposes of establishing reserves, to be the lesser of (a) the asserted amount of the Disputed Claims filed with the Bankruptcy Court, or (if no proof of such Claim was filed) scheduled by the Debtors, (b) the amount, if any, estimated by the Bankruptcy Court pursuant to section 502(c) of the Bankruptcy Code pursuant to Article VIII or (c) the amount otherwise agreed to by the Debtors and the holder of such Disputed Claims for reserve purposes.

On the Effective Date (or as soon thereafter as is reasonably practicable), and until such time as each Disputed Claim has been compromised and settled, estimated by the Bankruptcy Court in an amount constituting the allowed amount, or allowed or disallowed by Final Order of the Bankruptcy Court, the Liquidating Trustee shall retain, for the benefit of each holder of a Disputed Claim, Liquidating Trust Interests in an amount equal to the Pro Rata Share of distributions that would have been made to the holder of such Disputed Claim if it were an Allowed Claim in an amount equal to the lesser of (i) the liquidated amount set forth in the filed proof of Claim relating to such Disputed Claim, (ii) the amount in which the Disputed Claim shall be estimated by the Bankruptcy Court pursuant to section 502 of the Bankruptcy Code constitutes and represents the maximum amount in which such Claim may ultimately become an Allowed Claim, or (iii) such other amount as may be agreed upon by the holder of such Disputed Claim and the Liquidating Trustee. Any Liquidating Trust Interests retained and held for the benefit of a holder of a Disputed Claim shall be treated as a payment and reduction on account of such Disputed Claim for purposes of computing any additional amounts to be distributed in Liquidating Trust Interests in the event the Disputed Claim ultimately becomes an Allowed Claim. The Liquidating Trustee shall treat any Assets retained pursuant to this Section of the Plan as part of the Disputed Claims Reserve.

D. Distributions After Allowance

On the Distribution Date following the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Disbursing Agent shall provide to the holder of such Claim the Distribution (if any) to which such holder is entitled under the Plan as of the Effective Date, without any interest to be paid on account of such Claim.

E. Distribution of Excess Amounts in the Disputed Claims Reserve

Any Cash held in the Disputed Claims Reserve after all Disputed Claims have been Allowed or Disallowed shall be transferred by the Disbursing Agent or Reorganized Debtors (as applicable), in a supplemental Distribution to the holders of Allowed Claims in accordance with this Plan. The balance of any Liquidating Trust Interests previously retained but not distributed to a Disputed Claim holder shall be included in future calculations of Liquidating Trust Interests to holders of Allowed Claims.

F. Property Held in the Reserve for Disputed Claims

Each holder of a Disputed Claim that ultimately becomes an Allowed Claim will have recourse only to the undistributed Cash held in the Disputed Claims Reserve for satisfaction of the Distributions to which holders of Allowed Claims are entitled under the Plan, and not to any Reorganized Debtor, the Liquidating Trust or the Interim TSN Trust, their property or any assets previously distributed on account of any Allowed Claim.

G. Estimation of Claims

The Debtors (before the Effective Date), the Liquidating Trustee or the Reorganized Debtors (on or after the Effective Date) may, at any time, and from time to time, request that the Bankruptcy Court estimate any Disputed Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether an objection was previously filed with the Bankruptcy Court with respect to such Claim, or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any Disputed Claim, that estimated amount will constitute either the Allowed amount of such Claim or a maximum limitation on such Claim against any party or Entity, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Debtors (before the Effective Date), the Liquidating Trustee or the Reorganized Debtors (on or after the Effective Date), may elect to pursue any supplemental proceedings to object to any ultimate Distribution on such Claim. All of the objection, estimation, settlement and resolution procedures set forth in the Plan are cumulative and not necessarily exclusive of one another. Claims may be estimated and subsequently compromised, objected to, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court.

H. Deadline to File Objections to Claims

Except with respect to the Claims resolved by the Settlement, any objections to Claims shall be filed on or before the date that is the later of (a) one hundred and eighty (180) days after the Effective Date and (b) the last day of such other period of limitation as may be specifically fixed by an order of the Bankruptcy Court for objecting to certain Claims.

ARTICLE IX.

SETTLEMENT, RELEASE, INJUNCTION AND RELATED PROVISIONS

A. Compromise and Settlement of Claims, Interests and Controversies

As discussed in detail in the Disclosure Statement and as otherwise provided herein, pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration for the Distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good faith compromise of all Claims,

Interests and controversies relating to the contractual, legal and subordination rights that a holder of a Claim may have with respect to any Allowed Claim or Interest, or any Distribution to be made on account of such Allowed Claim or Interest (the "**Plan Settlement**"). The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Plan Settlement, as well as a finding by the Bankruptcy Court that such Plan Settlement is in the best interests of the Debtors, their Estates and holders of Claims and Interests and is fair, equitable and reasonable. In accordance with the provisions of the Plan, pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019(a), without any further notice to or action, order or approval of the Bankruptcy Court, after the Effective Date, the Reorganized Debtors may compromise and settle Claims against them and Causes of Action against other Entities.

B. Releases by the Debtors

Pursuant to section 1123(b) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or the Plan Supplement, for good and valuable consideration, including the contributions of the Released Parties to facilitate the implementation of the Plan, the Plan Settlement, the Settlement and the other contracts, instruments, releases, agreements or documents executed and delivered in connection with the Plan, the Released Parties and each of them are deemed released and discharged by the Debtors, the Reorganized Debtors and the Estates from any and all claims, obligations, rights, suits, damages, Causes of Action, remedies and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, fixed or contingent, matured or unmatured, existing or hereinafter arising, in law, equity or otherwise, that the Debtors, the Reorganized Debtors, the Estates or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, based in whole or in part on any act, omission, transaction, event or other occurrence taking place on or prior to the Effective Date (and, with regard to the New Boards of the Reorganized Debtors, subsequent to the Effective Date) in any way relating to the Debtors, the Chapter 11 Cases, the Canadian Proceedings, the Plan or the Disclosure Statement, or related agreements, instruments or other documents, other than Claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes gross negligence, fraud or willful misconduct, as determined by a Final Order; provided, that nothing in this Article IX.B. shall release the Purchaser or, solely to the extent it is a party to the Purchase Agreement for the purposes of Section 6.19 thereof, DISH from any claims, obligations, rights, suits, damages, Causes of Action, remedies and liabilities arising under the Purchase Agreement; provided, further, that this Article IX.B shall not apply to DISH or any of its subsidiaries, which was released as and to the extent provided pursuant to the Purchase Agreement and the Sale Order. For the avoidance of doubt, the Releases provided under this Article IX.B shall not apply to the TSC Debtors.

C. Releases by Holders of Claims and Interests

As of the Effective Date, to the fullest extent permissible under applicable law, as such law may be extended or interpreted subsequent to the Effective Date, for good and valuable consideration, including the contributions of the Released Parties to facilitate the implementation of the Plan, the Plan Settlement, the Settlement and the other contracts, instruments, releases, agreements or documents executed and delivered in connection with the Plan, each holder of a Claim or an Interest shall be deemed to have conclusively, absolutely, unconditionally, irrevocably and forever, released and discharged the Debtors, the Reorganized Debtors and the Released Parties and each of them from any and all Claims, Interests, obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever, including any derivative Claims, asserted on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, fixed or contingent, matured or unmatured, existing or hereafter arising, in law, equity or otherwise, that such Entity would have been legally entitled to assert (whether individually or collectively), based in whole or in part on any act, omission, transaction, event or other occurrence taking place on or prior to the Effective Date (and, with regard to the New Boards of the Reorganized Debtors, subsequent to the Effective Date) in any way relating to the Debtors, the Chapter 11 Cases, the Canadian Proceedings, the Settlement, this Plan, the Plan Settlement or the Disclosure Statement, or related agreements, instruments or other documents that did or would have given rise to a Claim in the Chapter 11 Cases, other than Claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes gross negligence, fraud or willful misconduct, as determined by a Final Order; provided, that nothing herein shall

be deemed a waiver or release of a Releasing Party's right to receive a Distribution pursuant to the terms of this Plan; provided, further, that nothing in this Article IX.C. shall release the Debtors or the Reorganized Debtors from any claims, obligations, rights, suits, damages, Causes of Action, remedies and liabilities arising under the Purchase Agreement; provided, further, that this Article IX.C shall not apply to DISH or any of its subsidiaries. For the avoidance of doubt, the Releases provided under this Article IX.C shall not apply to the TSC Debtors.

D. Exculpation

Except as otherwise specifically provided in the Plan or Plan Supplement, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any Exculpated Claim, obligation, cause of action or liability for any Exculpated Claim, except to the extent such claim is attributable to gross negligence or willful misconduct, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Debtors and the Reorganized Debtors (and each of their respective Affiliates, agents, directors, officers, employees, advisors and attorneys) have, and upon Confirmation of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the solicitation and distribution of the Interim TSN Trust Interests, Interim TSN Warrants (each, in the event that the provisions of Exhibit 3 are triggered pursuant to Article V.G. hereof) and Liquidating Trust Interests pursuant to the Plan, and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

Notwithstanding anything herein to the contrary, nothing in the foregoing "Exculpation" shall (1) release any Person or Entity from any liability resulting from any act or omission constituting fraud, willful misconduct, gross negligence, criminal conduct, malpractice, misuse of confidential information that causes damages or *ultra vires* act as determined by a Final Order or (2) limit the liability of the professionals of the Exculpated Parties to their respective clients pursuant to N.Y. Comp. Codes R. & Regs. tit. 22 § 1200.8 Rule 1.8(h)(1) (2009).

E. Discharge of Claims and Termination of Interests

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan, the Distributions, rights and treatment that are provided in the Plan shall be in full and final satisfaction, settlement, release and discharge, effective as of the Effective Date, of all Claims, Interests and causes of action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities and causes of action that arose before the Effective Date, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h) or 502(i) of the Bankruptcy Code, in each case whether or not: (1) a Proof of Claim or Interest based upon such Claim, debt, right or Interest is filed or deemed filed pursuant to section 501 of the Bankruptcy Code; (2) a Claim or Interest based upon such Claim, debt, right or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (3) the holder of such a Claim or Interest has accepted the Plan. Except as otherwise provided herein, any default by the Debtors or their Affiliates with respect to any Claim or Interest that existed before or on account of the filing of the Chapter 11 Cases and/or the Canadian Proceedings shall be deemed cured on the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the Effective Date occurring, except as otherwise expressly provided in the Plan.

F. Injunction

FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY CAUSE OF ACTION RELEASED OR TO BE RELEASED PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER.

FROM AND AFTER THE EFFECTIVE DATE, TO THE EXTENT OF THE RELEASES AND EXCULPATION GRANTED IN ARTICLE IX HEREOF, THE RELEASING PARTIES SHALL BE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE RELEASED PARTIES AND THE EXCULPATED PARTIES AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION OR OTHER PROCEEDING, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, INTEREST OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO ARTICLE IX HEREOF.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN, THE PLAN SUPPLEMENT OR RELATED DOCUMENTS, OR FOR OBLIGATIONS ISSUED PURSUANT TO THE PLAN, ALL ENTITIES WHO HAVE HELD, HOLD OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED PURSUANT TO ARTICLE IX.B OR ARTICLE IX.C OR, DISCHARGED PURSUANT TO ARTICLE IX.E, OR ARE SUBJECT TO EXCULPATION PURSUANT TO ARTICLE IX.D, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS: (1) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (2) ENFORCING, ATTACHING, COLLECTING OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE OR ORDER AGAINST SUCH ENTITIES ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (3) CREATING, PERFECTING OR ENFORCING ANY ENCUMBRANCE OF ANY KIND AGAINST SUCH ENTITIES OR THE PROPERTY OR ESTATE OF SUCH ENTITIES ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (4) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED, SETTLED OR DISCHARGED PURSUANT TO THE PLAN; AND (5) ACTING OR PROCEEDING IN ANY MANNER, IN ANY PLACE WHATSOEVER, THAT DOES NOT CONFORM WITH THE PROVISIONS OF THIS PLAN TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW.

THE RIGHTS AFFORDED IN THE PLAN AND THE TREATMENT OF ALL CLAIMS AND INTERESTS HEREIN SHALL BE IN EXCHANGE FOR AND IN COMPLETE SATISFACTION OF ALL CLAIMS AND INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTORS OR ANY OF THEIR ASSETS, PROPERTY OR ESTATES TO THE FULLEST EXTENT SET FORTH IN THE PLAN. ON THE EFFECTIVE DATE, IN ACCORDANCE WITH THE PLAN, ALL SUCH CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND THE EQUITY INTERESTS SHALL BE CANCELLED.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR HEREIN OR IN OBLIGATIONS ISSUED PURSUANT HERETO FROM AND AFTER THE EFFECTIVE DATE, ALL CLAIMS AGAINST THE DEBTORS SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL EQUITY INTERESTS SHALL BE CANCELLED, AND THE DEBTORS' LIABILITY WITH RESPECT THERETO SHALL BE EXTINGUISHED COMPLETELY, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER SECTION 502(G) OF THE BANKRUPTCY CODE.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR HEREIN, ALL ENTITIES SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTORS, THE DEBTORS' ESTATES, THE REORGANIZED DEBTORS, EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS OR ANY ACT OR OMISSION, TRANSACTION OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE.

NOTHING CONTAINED IN THIS PLAN SHALL BE READ TO (A) ENJOIN ELEKTROBIT INC. ("**ELEKTROBIT**") FROM COMMENCING OR CONTINUING ANY ACTION ON ACCOUNT OF, IN CONNECTION WITH OR WITH RESPECT TO ANY CLAIM (AS SUCH TERM IS DEFINED IN SECTION 101(5)(A) OF THE BANKRUPTCY CODE) OR ANY OTHER RIGHT, REMEDY OR CAUSE OF ACTION, WHETHER ARISING AT LAW OR IN EQUITY, THAT ELEKTROBIT HAS OR MAY HAVE AGAINST ANY

PARTY IN INTEREST IN TSC'S CHAPTER 11 CASES, BEING JOINTLY ADMINISTERED UNDER CASE NO. 11-10612 (SHL), OR OTHERWISE TO EFFECT A RELEASE, EXCULPATION OR DISCHARGE OF ANY SUCH CLAIM, RIGHT, REMEDY OR CAUSE OF ACTION OR (B) ENJOIN TSC (OR ANY OTHER PARTY IN INTEREST IN THE TSC CASES) FROM OBJECTING TO ANY SUCH CAUSE OF ACTION (OR OTHER RIGHT OR REMEDY).

G. Term of Injunctions or Stays

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

H. Injunction Against Interference With Plan

To the fullest extent permitted by applicable law, and except as may otherwise be stated in the Sale Order, upon the entry of the Confirmation Order, all of the Releasing Parties shall be enjoined from taking any actions to interfere with the implementation or consummation of this Plan or the Sale, including, without limitation, the transfer of the Acquired Assets to the Purchaser.

I. Injunction Related to Releases and Exculpation

The Confirmation Order shall permanently enjoin the commencement or prosecution by any person or entity, whether directly, derivatively or otherwise, of any Claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities released pursuant to this Plan, including but not limited to the claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities released in Article IX of this Plan.

J. Protection Against Discriminatory Treatment

Consistent with section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Reorganized Debtors or deny, revoke, suspend or refuse to renew a license, permit, charter, franchise or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors or another Entity with whom such Reorganized Debtors have been associated, solely because one of the Debtors has been a debtor under chapter 11, an applicant in a CCAA proceeding, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before the Debtor is granted or denied a discharge) or has not paid a debt that is dischargeable in the Chapter 11 Cases.

K. No Consent to Change of Control Required

To the fullest extent permitted by applicable law, except as otherwise expressly provided by order of the Bankruptcy Court, none of (a) the facts or circumstances giving rise to the commencement of, or occurring in connection with, the Chapter 11 Cases or (b) any other transaction pursuant to the Plan (including, without limitation, the Restructuring Transactions) shall constitute a "change in ownership" or "change of control" (or a change in working control) of, or in connection with, any Debtor requiring the consent of any person other than the Debtors or the Bankruptcy Court.

L. Release of Liens

Except as otherwise provided herein or in any contract, instrument, release or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable Distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is

Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title and interest of any holder of such mortgages, deeds of trust, Liens, pledges or other security interests shall revert to the Reorganized Debtor and its successors and assigns. For the avoidance of doubt, all mortgages, deeds of trust, Liens, pledges or other security interests against any property of the Estates shall be fully released and discharged on the Effective Date without any further action of any party, including, but not limited to, further order of the Bankruptcy Court, the Canadian Court or filing updated schedules or statements typically filed pursuant to the Uniform Commercial Code, the Personal Property Security Act (Ontario) or in accordance with any other real or personal property registry system in any of the applicable provinces in Canada.

ARTICLE X.

CONDITIONS PRECEDENT TO CONFIRMATION OF THE PLAN AND THE EFFECTIVE DATE

A. *Conditions Precedent to Confirmation*

It shall be a condition to Confirmation hereof that the following provisions, terms and conditions shall have been satisfied or waived pursuant to the provisions of Article X.C.

1. The Bankruptcy Court shall have entered a Final Order, in form and substance acceptable to the Debtors, approving the Disclosure Statement with respect to the Plan as containing adequate information within the meaning of section 1125 of the Bankruptcy Code.

B. *Conditions Precedent to the Effective Date*

It shall be a condition to the Effective Date that the following provisions, terms and conditions shall have been satisfied or waived pursuant to the provisions of Article X.C.

1. The Confirmation Order entered by the Bankruptcy Court shall be a Final Order acceptable in form and substance to the Debtors and the Creditors' Committee.

2. The Canadian Court shall have entered an order, in form and substance acceptable to the Debtors, recognizing the Bankruptcy Court's entry of the Confirmation Order, and such order shall have become a Final Order.

3. The Bankruptcy Court shall have entered one or more orders (which may include the Confirmation Order), authorizing the assumption and rejection of Executory Contracts and Unexpired Leases by the Debtors as contemplated herein, which shall have become Final Orders.

4. The Canadian Court shall have entered one or more orders (which may include the Canadian Court's order recognizing the Confirmation Order) recognizing the Bankruptcy Court's entry of the order(s) described in Article X.B.3 above, and such orders shall have become Final Orders.

5. All of the schedules, documents, supplements and exhibits to the Plan shall have been filed.

6. All actions, documents, certificates, and agreements necessary to implement this Plan, including, without limitation, the New By-Laws and the New Certificates of Incorporation, shall have been effected or executed and delivered to the required parties and, to the extent required, filed with the applicable governmental units in accordance with applicable laws.

7. The Closing Date Payment shall have been received.

8. The FCC shall have approved the interim transfer of the New Common Stock to the Interim TSN Trust; *provided, however*, that this condition precedent shall only be applicable if the provisions of Exhibit 3 hereto are triggered pursuant to Article V.G. hereof.

C. Waiver of Conditions

The conditions to Confirmation of the Plan and to the occurrence of the Effective Date set forth in this Article X may be waived at any time by the Debtors; *provided, however*, that the Debtors may not waive (i) entry of the Confirmation Order or (ii) entry of an order recognizing the Confirmation Order issued by the Canadian Court.

D. Effect of Failure of Conditions

If Confirmation of the Plan does not occur, the Plan shall be null and void in all respects, including, among other things, the allocation percentages set forth herein and the terms of the Plan Settlement, and nothing contained in the Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any claims by or Claims against the Debtors; (2) prejudice in any manner the rights of the Debtors, any holders of Claims or any other Entity; or (3) constitute an admission, acknowledgment, offer or undertaking by the Debtors, any holders or any other Entity in any respect.

ARTICLE XI.

MODIFICATION, REVOCATION OR WITHDRAWAL OF THE PLAN

A. Modification and Amendments

Except as otherwise specifically provided herein, the Debtors reserve the right to modify the Plan as to material terms and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not re-solicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 and those restrictions on modifications set forth in the Plan, the Debtors expressly reserve their rights to alter, amend or modify materially the Plan with respect to any or all Debtors, one or more times, after Confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend or modify the Plan or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. Any such modification or supplement shall be considered a modification of the Plan and shall be made in accordance with this Article XI.

In addition, prior to the Effective Date, the Debtors may make appropriate technical adjustments and modifications to the Plan, without further order or approval of the Bankruptcy Court; *provided, however*, that such technical adjustments and modifications do not adversely affect in a material way the treatment of holders of Claims or Interests.

B. Effect of Confirmation on Modifications

Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan occurring after the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or re-solicitation under Bankruptcy Rule 3019.

C. Revocation or Withdrawal of the Plan

The Debtors reserve the right to revoke or withdraw the Plan (including any or all of the individual Plans for the Debtors) before the Effective Date and to file subsequent chapter 11 plans, provided, however, that the Debtors may not revoke or withdraw the Plan without the consent of the Creditors' Committee and such consent shall not be unreasonably withheld. In addition, the Debtors reserve the right to seek confirmation of some, but not all of the chapter 11 Plans for the Debtors. If the Debtors revoke or withdraw the Plan (or one or more of the individual Plans), or if Confirmation or the Effective Date does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims or Interests by any Debtor against any other Entity; (b) prejudice in any manner the rights of such Debtor or

any other Entity; or (c) constitute an admission, acknowledgement, offer or undertaking of any sort by such Debtor or any other Entity.

ARTICLE XII.

RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain such jurisdiction over the Chapter 11 Cases and all matters, arising out of or related to, the Chapter 11 Cases and the Plan, including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate or establish the priority, Secured or Unsecured status or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or Unsecured status, priority, amount or allowance of Claims;

2. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;

3. resolve any matters related to: (a) the assumption, assumption and assignment or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable in any manner and to hear, determine and, if necessary, liquidate, any Claims arising therefrom, including Rejection Claims, Cure Claims pursuant to section 365 of the Bankruptcy Code or any other matter related to such Executory Contract or Unexpired Lease; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; (c) the Reorganized Debtors amending, modifying or supplementing, after the Effective Date, pursuant to Article VI, any Executory Contracts or Unexpired Leases to the list of Executory Contracts and Unexpired Leases to be assumed or rejected or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory or expired.

4. ensure that Distributions to holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;

5. adjudicate, decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;

6. adjudicate, decide or resolve any and all matters related to any Cause of Action;

7. adjudicate, decide or resolve any and all matters related to section 1141 of the Bankruptcy Code;

8. enter and enforce any order for the sale of property pursuant to sections 363, 1123 or 1146(a) of the Bankruptcy Code;

9. resolve any avoidance or recovery actions under sections 105, 502(d), 542 through 551 and 553 of the Bankruptcy Code;

10. resolve any cases, claims, controversies, suits, disputes or Causes of Action that may arise in connection with the consummation, interpretation or enforcement of the Plan or any entity's obligations incurred in connection with the Plan;

11. resolve any cases, controversies, suits, disputes or Causes of Action that may arise in connection with or under the Notes;

12. issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any entity with consummation or enforcement of the Plan;
13. resolve any cases, controversies, suits, disputes or Causes of Action with respect to the discharge, releases, injunctions, exculpations, indemnifications and other provisions contained in Article IX and enter such orders as may be necessary or appropriate to implement such releases, injunctions and other provisions;
14. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;
15. determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document created in connection with the Plan or the Disclosure Statement;
16. adjudicate any and all disputes arising from or relating to Distributions under the Plan;
17. consider any modifications of the Plan, cure any defect or omission or reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;
18. determine requests for the payment of Claims and Interests entitled to priority pursuant to section 507 of the Bankruptcy Code, including requests by Professionals for payment of Accrued Professional Fees;
19. hear and determine disputes arising in connection with the interpretation, implementation or enforcement of the Plan or the Confirmation Order, including disputes arising under agreements, documents or instruments executed in connection with the Plan;
20. hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code;
21. hear and determine all disputes involving the existence, nature or scope of the Debtors' discharge, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred before or after the Effective Date;
22. enforce all orders previously entered by the Bankruptcy Court;
23. hear any other matter not inconsistent with the Bankruptcy Code;
24. enter an order concluding or closing the Chapter 11 Cases;
25. for the period of time (if any) that the Interim TSN Trust is in place, enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases and other agreements or documents created in connection with the Plan or the Disclosure Statement;
26. enter and implement such orders as may be necessary regarding the actions (if any) of the Interim TSN Trust pursuant to the terms of the Plan and the Interim TSN Trust Agreement including, but not limited to, orders regarding the Interim TSN Trust Board's operating decisions and exercise of control over the New Common Stock;
27. hear and determine all matters concerning the Purchase Agreement, including matters relating to any Alternative Sale (even if such Alternative Sale occurs post Confirmation Date or post Effective Date), which includes the exclusive jurisdiction to (a) enforce the terms and provisions of the Sale Order, the Purchase Agreement and the Plan in all respects and to decide any disputes concerning the Sale Order, the Purchase Agreement, and the Plan, or the rights and duties of the parties thereunder or any issues relating to the Purchase

Agreement and the Sale Order and the Plan including, but not limited to, the interpretation of the terms, conditions and provisions hereof and thereof, the status, nature and extent of the Acquired Assets and any assumption or assignment of Executory Contracts or Unexpired Leases and all issues and disputes arising in connection with same and the relief authorized in the Sale Order, inclusive of those concerning the transfer of the Acquired Assets free and clear of all Encumbrances; and (b) with respect to any Alternative Sale to an Alternative Purchaser in accordance with the terms of the Purchase Agreement, (I) determine whether such Alternative Purchaser is entitled to the protections of section 363(m) of the Bankruptcy Code; (II) determine whether the requirements of section 365 of the Bankruptcy Code (including, but not limited to, the requirements of sections 365(b) and 365(f) of the Bankruptcy Code) are satisfied with respect to any proposed assignment of one or more of the Debtors' Executory Contracts to the Alternative Purchaser, (III) approve the assignment of one or more of the Debtors' Executory Contracts to the Alternative Purchaser pursuant to section 365 of the Bankruptcy Code, and (IV) provide such other authorizations and approvals as may be reasonably necessary to consummate such Alternative Sale; and

28. hear and determine all matters concerning the Paydown Orders.

ARTICLE XIII.

MISCELLANEOUS PROVISIONS

A. Immediate Binding Effect

Subject to Article X.B, and notwithstanding Bankruptcy Rules 3020(e), 6004(h) or 7062 or any other Bankruptcy Rule, upon the occurrence of the Effective Date, the terms of the Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon the Debtors, the Reorganized Debtors and any and all holders of Claims or Interests (irrespective of whether such Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, discharges and injunctions described in the Plan, each Entity acquiring property under the Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors.

B. Additional Documents

On or before the Effective Date, the Debtors may file with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or Reorganized Debtors, as applicable, and all holders of Claims receiving Distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. Dissolution of Creditors' Committee

On the Effective Date, the Creditors' Committee shall dissolve, and its members shall be released and discharged from all further authority, duties, responsibilities and obligations relating to and arising from the Chapter 11 Cases. The retention and employment of the Professionals retained by the Creditors' Committee shall terminate as of the Effective Date, *provided, however*, that the Creditors' Committee shall exist, and its Professionals shall be retained, after such date with respect to (a) applications filed pursuant to sections 330 and 331 of the Bankruptcy Code, (b) enforcement of the provisions of the Purchase Agreement, the Global Settlement Order, the Plan or the Confirmation Order; and (c) the distributions from the Closing Date Payment and/or the proceeds of the Retained Causes of Action.

D. Successors and Assigns

The rights, benefits and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign, affiliate, officer, director, manager, agent, representative, attorney, beneficiaries or guardian, if any, of each Entity.

E. Service of Documents

After the Effective Date, any pleading, notice or other document required by the Plan to be served on or delivered to the Debtors or the Reorganized Debtors and the Liquidating Trustee, and shall be served on:

If to the Debtors or the Reorganized Debtors:

TerreStar Networks, Inc.
12010 Sunset Hills Road, 6th Flr.
Reston, Virginia 20190
Attn: Doug Brandon, General Counsel

with copies to:

Akin Gump Strauss Hauer & Feld LLP
One Bryant Park
New York, New York 10036
Attn: Ira Dizengoff
Arik Preis
Ashleigh L. Blaylock

If to the Liquidating Trustee:

[ADDRESS TBD]

After the Effective Date, the Debtors may, in their sole discretion, notify Entities that, in order to continue receiving documents pursuant to Bankruptcy Rule 2002, such Entities must file a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have filed such renewed requests.

F. Entire Agreement

Except as otherwise indicated, the Plan and the Plan Supplement supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings and representations on such subjects, all of which have become merged and integrated into the Plan.

G. Severability of Plan Provisions

If, before Confirmation of the Plan, any term or provision of the Plan is held by the Bankruptcy Court or any other court exercising jurisdiction to be invalid, void or unenforceable, the Bankruptcy Court or other court exercising jurisdiction shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the Debtors' consent; and (3) non-severable and mutually dependent.

H. Exhibits

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are filed, copies of such exhibits and documents

shall be available upon request to the Debtors' counsel, by contacting Ashleigh L. Blaylock, Akin Gump Strauss Hauer & Feld LLP, 1333 New Hampshire Avenue, N.W., Washington, D.C. 20036, Telephone: (202) 887-4064, email: blaylocka@akingump.com, at the Bankruptcy Court's web site at www.ecf.nysb.uscourts.gov or at the website of the Notice and Claims Agent, at <http://www.terrestarinfor.com>. To the extent any exhibit or document is inconsistent with the terms of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit or non-document portion of the Plan shall control.

I. Votes Solicited in Good Faith

Upon entry of the Confirmation Order, the Debtors will be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code and any applicable non-bankruptcy law, and pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and their respective Affiliates, agents, representatives, members, principals, shareholders, officers, directors, employees, advisors and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code and, therefore, will have no liability for the violation of any applicable law, rule or regulation governing the solicitation of votes on the Plan.

J. Closing of Chapter 11 Cases

The Reorganized Debtors shall, promptly after the full administration of the Chapter 11 Cases, file with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close the Chapter 11 Cases.

K. Conflicts

Except as set forth in the Plan, to the extent that any provision of the Disclosure Statement or any other order (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements or amendments to any of the foregoing), conflict with or are in any way inconsistent with any provision of the Plan, the Plan shall govern and control; *provided, however*, that if there is a conflict between this Plan and a Plan Supplement document, the Plan Supplement document shall govern and control; and *provided further, however*, that to the extent that any provision of the Plan conflicts with or is in any way inconsistent with any provision of the Confirmation Order, the Confirmation Order shall govern and control. Additionally, to the extent that any provision of the Plan or Confirmation Order conflicts with or is in any way inconsistent with any provision of the Sale Order, the Purchase Agreement or the Global Settlement Order, the Sale Order, the Purchase Agreement or the Global Settlement Order, as applicable, shall govern and control.

Dated: December ~~19~~27, 2011

Respectfully submitted,

TerreStar Networks Inc. (for itself and on behalf of each of the Debtors)

By: /s/ Jeffrey Epstein

Name: Jeffrey Epstein

Title: Chief Executive Officer

Exhibit 1

Summary of Classification of Claims and Interests for Each Debtor

Debtor	Class	Name of Class	Status	Voting Rights
TerreStar Networks Inc.	1	Other Priority Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar Networks Inc.	2	Other Secured Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar Networks Inc.	3	Unsecured Claims	Impaired	Entitled to Vote
TerreStar Networks Inc.	4	Equity Interests	Impaired	Not Entitled to Vote – Deemed to Reject
Debtor	Class	Name of Class	Status	Voting Rights
TerreStar National Services Inc.	1	Other Priority Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar National Services Inc.	2	Other Secured Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar National Services Inc.	3	Unsecured Claims	Impaired	Entitled to Vote
TerreStar National Services Inc.	4	Equity Interests	Impaired	Not Entitled to Vote – Deemed to Reject
Debtor	Class	Name of Class	Status	Voting Rights
TerreStar License Inc.	1	Other Priority Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar License Inc.	2	Other Secured Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar License Inc.	3	Unsecured Claims	Impaired	Entitled to Vote
TerreStar License Inc.	4	Equity Interests	Impaired	Not Entitled to Vote – Deemed to Reject
Debtor	Class	Name of Class	Status	Voting Rights
0887729 B.C. Ltd.	1	Other Priority Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
0887729 B.C. Ltd.	2	Other Secured Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
0887729 B.C. Ltd.	3	Unsecured Claims	Impaired	Entitled to Vote
0887729 B.C. Ltd.	4	Equity Interests	Impaired	Not Entitled to Vote – Deemed to Reject

Debtor	Class	Name of Class	Status	Voting Rights
TerreStar Networks Holdings (Canada) Inc.	1	Other Priority Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar Networks Holdings (Canada) Inc.	2	Other Secured Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar Networks Holdings (Canada) Inc.	3	Unsecured Claims	Impaired	Entitled to Vote
TerreStar Networks Holdings (Canada) Inc.	4	Equity Interests	Impaired	Not Entitled to Vote – Deemed to Reject
Debtor	Class	Name of Class	Status	Voting Rights
TerreStar Networks (Canada) Inc.	1	Other Priority Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar Networks (Canada) Inc.	2	Other Secured Claims	Unimpaired	Not Entitled to Vote – Deemed to Accept
TerreStar Networks (Canada) Inc.	3	Unsecured Claims	Impaired	Entitled to Vote
TerreStar Networks (Canada) Inc.	4	Equity Interests	Impaired	Not Entitled to Vote – Deemed to Reject

Exhibit 2

Allocated Value

<u>Name of Debtor</u>	<u>Allocated Value</u>
TSN	70.18%
TSL	29.52%
088	0.00%
TSN Canada	0.30%
TSN Canada Holdings	0.00%
TSNSI	0.00%

Exhibit 3

**Modifications to Plan in the Event that
the Closing Date Does Not Occur on or Before the Effective Date**

In the event that the Closing Date does not occur on or before the Effective Date, pursuant to Article V.G. hereof, the Plan shall be amended to give full force and effect to the following modifications:

ARTICLE I

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

Article I(A) of the Plan shall be amended by inserting the following definitions in the appropriate location in accordance with the current alphabetical structure of the section:

- “*Interim TSN Trust*” means the trust or other entity acceptable to the FCC that shall be established on the Effective Date for the purpose of holding the New Common Stock to be issued on the Effective Date.
- “*Interim TSN Trust Agreement*” means the agreement substantially in the form to be filed as part of the Plan Supplement, which will, among other things: (a) establish and govern the Interim TSN Trust; and (b) set forth the respective powers, duties and responsibilities of the Interim TSN Trust Board.
- “*Interim TSN Trust Assets*” means the New Common Stock.
- “*Interim TSN Trust Beneficiaries*” means the holders of Allowed Unsecured Claims.
- “*Interim TSN Trust Board*” means those individuals appointed in accordance with the Interim TSN Trust Agreement with the powers and responsibilities as set forth in Article V.F. of the Plan, including the power to administer the Interim TSN Trust.
- “*Interim TSN Trust Interests*” means the beneficial interests in the Interim TSN Trust, which pursuant to the terms of the Plan have no economic value.
- “*Interim TSN Warrants* ” means the two year warrants issued by the Interim TSN Trust, each with a nominal exercise price and pursuant to the terms of the Plan have no economic value, to purchase the Interim TSN Trust Interests, the terms of which will provide that such warrants will not be exercisable by any Person unless such Person delivers an Ownership Certification to the Interim TSN Trust and such exercise otherwise complies with applicable law, the substantially final form of which shall be filed with the Bankruptcy Court by the Plan Supplement Filing Date.
- “*Interim TSN Warrant Agreement*” means that certain agreement to be executed on or before the Effective Date providing for, among other things, certain rights and obligations of the holders of the Interim TSN Warrants , the substantially final form of which shall be filed with the Court by the Plan Supplement Filing Date.
- “*Ownership Certification*” means a written certification in form and substance satisfactory to the Interim TSN Trust Board to the effect that the Person is a U.S. Person and that the direct and indirect voting and economic interest of such Person are held by Persons at least 75% of whom are U.S. Persons for purposes of Section 310(b)(iv) of the Communications Act as interpreted and applied by the FCC.

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

In Section C of Article III, Class 3 Treatment shall be deleted in its entirety and replaced with the following:

Treatment: Each holder of an Allowed Unsecured Claim shall receive in full and final satisfaction of its Claim, its Pro Rata share (calculated with reference to all Allowed and Disputed Class 3 Claims against the applicable Debtor) of (i) Liquidating Trust Interests applicable to such Debtor based on each such Debtor's Allocated Value and (ii) at the option of each holder of an Allowed Unsecured Claim, (1) Interim TSN Warrants applicable to such Debtor based on each such Debtor's Allocated Value or (2) Cash in an amount equivalent to such holder's Pro Rata share of the Interim TSN Warrants.

**ARTICLE V
MEANS FOR IMPLEMENTATION OF THE PLAN**

After section D(2) of Article V, the following shall be inserted as Section D(3):

3. Interim TSN Trust Interests/Warrants

All Interim TSN Trust Warrants shall be issued at an exercise price of \$0.01, which shall be permitted to be exercised pursuant to and subject to the limitations of the Interim TSN Warrant Agreement. On or before the Effective Date, the Interim TSN Warrant Agreement shall be executed. The Interim TSN Warrants will be available for Distribution to the holders of Allowed Claims entitled to Distributions from the Interim TSN Trust under the Plan.

After section E of Article V, the following shall be inserted as Section F:

F. *The Interim TSN Trust*

1. Generally

On the Effective Date, and subject to Bankruptcy Court and FCC approval, the Interim TSN Trust will be established and become effective for the benefit of the holders of Allowed Claims entitled to Distributions from the Interim TSN Trust under the Plan. On the Effective Date, the holders of Allowed Unsecured Claims will, at their option, receive the Interim TSN Warrants or the Cash equivalent to such holder's share of the Interim TSN Warrants. The powers, authority, responsibilities, and duties of the Interim TSN Trust and the Interim TSN Trust Board are set forth in and shall be governed by the Interim TSN Trust Agreement. The Interim TSN Trust Agreement shall contain provisions customary to trust agreements utilized in comparable circumstances, including, without limitation, any and all provisions necessary to ensure the continued treatment of the Interim TSN Trust as a grantor trust and the Interim TSN Trust Beneficiaries as the grantors and owners thereof for federal income tax purposes. The Interim TSN Trust and the Interim TSN Trust Board, including any successors, shall be bound by the Plan and shall not challenge any provision of the Plan.

2. Purpose and Establishment of the Interim TSN Trust

On the Effective Date, the Interim TSN Trust shall be established for the purposes set forth in the Interim TSN Trust Agreement. Specifically, all currently issued and outstanding stock of TSN will be cancelled pursuant to this Plan, and the New Common Stock will be issued in the name of the Interim TSN Trust. After the Closing Date, all Retained Assets of Reorganized TSN will be contributed to the Liquidating Trust. As soon as practicable after the Closing Date, the Interim TSN Trust will be dissolved and Reorganized TSN will be wound up and dissolved. The New Common Stock will not, at any time, be distributed to the holders of the Interim TSN Warrants or Interim TSN Trust Interests.

For all federal income tax purposes, the Interim TSN Trust Beneficiaries will be treated as grantors and deemed owners of the Interim TSN Trust and it is intended that the Interim TSN Trust be classified as a liquidating

trust under Treasury Regulations section 301.7701-4(d) and qualify as a “grantor trust” pursuant to Treasury Regulation section 1.671-4(a), with no objective to continue or engage in the conduct of a trade or business. The value of the interests in the Interim TSN Trust for U.S. federal income tax purposes will be zero. Accordingly, for all federal income tax purposes, it is intended that the Interim TSN Trust Beneficiaries be treated as if they had received a distribution of an undivided interest in the assets of the Interim TSN Trust (i.e., the New Common Stock) and then contributed such undivided interest to the Interim TSN Trust. The Interim TSN Trust Board shall, in an expeditious but orderly manner, make timely distributions of the Interim TSN Warrants to the holders of Allowed Claims entitled and electing to receive such Interim TSN Warrants under the Plan and the Interim TSN Trust Agreement. The Interim TSN Trust shall not be deemed a successor in interest of the Debtors for any purpose other than as specifically set forth herein or in the Interim TSN Trust Agreement.

The terms of the Interim TSN Trust Agreement shall insulate the Interim TSN Trust Beneficiaries from the day-to-day operation, management, and control of the Interim TSN Trust under the applicable FCC rules. Pursuant to the insulation provisions of the Interim TSN Trust Agreement, the Interim TSN Trust Board shall be authorized to vote the New Common Stock it holds in Reorganized TSN in any manner, subject to the ultimate jurisdiction, control and approval of the Bankruptcy Court. The Interim TSN Trust Beneficiaries shall not have the right to revoke the Trust at will nor to replace at will any member of the Interim TSN Trust Board. None of the members of the Interim TSN Trust Board shall have a familial, personal or extra-trust business relationship with any of the Interim TSN Trust Beneficiaries.

On or before the Effective Date, the Interim TSN Trust Agreement shall be executed and the Debtors shall take all other steps necessary to establish the Interim TSN Trust pursuant to the Interim TSN Trust Agreement and consistent with the Plan.

3. Transferability of Beneficial Interests and Interim TSN Warrants

Ownership of an Interim TSN Trust Interest or an Interim TSN Warrant shall be uncertificated and shall be in book entry form. The Interim TSN Trust Interests and Interim TSN Warrants will not be registered pursuant to the Securities Act, as amended, or any state securities law. If the Interim TSN Trust Interests and Interim TSN Warrants constitute “securities,” the parties hereto intend that the exemption provisions of section 1145 of the Bankruptcy Code will apply to the Interim TSN Trust Interests and the Interim TSN Warrants. The Interim TSN Trust Interests and the Interim TSN Warrants will be non-transferable.

4. Appointment of the Interim TSN Trust Board

On or prior to the Effective Date, the Debtors, in consultation with the Creditors’ Committee, shall appoint the Interim TSN Trust Board, a majority of whose members shall consist of members of the Board of Directors of TSN, in accordance with FCC requirements. The Interim TSN Trust Board may not act inconsistently with their duties under the Interim TSN Trust Agreement and/or the Plan.

5. Distributions; Withholding

The Interim TSN Trust Board shall make Distributions to the beneficiaries of the Interim TSN Trust when and as authorized pursuant to the Interim TSN Trust Agreement in compliance with the Plan. The Interim TSN Trust Board may withhold from amounts otherwise distributable to any Entity any and all amounts required by the Interim TSN Trust Agreement, any law, regulation, rule, ruling, directive, treaty, or other governmental requirement.

6. Termination of the Interim TSN Trust

The Interim TSN Trust shall terminate as soon as practicable after Closing, but in no event later than the second anniversary of the Effective Date; *provided that*, on or after the date that is less than thirty (30) days before such termination date, the Bankruptcy Court, upon motion by a party in interest, may extend the term of the Interim TSN Trust for a finite period if such an extension is necessary to complete any pending matters required under the Interim TSN Trust Agreement provided that the aggregate of all extensions shall not exceed two years unless the Interim TSN Trust Board receives an opinion of counsel or a favorable ruling from the Internal Revenue Service to the effect that any such extension would not adversely affect the status of the Interim TSN Trust as a liquidating trust within the meaning of Section 301.7701-4(d) of the Treasury Regulations for federal income tax purposes. There is not anticipated to be any liquidating distribution of assets, i.e., the New Common Stock, by the Interim

TSN Trust to holders of the Interim TSN Trust Interests therein, but in the event assets are distributed, there will be no tax consequences upon such liquidating distribution, and a holder of the Interim TSN Trust Interests would carryover its basis and holding period to the distributed assets. Notwithstanding the foregoing, multiple extensions may be obtained so long as the conditions in the preceding sentence are met no more than six months prior to the expiration of the then-current termination date of the Interim TSN Trust.

Summary Report:	
Litera Change-Pro ML WIX 6.5.0.303 Document Comparison done on 12/27/2011 1:25:21 PM	
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Original DMS: iw://EASTDMS/EAST/101844938/17	
Modified Filename:	
Modified DMS: iw://EASTDMS/EAST/101844938/19	
Changes:	
<u>Add</u>	6
Delete	12
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Total Changes:	18