

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
LIGADO NETWORKS LLC, <i>et al.</i> , ¹)	Case No. 25-10006 ()
)	
Debtors.)	(Joint Administration Requested)
)	

**DEBTORS’ MOTION FOR ENTRY OF INTERIM AND FINAL
ORDERS (I) AUTHORIZING THE DEBTORS TO (A) CONTINUE TO
OPERATE THEIR CASH MANAGEMENT SYSTEM AND MAINTAIN
EXISTING BANK ACCOUNTS, (B) UTILIZE THEIR CREDIT CARDS,
AND (C) ENGAGE IN INTERCOMPANY TRANSACTIONS, (II) GRANTING A
WAIVER OF THE REQUIREMENTS OF SECTION 345(B) OF THE BANKRUPTCY
CODE AND U.S. TRUSTEE GUIDELINES, AND (III) GRANTING RELATED RELIEF**

The above-captioned debtors and debtors in possession (the “Debtors”) respectfully state as follows in support of this motion (the “Motion”):

Background

1. On the date hereof (the “Petition Date”), the Debtors commenced these cases by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code (as amended, the “Bankruptcy Code”). The Debtors are authorized to continue operating their business and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. Concurrently with the filing of this Motion, the Debtors filed a motion requesting that their cases be consolidated for procedural purposes only and administered jointly pursuant to

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Ligado Networks LLC (3801); ATC Technologies, LLC (N/A); Ligado Networks (Canada) Inc. (N/A); Ligado Networks Build LLC (N/A); Ligado Networks Corp. (N/A); Ligado Networks Finance LLC (N/A); Ligado Networks Holdings (Canada) Inc. (N/A); Ligado Networks Inc. of Virginia (9725); Ligado Networks Subsidiary LLC (N/A); One Dot Six LLC (8763); and One Dot Six TVCC LLC (N/A). The Debtors’ headquarters is located at: 10802 Parkridge Boulevard, Reston, Virginia 20191.

rule 1015(b) of the Federal Rules of Bankruptcy Procedure (as amended, the “Bankruptcy Rules”). No request for the appointment of a trustee or examiner has been made in these cases, and no committees have yet been appointed or designated.

3. The Debtors are a mobile communications company that operates a satellite network across North America that has been providing mobile satellite services (“MSS”)² to government and commercial customers for over 25 years. Ligado is licensed as an MSS operator in the “L-Band,” which is located in the highly attractive one- to two-gigahertz (“GHz”) spectrum category, known as the lower mid-band, in the U.S. and Canadian parts of ITU Region 2. Ligado has fully coordinated its satellite system with all other North American Region 2 L-Band operators and maintains access to over 40 megahertz (“MHz”) of MSS spectrum³ in the United States and Canada.

4. The Debtors spent years working to develop and obtain approval from the United States Federal Communications Commission (“FCC”) to operate an ancillary terrestrial component (“ATC”)⁴ to their MSS licenses and have invested billions of dollars in connection therewith. In April 2020, the commissioners for the FCC issued a unanimous and bipartisan order

² “Mobile Satellite Service” or “MSS” is:

A radiocommunication service:

- between mobile earth stations and one or more space stations, or between space stations used by this service; or
- between mobile earth stations by means of one or more space stations.

Int’l Telecomm. Union [ITU], *Radio Regulations: Articles*, art. 1.25 (2016) (emphasis removed).

³ “Spectrum” refers to the radio spectrum, which is the part of the electromagnetic spectrum with frequencies from 30 hertz to 300 GHz, and whose radio waves are widely used in modern technology, particularly in telecommunication.

⁴ An “ancillary terrestrial component” or “ATC” system consists of terrestrial base stations and mobile terminals licensed to the operator of an MSS system, which allows an MSS licensee to integrate terrestrial capabilities into its MSS networks for purposes of filling in gaps in its MSS coverage area, particularly in urban areas and inside buildings.

granting the Debtors an exclusive nationwide ATC authorization for 30 MHz of their MSS licensed L-Band spectrum. The Debtors also have access to five MHz of spectrum at 1670-1675 MHz.⁵ In total, the Debtors have access to 35 MHz of terrestrial spectrum in the United States.

5. A detailed description of the Debtors' business, capital structure, and the events leading to these chapter 11 cases is set forth in the *Declaration of Douglas Smith, Chief Executive Officer of Ligado Networks LLC, in Support of Chapter 11 Petitions and First Day Pleadings* (the "First Day Declaration"), filed contemporaneously herewith and incorporated herein by reference.⁶

Jurisdiction and Venue

6. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated as of February 29, 2012.

7. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and the Debtors consent, pursuant to rule 9013-1(f) of the Local Bankruptcy Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Bankruptcy Rules"), to the entry of a final order by this Court in connection with this Motion to the extent that it is later determined that this Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

8. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

⁵ From July 2007 to the present, the Debtors, through their wholly owned subsidiary One Dot Six LLC, have leased five MHz of spectrum in the 1670-1675 MHz spectrum band through agreements with Crown Castle MM Holding LLC and OP LLC, the entity which holds the underlying United States nationwide spectrum license.

⁶ Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the First Day Declaration.

9. The bases for the relief requested herein are sections 105, 345, and 363 of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004, and Local Rules 2015-2 and 9013-1(m).

Relief Requested

10. By this Motion, the Debtors seek entry of interim and final orders, substantially in the forms attached hereto as **Exhibit A** (the “Interim Order”) and **Exhibit B** (the “Final Order”): (i) authorizing the Debtors to continue to (a) operate their Cash Management System and maintain existing Bank Accounts, (b) utilize their Credit Cards, and (c) engage in Intercompany Transactions (as each of the foregoing terms is defined herein), (ii) granting a waiver of certain requirements of section 345(b) of the Bankruptcy Code and of the U.S. Trustee Guidelines (as defined herein), and (iii) granting certain related relief described herein. In addition, the Debtors request that the Court schedule a final hearing to consider approval of the requested relief on a final basis.

Cash Management System and Bank Accounts

I. Description of Existing Cash Management System

11. In the ordinary course of business, the Debtors utilize a centralized cash management system (the “Cash Management System”) to collect, manage, disburse, and invest funds used in their operations. The Debtors maintain current and accurate accounting records of all their daily cash transactions.

12. As of the Petition Date, the Debtors maintained the following bank accounts (the “Bank Accounts”)⁷ at various banks (the “Cash Management Banks”):

(a) Concentration Account: The Debtors maintain one (1) account at

⁷ A list of the Bank Accounts is set forth on Exhibit C annexed hereto. A chart depicting the Cash Management System is annexed hereto as Exhibit D. For the avoidance of doubt, the Debtors request that any relief granted with respect to this Motion apply to any additional bank account later opened by the Debtors and any additional banks in which such accounts may be held, and that such accounts be considered Bank Accounts, and such banks, Cash Management Banks, for purposes of this Motion.

JP Morgan Chase Bank (“JP Morgan”) in the name of Ligado Networks LLC that serves as a primary collection point for all funds moved into and through the Cash Management System (the “Concentration Account”). The Concentration Account is funded manually, on an as needed basis, from the Investment Account (as defined herein). All wire and automated clearing house (“ACH”) payments, including those relating to operating expenses, insurance, and taxes, are made, either directly or indirectly, from this account.

- (b) Disbursement/Operating Accounts: In addition to the Concentration Account, the Debtors maintain: (i) one corporate disbursement and operating account at JP Morgan in the name of One Dot Six LLC (the “One Dot Disbursement/Operating Account”); (ii) one corporate disbursement and operating account at JP Morgan in the name of Ligado Networks Corp. (the “Ligado Networks US Dollar Disbursement/Operating Account”); and (iii) one corporate disbursement and operating account at Scotiabank in the name of Ligado Networks Corp. (the “Ligado Networks Canadian Dollar Disbursement/Operating Account” and, together with the Ligado Networks US Dollar Disbursement/Operating Account, the “Ligado Networks Disbursement/Operating Accounts” and, together with the Concentration Account and the One Dot Disbursement/Operating Account, the “Disbursement/Operating Accounts”). The Disbursement/Operating Accounts are used to pay the Debtors’ general corporate expenses, including accounts payable. The Ligado Networks Canadian Dollar Disbursement/Operating Account is used to pay general corporate expenses of the Canadian Debtors, including payroll, benefit obligations, operational expenses, and other business disbursements. The Disbursement/Operating Accounts are all funded manually, on an as needed basis. The Concentration Account funds any shortfalls in the One Dot Disbursement/Operating Account and the Ligado Networks Disbursement/Operating Accounts.
- (c) Truist Bank Accounts: The Debtors also maintain parallel accounts at Truist Bank (“Truist”) which were previously used as the primary cash management accounts that are no longer utilized as primary cash management accounts since the transition to JP Morgan has been completed. The accounts at Truist include one (1) account in the name of Ligado Networks LLC, one (1) account in the name of One Dot Six LLC, and one (1) account in the name of Ligado Networks Corp.
- (d) Investment Account: The Debtors maintain one investment account (the “Investment Account”) at a U.S. branch of the Royal Bank of

Canada (“RBC”). The Investment Account is funded by the excess funds transferred from the Concentration Account. Funds in the Investment Account are invested in accordance with the Debtors’ corporate investment guidelines and as described further below. In the past, the Debtors manually transferred funds from the Investment Account to the Concentration Account or third parties periodically on an as needed basis. All transfers between the Investment Account and the Concentration Account are initiated by the Debtors’ approved signatories, including the Treasurer and the Vice President of Accounting Operations, delivering transfer instructions to the investment managers responsible for the applicable accounts.

- (e) Restricted Account: The Debtors maintain one interest-bearing restricted certificate of deposit (the “Restricted Account”) in the name of Ligado Networks LLC at Truist. The Restricted Account is funded from the Concentration Account, as needed, and contains cash collateral associated with the Debtors’ Credit Card program (as defined herein). Interest earned on the funds in the Restricted Account is deposited into the Concentration Account.

13. The Debtors wish to continue using the Cash Management Banks and the Bank Accounts during these Chapter 11 Cases. As of the Petition Date, the Debtors hold approximately \$9.6 million of cash, which they intend to use to fund, either directly or through Intercompany Transactions (as defined below), their obligations arising in the ordinary course of business.

14. In the ordinary course, the Cash Management Banks charge, and the Debtors pay, honor, or allow the automatic deduction from the appropriate account for, certain service and other fees, costs, charges, and expenses (collectively, the “Bank Fees”). The Debtors pay the Cash Management Banks an aggregate of approximately \$4,600 per month on account of the Bank Fees, which are generally due and paid monthly or quarterly. The amount of Bank Fees that is due each month fluctuates based on the amount of Bank Account funding and activity. As a result, it is difficult for the Debtors to calculate the precise amount of prepetition Bank Fees due as of the Petition Date. However, as of the Petition Date, the Debtors estimate that they owe the Cash Management Banks approximately \$4,200 on account of unpaid Bank Fees. The Debtors seek

authority to pay any Bank Fees that accrued prepetition and to continue paying Bank Fees in the ordinary course, consistent with historical practices.

II. Credit Cards

15. In the ordinary course of business, the Debtors maintain company-paid credit cards issued by Truist for use by their employees (the “Credit Cards”) in connection with (i) business travel expenses (e.g., airfare, lodging, meals, ground transportation, and other essential expenditures); (ii) payment of certain of the Debtors’ vendors; and (iii) payment of amounts due to certain corporate taxing authorities.

16. The Debtors believe that they do not owe any amounts on account of their Credit Cards as of the Petition Date. However, out of an abundance of caution, the Debtors request authority to continue to pay any prepetition amounts due and owing under their Credit Cards, including service charges, fees, and other costs and charges owed to Truist, and to continue to make such payments on a postpetition basis in the ordinary course of business.

III. Debtors’ Intercompany Transactions

17. In the ordinary course of business, funds may be received or paid by one Debtor on behalf of another Debtor and, depending on the transaction, have been historically recorded as capital contributions or equity investments (collectively the “Cash Transactions”). The Debtors also utilize a cost allocation system, through which expenses initially paid by a Debtor for the benefit of another Debtor are allocated to the appropriate entity in proportion to the benefits received (together with the Cash Transactions, the “Intercompany Transactions”). As a result of the Intercompany Transactions, intercompany receivables and payables are created in the ordinary course of business (the “Intercompany Claims”). Although the Debtors have in the past created notes to evidence some of the Intercompany Transactions (the “Intercompany Notes”), the

Intercompany Transactions are sometimes settled by book entry, rather than by an actual transfer of cash evidenced by an Intercompany Note. The Debtors maintain records of all Intercompany Transactions and Intercompany Claims and can ascertain, trace, and account for all such transactions and claims at any time. Continuing Intercompany Transactions will benefit the Debtors' estates. If the Intercompany Transactions were to be discontinued, the Cash Management System and related administrative controls would be disrupted to the detriment of the Debtors' estates and creditors. The Debtors will continue monitoring and recording all Intercompany Transactions and Intercompany Claims during these chapter 11 cases.

IV. Compliance with the Bankruptcy Code and U.S. Trustee Guidelines

A. *U.S. Trustee Guidelines as to Authorized Depositories*

18. The *U.S. Trustee's Operating Guidelines for Chapter 11 Cases* (the "U.S. Trustee Guidelines") generally require chapter 11 debtors to, among other things, deposit all estate funds into an account at a depository institution on a pre-approved list (any such institution, an "Authorized Depository") issued by the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee"). Of the four Cash Management Banks, two, Truist and JP Morgan, are designated as an Authorized Depository. The remaining two Cash Management Banks, Scotiabank, and RBC, however, are not Authorized Depositories (the "Non-Authorized Banks"). As discussed below, the Debtors respectfully submit that cause exists to allow them to continue using the existing Cash Management Banks. The Debtors will work in good faith with the U.S. Trustee to resolve any concerns regarding their continued use of their Bank Accounts in the Non-Authorized Banks.

B. *Section 345 of the Bankruptcy Code*

19. Section 345 of the Bankruptcy Code imposes certain requirements on the Debtors with respect to investment practices and bank deposits, unless the Court “for cause” orders otherwise. 11 U.S.C. § 345(a)–(b). Specifically, section 345(a) requires debtors to maximize returns when making investment decisions (while accounting for the safety of investments). *Id.* § 345(a). In addition, if a debtor’s funds are deposited into any account that is not insured or guaranteed by the United States or by a department, agency, or instrumentality of the United States or backed by the full faith and credit of the United States, section 345(b) requires, unless the court orders otherwise, the financial institution at which a debtor’s account is maintained to post a surety bond or pledge securities to secure the estate’s interest in the deposited funds or to deposit securities of the kind specified in 31 U.S.C. § 9303. *Id.* § 345(b).

20. Here, as mentioned above, in compliance with section 345 of the Bankruptcy Code, two of the Debtors’ accounts are maintained at Authorized Depositories. However, the Debtors also maintain Bank Accounts in two Non-Authorized Banks: a domestic Investment Account at RBC and foreign Ligado Networks Canadian Dollar Disbursement/Operating Account at Scotiabank.

21. The Debtors maintain the Investment Account at RBC, a large, well known and well capitalized bank. In the ordinary course of business, the Investment Account is subject to certain internal guidelines (the “Investment Policy”). The objective of the Investment Policy is to preserve principal and maintain sufficient liquidity to meet operational objectives, contractual obligations, and debt requirements, while seeking to maximize investment yield. Pursuant to the Investment Policy, the Debtors invest surplus cash, through the Investment Account, in (i) obligations issued, fully guaranteed or insured by U.S. government agencies, authorities, instrumentalities, or sponsored entities (“U.S. Government Securities”), (ii) money market mutual

funds with high ratings issued by Standard & Poor's Rating Group ("S&P") and Moody's Investor Service, Inc. ("Moody's"), and (iii) to a more limited degree, certificates of deposit, commercial paper, and repurchase agreements with high S&P and Moody's ratings. Over the last twelve months, the Debtors have held, on average, approximately \$10 million in the Investment Account. The Debtors believe that the Investment Policy satisfies the requirements of section 345(a) of the Bankruptcy Code and that sufficient cause exists to exempt the Investment Account from the requirements of section 345(b) of the Bankruptcy Code and the U.S. Trustee Guidelines.

22. The Debtors maintain the Ligado Networks Canadian Dollar Disbursement/Operating Account at Scotiabank, a large, well known and well capitalized bank. The Ligado Networks Canadian Dollar Disbursement/Operating Account is used in the ordinary course of business to pay the general corporate expenses of the Canadian Debtors and is the account from which all of the Canadian Debtors' payroll funding is conducted. As a result, the amount held in the Ligado Networks Canadian Dollar Disbursement/Operating Account varies throughout the month based on the timing of disbursements for payroll, employee benefit obligations, and other business disbursements. However, the Debtors control the funding of that Bank Account on an as needed basis and unused funds do not sit in the Bank Account for an extended period of time. The Debtors generally maintain less than approximately \$1 million in the Ligado Networks Canadian Dollar Disbursement/Operating Account at any given time, and not for a period longer than fourteen (14) days. Given that the Ligado Networks Canadian Dollar Disbursement/Operating Account is central to the Canadian Debtors' business operations, the Debtors submit that cause exists to waive the applicable requirements of the U.S. Trustee Guidelines and section 345 of the Bankruptcy Code with respect to the Ligado Networks Canadian Dollar Disbursement/Operating Account.

C. U.S. Trustee Guidelines as to Business Forms

23. In the ordinary course of business, the Debtors use numerous business forms, including, without limitation, checks, business cards, letterhead, purchase orders, and invoices (collectively, the “Business Forms”). The U.S. Trustee Guidelines require that, on and after the Petition Date, all Business Forms bear the notation “Debtor in Possession” and the bankruptcy case number.

24. To minimize expense to their estates and avoid confusion on the part of employees, customers, and suppliers, the Debtors respectfully request that the Court authorize them to continue using all Business Forms, including checks, as such forms existed immediately prior to the Petition Date without reference to the Debtors’ status as debtors in possession; *provided*, that once the Debtors’ existing checks have been used, the Debtors shall, when reordering checks, require the designation “Debtor in Possession” and the corresponding bankruptcy case number on all checks; *provided, further*, that, with respect to checks which the Debtors or their agents print themselves, the Debtors shall begin printing the “Debtor in Possession” legend and the bankruptcy case number on such items within ten (10) days of the date of entry of the Interim Order.

Basis for Relief

I. The Court Should Authorize the Debtors to Continue to Use the Cash Management System and Maintain Existing Bank Accounts in the Ordinary Course.

25. Pursuant to the U.S. Trustee Guidelines, debtors in possession are required to, among other things: (i) establish one debtor in possession bank account for all estate monies required for the payment of taxes, including payroll taxes; (ii) close all existing bank accounts and open new, debtor-in-possession accounts; (iii) maintain a separate debtor-in-possession account for cash collateral; and (iv) obtain checks that bear the designation “debtor in possession” and reference the bankruptcy case number and type of account on such checks. These requirements

are intended to provide a clear line of demarcation between prepetition and postpetition transactions and operations and to prevent inadvertent payment of prepetition claims by preventing banks from honoring checks drawn before the Petition Date.

26. The continuation of the Cash Management System is nevertheless permitted pursuant to section 363(c)(1) of the Bankruptcy Code, which authorizes a debtor in possession to “use property of the estate in the ordinary course of business without notice or a hearing.” 11 U.S.C. § 363(c)(1). Bankruptcy courts routinely treat requests for authority to continue utilizing existing bank accounts and cash management systems as a relatively “simple matter.” *In re Baldwin-United Corp.*, 79 B.R. 321, 327 (Bankr. S.D. Ohio 1987). Courts recognize that an integrated cash management system “allows efficient utilization of cash resources and recognizes the impracticalities of maintaining separate cash accounts for the many different purposes that require cash.” *In re Columbia Gas Sys., Inc.*, 136 B.R. 930, 934 (Bankr. D. Del. 1992), *aff’d in relevant part Off. Comm. of Unsecured Creditors of Columbia Gas Transmission Corp. v. Columbia Gas Sys. Inc. (In re Columbia Gas Sys. Inc.)*, 997 F.2d 1039, 1061 (3d Cir. 1993). The U.S. Court of Appeals for the Third Circuit has agreed, emphasizing that requiring a debtor to maintain separate accounts “would be a huge administrative burden and economically inefficient.” *Columbia Gas Sys.*, 997 F.2d at 1061; *see also Southmark Corp. v. Grosz (In re Southmark Corp.)*, 49 F.3d 1111, 1114 (5th Cir. 1995) (noting that maintaining an existing cash management system allows debtors “to administer more efficiently and effectively its financial operations and assets”).

27. Requiring the Debtors to close the Bank Accounts and to adopt a new cash management system during the pendency of these cases would be expensive, time-consuming, burdensome, and unnecessarily disruptive to the Debtors’ operations, thus needlessly reducing the value of the Debtors’ estates to the detriment of their creditors. Importantly, the Cash Management

System provides the Debtors with the ability to track the location and amount of funds, which, in turn, allows the Debtors' management to control such funds, ensure cash availability, and reduce administrative costs. Maintaining the Cash Management System will also facilitate the Debtors' transition into chapter 11 by, among other things, minimizing delays in paying postpetition obligations and eliminating administrative inefficiencies. Finally, maintaining the Cash Management System will allow the Debtors' treasury and accounting employees to focus on their daily responsibilities and thereby maximize the value of the Debtors' estates.

28. Moreover, the Debtors respectfully submit that parties in interest will not be harmed by the Debtors' continued use of the Cash Management System, including maintenance of the Bank Accounts, because the Debtors have implemented appropriate mechanisms to ensure that unauthorized payments will not be made on account of obligations incurred before the Petition Date, other than those authorized by the Court. Specifically, the Debtors have implemented internal control procedures that prohibit payments on account of prepetition debts. In light of such protective measures, the Debtors submit that maintaining the Cash Management System is in the best interests of their estates and creditors.

29. Indeed, courts in this district have regularly waived the U.S. Trustee Guidelines in large chapter 11 cases on the grounds that they may be potentially disruptive to a debtor's postpetition business operations and restructuring efforts. *See, e.g., In re Dynata, LLC*, No. 24-11057 (TMH) (Bankr. D. Del. June 17, 2024) (authorizing debtors' continued use of existing cash management system and bank accounts); *In re New RSC Holdco, Inc.*, No. 24-10939 (BLS) (Bankr. D. Del. May 28, 2024) (same); *In re Number Holdings, Inc.*, No. 24-10719 (JKS) (Bankr. D. Del. May 7, 2024) (same); *In re Seaplane Debtor 1, Inc. (f/k/a ICON Aircraft, Inc.)*, No. 24-10703 (CTG) (Bankr. D. Del. May 6, 2024) (same); *In re JOANN Inc.*, No. 24-10418 (CTG)

(Bankr. D. Del. Apr. 12, 2024) (same); *In re NanoString Techs., Inc.*, No. 24-10160 (CTG) (Bankr. D. Del. Mar. 1, 2024) (same). The Debtors respectfully submit that similar authorization is appropriate here.

II. The Cash Management Banks Should Be Authorized to Maintain, Service, and Administer the Bank Accounts in the Ordinary Course of Business.

30. The Debtors respectfully request that the Court authorize the Cash Management Banks to continue to maintain, service, and administer the Bank Accounts without interruption and in the ordinary course of business. Specifically, the Cash Management Banks should be authorized to receive, process, honor, and pay any and all checks, ACH transfers and other instructions, and drafts payable through, drawn, or directed on the Bank Accounts after the Petition Date. Notwithstanding the foregoing, any check, draft, or other notification that the Debtors advise the Cash Management Banks to have been drawn, issued, or otherwise presented before the Petition Date may be honored by the banks postpetition only to the extent authorized by order of the Court.

31. The Debtors further request that the Court authorize the Cash Management Banks to accept and honor all representations from the Debtors as to which checks, drafts, wires, or ACH transfers should be honored or dishonored consistent with the Court's orders and governing law, whether such checks, drafts, wires, or ACH transfers are dated before or after the Petition Date. The Debtors also request that, to the extent a Cash Management Bank honors a prepetition check or other item drawn on any Bank Account (i) at the direction of the Debtors, (ii) in good-faith belief that the Court has authorized such prepetition check or item to be honored, or (iii) as a result of a mistake made despite implementation of customary item handling procedures, such bank will not be deemed to be liable to the Debtors, their estates, or any other party on account of such prepetition check or other item so honored. The Debtors respectfully submit that such relief is

reasonable and appropriate because the Cash Management Banks are not in a position to independently verify whether a particular item may be paid.

32. The Debtors also respectfully request that the Court authorize the Debtors to continue to pay Bank Fees, including any Bank Fees that accrued prepetition. The Debtors note that, to the extent there is cash in the applicable Bank Account(s) on the Petition Date, the Cash Management Banks will likely have setoff rights with respect to their Bank Fees. Thus, payment of prepetition Bank Fees will not alter any rights of unsecured creditors. In light of the material benefit of maintaining the Cash Management System in order to avoid unnecessary disruption and costly delays, especially as compared to the relatively modest amount of the Bank Fees, the Debtors respectfully submit that such relief is warranted.

III. The Debtors Should Be Authorized to Maintain Their Credit Cards and to Pay Obligations Related Thereto

33. Under section 363(c)(1) of the Bankruptcy Code, a debtor in possession may use property of the estate in the ordinary course of business without a hearing. Purchases made using the Debtors' Credit Cards fall within the ordinary course of business under section 363(c) of the Bankruptcy Code. The use of credit cards and similar payments is widespread as a means of facilitating day-to-day business activities. As a result, the Debtors believe that they do not require the Court's approval to continue using their Credit Cards on a postpetition basis.

34. Nonetheless, out of an abundance of caution, the Debtors request authority to continue using their Credit Cards in the ordinary course of business, and pay all obligations related thereto, including amounts related to the prepetition period. In the event that the Court finds that such transactions do not fall within the ordinary course of business, the Debtors request authority to continue using their Credit Cards and pay all obligations related thereto pursuant to sections 105(a) and 363(b)(1) of the Bankruptcy Code.

35. Continued use of the Credit Cards is integral to the success and stability of the Debtors' business. The Debtors rely on the ability of their employees to pay for expenses incurred in the ordinary course and to make other work-related purchases necessary to fulfill their day-to-day professional obligations. Permitting the Debtors to continue using their Credit Cards and incurring related expenses will ensure that the Debtors' employees are able to fulfill their daily professional obligations and prevent significant disruption to the Debtors' business operations.

36. If the Debtors do not pay outstanding amounts owing under their Credit Cards, there is a significant risk that Truist, the issuer of the Credit Cards, could (i) restrict the Debtors' access to their Credit Cards and/or (ii) set off amounts owing against the cash posted by the Debtors as collateral in the Restricted Account. Satisfying any prepetition amounts outstanding under their Credit Cards will help minimize the risk of any adverse action by the issuer of the Credit Cards. Accordingly, the Debtors should be authorized to pay any outstanding amounts owing on account of their Credit Cards, without regard to whether such amounts accrued or arose before the Petition Date.

37. Based on the forgoing, the Debtors respectfully submit that payment of their obligations relating to the Cash Management System and their Credit Cards as they become due and payable in the ordinary course, including those arising or relating to the period before the Petition Date, is amply justified by their sound business judgement, and as such, this Court should authorize the Debtors to pay such obligations under 363(b) of the Bankruptcy Code.

IV. The Debtors Should Be Authorized to Continue to Engage in Intercompany Transactions in the Ordinary Course, and Postpetition Intercompany Claims Should Be Granted Administrative Priority Status.

38. The Debtors respectfully submit that postpetition Intercompany Transactions arising in the ordinary course are authorized as a matter of law pursuant to section 363(c)(1) of the

Bankruptcy Code and no additional relief is required. However, out of an abundance of caution, the Debtors respectfully request authority to continue to enter into the Intercompany Transactions in the ordinary course of business, and consistent with historical practice, after the Petition Date.

39. The Intercompany Transactions are an essential component of the Debtors' operations. If the Intercompany Transactions were to be discontinued, implementation of new administrative controls would be highly disruptive to the Debtors' business and detrimental to their estates and creditors. Accordingly, the Debtors respectfully submit that continuation of the Intercompany Transactions is in the best interest of the Debtors' estates and their creditors, and therefore, the Debtors should be permitted to continue engaging in such transactions.

40. The Debtors track all fund transfers in their accounting system and can ascertain, trace, and account for all Intercompany Claims at any time. Nevertheless, to minimize any potential detriment to the creditors of any particular Debtor, the Debtors respectfully request that all postpetition Intercompany Claims be accorded administrative expense status under section 503 of the Bankruptcy Code. This will ensure that each Debtor receiving funds through an Intercompany Transfer will continue to bear the ultimate repayment responsibility.

41. Courts have routinely granted this type of relief in comparable multi-debtor chapter 11 cases in this district. *See, e.g., In re Vyaire Medical, Inc.*, No. 24-11217 (BLS) (Bankr. D. Del. July 9, 2024) (allowing the continuation of intercompany transactions in the ordinary course of business); *In re CalAmp Corp.*, No. 24-11136 (LSS) (Bankr. D. Del. June 26, 2024) (same); *In re Dynata, LLC*, No. 24-11057 (TMH) (Bankr. D. Del. June 17, 2024) (same); *In re JOANN Inc.*, No. 24-10418 (CTG) (Bankr. D. Del. Apr. 12, 2024) (same); *In re NanoString Techs., Inc.*, No. 24-10160 (CTG) (Bankr. D. Del. Mar. 1, 2024) (same); *In re Near Intelligence, Inc.*, No. 23-11962 (TMH) (Bankr. D. Del. Jan. 16, 2024) (same).

V. Cause Exists for Waiving the Investment and Deposit Requirements of Section 345(b) of the Bankruptcy Code and the U.S. Trustee Guidelines.

42. The Debtors request that this Court waive strict application of the requirements of section 345(b) of the Bankruptcy Code and of the U.S. Trustee Guidelines to the extent the Cash Management System does not comply with such requirements. Section 345(a) of the Bankruptcy Code authorizes a debtor-in-possession to make deposits of estate money in a manner “as will yield the maximum reasonable net return on such money, taking into account the safety of such deposit.” 11 U.S.C. § 345(a). If a deposit is not “insured or guaranteed by the United States or by a department, agency, or instrumentality of the United States or backed by the full faith and credit of the United States,” section 345(b) of the Bankruptcy Code provides that the debtor must require that the entity with which the deposit is made obtain a bond in favor of the United States that is secured by the undertaking of an adequate corporate surety. *See* 11 U.S.C. § 345(b).

43. A court has discretion to waive the requirements of section 345(b) of the Bankruptcy Code “for cause.” 11 U.S.C. § 345(b). In *In re Serv. Merch. Co.*, 240 B.R. 894, 896 (Bankr. M.D. Tenn. 1999), the court indicated that the existence of “cause” should be determined based upon the totality of the circumstances taking account of factors such as: (i) the sophistication of the debtor’s business; (ii) the size of the debtor’s business; (iii) the amount of investments involved; (iv) the ratings of the financial institutions at which the debtor’s funds are held; (v) the complexity of the case; (vi) the safeguards in place within the debtor’s own business to ensure the safety of funds; (vii) the debtor’s ability to reorganize in the face of a failure of one or more of the financial institutions; (viii) the benefit to the debtor; (ix) the harm, if any, to the estate; and (x) the reasonableness of the debtor’s request for relief from the section 345(b) requirements in light of the overall circumstances of the cases.

44. The Debtors submit that “cause” exists to waive the requirements of section 345(b) of the Bankruptcy Code as they apply to the Investment Account and the Ligado Networks Canadian Dollar Disbursement/Operating Account. Requiring the Debtors to transfer funds from these accounts to other banks that are on the “authorized depository” list would be unduly expensive and burdensome to the Debtors’ operations, which involve compliance with foreign law and non-U.S. currencies, and could potentially cause severe tax consequences to the detriment of the Debtors’ estates.

45. In addition, among other considerations, based upon their Moody’s and S&P long-term debt/deposits ratings and their general reputations in the banking market, the Investment Account and the Ligado Networks Canadian Dollar Disbursement/Operating Account are maintained at well-capitalized, highly-rated banks. Indeed, as set forth below, these banks are financially stable and internationally recognized financial institutions, comparable to those included on the Authorized Depository list.

<u>Bank</u>	<u>Ratings</u>	<u>Description</u>
Scotiabank	<i>Deposits/Commercial Paper Rating</i> Moody’s: P-1 S&P: A-1	Scotiabank offers personal and commercial banking, wealth management and private banking, corporate and investment banking, and capital markets services. Scotiabank has a global team of over 89,000 employees and assets of approximately \$1.4 trillion (as of July 31, 2024).
Royal Bank of Canada	<i>Counterparty/Deposits</i> Moody’s: Aa1 S&P: AA-	RBC is one of North America’s leading diversified financial services companies and provides personal and commercial banking, wealth management, insurance, investor services and capital markets products and services on a global basis. RBC is one of Canada’s largest banks, and among the largest in the world based on market capitalization. RBC has over 97,000 full- and part-time employees who serve 17 million

		clients in Canada, the United States, and 27 other countries.
--	--	---

46. The Investment Account only invests in (i) U.S. Government Securities and (ii) securities that carry high ratings from S&P's and Moody's. In other words, an investment in the Investment Account carries the same or similar credit risk as a direct investment in U.S. Government Securities. If the Debtors are limited to direct investments in U.S. Government Securities, they would need to work with their current investment managers to establish (i) a new account to trade the securities and (ii) new associated controls and procedures. The risk of a compliance breakdown in connection with these activities is at least as large as any incremental risk posed by investment in the Investment Accounts, and the costs associated with these activities would likely exceed the yield on the investments.

47. In addition, the Debtors' business operations would be significantly disrupted if the Debtors were not authorized to continue to use the Ligado Networks Canadian Dollar Disbursement/Operating Account, as such account is used to pay the general corporate expenses of the Canadian Debtors and is the account from which all of the Canadian Debtors' payroll funding is conducted. In light of the foregoing, the requirements imposed by section 345(b) of the Bankruptcy Code should be waived, as applicable, with respect to the Investment Account and the Ligado Networks Canadian Dollar Disbursement/Operating Account.

48. Indeed, this Court and other courts have granted requests to approve the use of deposit practices that do not comply strictly with section 345(b) of the Bankruptcy Code. *See, e.g., In re HDC Holdings, LLC*, No. 24-12307 (TMH) (Bankr. D. Del. Oct. 11, 2024) (suspending requirements of 345(b) for certain bank accounts); *In re WOM S.A.*, No. 24-10628 (KBO) (Bankr. D. Del. June 21, 2024) (granting a waiver on a final basis for accounts at banks not party to a uniform depository agreement with the U.S. Trustee); *In re Alpha Mgmt., LLC*, No. 21-11109

(JKS) (Bankr. D. Del. Sep. 1, 2021) (granting waiver with respect to certain foreign accounts); *Libbey Glass Inc.*, No. 20-11439 (LSS) (Bankr. D. Del. July 1, 2020) (granting waiver for non-US bank accounts); *Templar Energy LLC*, No. 20-11441 (BLS) (Bankr. D. Del. June 29, 2020) (granting waiver of section 345(b) deposit and investment guidelines); *In re Clover Techs. Grp., LLC*, No. 19-12680 (KBO) (Bankr. D. Del. Jan. 21, 2020) (granting waiver of section 345 with respect to prepetition bank accounts).

49. Local Rule 2015-2(b) provides that if a motion for a waiver under section 345 of the Bankruptcy Code is filed on the first day of the case, and there are more than 200 creditors, the Court may grant an interim waiver. Del. Bankr. L.R. 2015-2(b). The Debtors seek an interim waiver and, upon notice and a hearing, entry of an order granting a waiver of the requirements of section 345 of the Bankruptcy Code, to the extent necessary, on a final basis.

50. The Debtors request a thirty-five (35) day extension of the time to comply with section 345(b) of the Bankruptcy Code and Local Rule 4001-3 to the extent it is not already in compliance, without prejudice to the Debtors' ability to seek a further extension or final waiver of those requirements. During the extension period, the Debtors propose to engage with the U.S. Trustee in discussions to determine what modifications to the Cash Management System, if any, would be appropriate under the circumstances.

VI. The Court Should Waive Compliance with the U.S. Trustee Guidelines as to Business Forms and Checks.

51. As described above, in the ordinary course of business, the Debtors use numerous varieties of Business Forms. To minimize expenses to their chapter 11 estates, the Debtors request

authority to continue to use all Business Forms as such forms existed immediately before the Petition Date, without reference to the Debtors' status as debtors in possession.

52. By virtue of the nature and scope of the Debtors' business operations, it is important that the Debtors be permitted to continue to use their existing checks and other Business Forms without alteration or change, except as requested herein. Indeed, because parties doing business with the Debtors undoubtedly will be aware of the Debtors' status as debtors in possession as a result of the publicized nature of these chapter 11 cases and the communications and notice of the commencement of these chapter 11 cases that the Debtors intend to distribute to such parties, changing Business Forms is unnecessary and unduly burdensome.

53. In other large chapter 11 cases, courts in this district have allowed debtors to use their prepetition business forms, including their checks, without the "debtor in possession" label. *See, e.g., In re Vyair Med., Inc.*, No. 24-11217 (BLS) (Bankr. D. Del. July 9, 2024); *In re Dynata, LLC*, No. 24-11057 (TMH) (Bankr. D. Del. June 17, 2024); *In re New RSC Holdco, Inc.*, No. 24-10939 (BLS) (Bankr. D. Del. May 28, 2024); *In re Number Holdings, Inc.*, No. 24-10719 (JKS) (Bankr. D. Del. May 7, 2024); *In re Seaplane Debtor 1, Inc. (f/k/a ICON Aircraft, Inc.)*, No. 24-10703 (CTG) (Bankr. D. Del. May 6, 2024); *In re JOANN Inc.*, No. 24-10418 (CTG) (Bankr. D. Del. Apr. 12, 2024).

The Requirements of Bankruptcy Rule 6003 Are Satisfied

54. Bankruptcy Rule 6003 empowers a court to grant relief within the first twenty-one (21) days after the Petition Date "to the extent that relief is necessary to avoid immediate and irreparable harm." Fed. R. Bankr. P. 6003. For the reasons stated herein, the relief requested herein is integral to the Debtors' ability to operate their business in the ordinary course, preserve their going concern value and their assets during the immediate postpetition period, and ultimately,

maximize the value of their estates for the benefit of all stakeholders. Failure to obtain the requested relief during the first twenty-one (21) days of these cases would severely disrupt the Debtors' operations at this critical juncture. Accordingly, the Debtors submit that they have satisfied the "immediate and irreparable harm" standard of Bankruptcy Rule 6003 and that the relief requested should be granted immediately.

Waiver of Bankruptcy Rule 6004(a) and 6004(h)

55. To implement the foregoing successfully, the Debtors seek a waiver of the notice requirements under Bankruptcy Rule 6004(a) and the fourteen (14) day stay of an order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h). As set forth above, the relief requested herein is essential to prevent immediate and irreparable damage to the Debtors' operations, going concern value, and their efforts to pursue a resolution to these chapter 11 cases.

Reservation of Rights

56. Nothing contained herein or any actions taken by the Debtors pursuant to the relief granted in the Interim or Final Order, as applicable, is intended (and should not be construed) as: (i) an admission as to the amount of, basis for, priority, or validity of any particular claim under the Bankruptcy Code or applicable non-bankruptcy law; (ii) a waiver of the Debtors' or any other party's right to dispute any claim; (iii) a promise or requirement to pay any particular claim; (iv) an implication or admission that any particular claim is of a type described in this Motion or any order granting the relief requested herein; (v) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (vi) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on the property of, the Debtors' estates, and the Debtors expressly reserve their rights to contest the extent, validity, or perfection, or to seek avoidance of any and all liens, security

interests, and other encumbrances; or (vii) a waiver of any claims or causes of action which may exist against any entity under the Bankruptcy Code or any other applicable law.

Notice

57. The Debtors will provide notice of this Motion to: (i) the Office of the United States Trustee for the District of Delaware; (ii) the holders of the thirty (30) largest unsecured claims against the Debtors (on a consolidated basis); (iii) Foley & Lardner LLP, as counsel to U.S. Bank National Association, in its capacities as Prepetition First Lien Notes Trustee, Prepetition First Lien Notes Collateral Trustee, First Lien Collateral Trustee, First Lien Representative, Prepetition First Lien Loan Administrative Agent, Prepetition First Lien Loan Collateral Agent, Prepetition 1.5 Lien Collateral Agent, Initial Additional Pari Collateral Agent, Initial Additional Authorized Representative for the Notes Secured Parties, Senior Collateral Trustee, Junior Lien Representative, and Junior Collateral Trustee; (iv) Seward & Kissel LLP, as counsel to Wilmington Savings Fund Society, in its capacity as Prepetition Second Lien Trustee and Prepetition Second Lien Collateral Trustee; (v) Jones Day LLP, as counsel to Jefferies Finance LLC, in its capacity as Prepetition 1.5 Lien Administrative Agent, Senior Lien Representative, and Junior Lien Representative; (vi) Sidley Austin LLP, as counsel to the Ad Hoc First Lien Group; (vii) Kirkland & Ellis LLP, as counsel to an Ad Hoc Cross-Holder Group; (viii) the Federal Communication Commission; (ix) the United States Securities and Exchange Commission; (x) the Internal Revenue Service; (xi) the state attorneys general for all states in which the Debtors conduct business; (xii) the United States Attorney's Office for the District of Delaware; (xiii) the Cash Management Banks; and (xiv) any party that has requested notice pursuant to Bankruptcy Rule 2002 (collectively, the "Notice Parties"). Notice of this Motion and any order entered hereon will be served in accordance with Local Rule 9013-1(m). In light of the nature of the relief

requested herein, the Debtors respectfully submit that such notice is sufficient, and no other or further notice is required or necessary.

No Prior Request

58. No prior request for the relief sought in this Motion has been made to this or any other court.

[Remainder of page intentionally left blank]

WHEREFORE, the Debtors respectfully request that this Court enter the Interim Order and the Final Order, substantially in the forms attached hereto, and grant such other relief as this Court deems appropriate under the circumstances.

Dated January 6, 2025
Wilmington, Delaware

/s/ Michael J. Merchant

Mark D. Collins, Esq. (Bar No. 2981)
Michael J. Merchant, Esq. (Bar No. 3854)
Amanda R. Steele, Esq. (Bar No. 5530)
Emily R. Mathews, Esq. (Bar No. 6866)
RICHARDS, LAYTON & FINGER, P.A.
One Rodney Square
920 North King Street
Wilmington, DE 19801
Telephone: (302) 651-7700
Facsimile: (302) 651-7701
Email: collins@rlf.com
merchant@rlf.com
steele@rlf.com
mathews@rlf.com

-and-

Dennis F. Dunne, Esq. (*pro hac vice* pending)
Matthew L. Brod, Esq. (*pro hac vice* pending)
Lauren C. Doyle, Esq. (*pro hac vice* pending)
MILBANK LLP
55 Hudson Yards
New York, New York 10001
Telephone: (212) 530-5000
Facsimile: (212) 530-5219
Email: ddunne@milbank.com
mbrod@milbank.com
ldoyle@milbank.com

Andrew M. Leblanc, Esq. (*pro hac vice* pending)
MILBANK LLP
1850 K Street, NW
Suite 1100
Washington DC 20006
Telephone: (202) 835-7500
Facsimile: (202) 263-7586
Email: aleblanc@milbank.com

Proposed Co-Counsel for Debtors in Possession

Exhibit A

Proposed Interim Order

in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the notice of the Motion and of the opportunity to be heard at the hearing thereon were appropriate under the circumstances and that no other notice need be provided, except as set forth herein; and this Court having reviewed the Motion and the First Day Declaration and having heard the statements and argument in support of the relief requested at a hearing before this Court (the “Hearing”); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is **HEREBY ORDERED THAT**:

1. The Motion is granted on an interim basis as set forth herein.
2. The final hearing on the Motion shall be held on _____, 2025, at __: __.m., prevailing Eastern Time (the “Final Hearing”). Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m., prevailing Eastern Time on _____, 2025 (the “Objection Deadline”), and served on the following parties: (i) the Debtors, 10802 Parkridge Boulevard, Reston, VA 20191; (ii) proposed counsel to the Debtors, (a) Milbank LLP, (x) 55 Hudson Yards, New York, NY 10001, Attn: Dennis F. Dunne, Esq. (ddunne@milbank.com), Matthew L. Brod, Esq. (mbrod@milbank.com), and Lauren C. Doyle, Esq. (ldoyle@milbank.com), and (y) 1850 K Street, NW, Suite 1100, Washington, DC 20006, Attn: Andrew M. Leblanc, Esq. (aleblanc@milbank.com), and (b) Richards, Layton & Finger, PA, 920 North King St, Wilmington, DE 19801, Attn: Mark Collins (collins@rlf.com), Michael J. Merchant (merchant@rlf.com), and Amanda R. Steele (steele@rlf.com); and (iii) the Notice Parties. If no objections or responses are timely filed and served as set forth herein, the Debtors shall, on or after the Objection Deadline, submit to the Court an order, substantially in the form of

the Final Order attached to the Motion, which Final Order may be entered with no further notice or need for the Final Hearing.

3. Subject to the terms set forth herein, the Debtors are authorized, but not directed, to: (i) continue operating the Cash Management System and honor their prepetition obligations related thereto; (ii) continue to use the Bank Accounts in existence as of the Petition Date without the need to comply with certain guidelines relating to bank accounts set forth in the U.S. Trustee Guidelines; (iii) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; (iv) continue to use their Credit Cards; (v) use, in their present form, all checks and other Business Forms (including letterhead) without reference to the Debtors' status as debtors in possession; and (vi) pay the Bank Fees, including any fees that accrued before the Petition Date, and to otherwise perform their obligations under the documents governing the Bank Accounts; provided that in the case of each of (i) through (vi), such action is taken in the ordinary course of business and consistent with prepetition practices.

4. The Cash Management Banks are authorized, but not directed, to continue to maintain, service, and administer the Bank Accounts without interruption and in the ordinary course, and to receive, process, honor, and pay, to the extent of available funds, any and all checks, drafts, wires, credit card payments, and ACH transfers issued and drawn on the Bank Accounts after the Petition Date.

5. Subject to the terms set forth herein, any bank, including any Cash Management Bank, may rely upon the representations of the Debtors with respect to whether any check, draft, wire, or other transfer drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to an order of this Court, and no bank that honors a prepetition check or other item drawn on any account that is the subject of this Interim Order (i) at the direction of the Debtors, (ii) in a

good-faith belief that this Court has authorized such prepetition check or item to be honored, or (iii) as a result of a mistake made despite implementation of customary handling procedures, shall be deemed to be nor shall be liable to the Debtors, their estates, or any other party on account of such prepetition check or other item being honored postpetition, or otherwise deemed to be in violation of this Interim Order.

6. The existing deposit agreements between the Debtors and the Cash Management Banks shall continue to govern the postpetition relationships between the applicable Debtors and Cash Management Banks, and all of the provisions of such agreements, including, without limitation, the termination and fee provisions, and any provisions relating to offset or charge back rights with respect to return items, shall remain in full force and effect.

7. The Debtors are authorized, but not directed, to continue using, and, if used, to perform their obligations in connection with, their Credit Cards and to pay any amounts owing with respect thereto, including any amounts relating to the prepetition period.

8. The Debtors and the Cash Management Banks may, without further order of this Court, agree to and implement changes to the Cash Management System and procedures related thereto in the ordinary course of business, including, without limitation, the opening of any new bank accounts and the closing of any existing Bank Accounts, so long as any such new account is with a bank that is designated as an Authorized Depository by the U.S. Trustee for the District of Delaware or is willing to execute a Uniform Depository Agreement with the U.S. Trustee for the District of Delaware as soon as reasonably practicable; *provided* that if the Debtors open or close any Bank Account, such opening or closing shall be timely reflected on the Debtors' next monthly operating report and, the Debtors shall provide notice within fifteen (15) days to the U.S. Trustee, any official committee appointed in these chapter 11 cases, counsel to the Ad Hoc Cross-Holder

Group, and counsel to the Ad Hoc First Lien Group. Subject to the terms hereof, the Debtors are authorized, in the ordinary course of business, to enter into any ancillary agreements, including new deposit account control agreements, related to the foregoing, as they may deem necessary and appropriate.

9. The relief granted in this Interim Order is extended to any new bank account opened by the Debtors in the ordinary course of business after the date hereof. Each such account shall be deemed a Bank Account, and the bank at which such account is opened shall be deemed a Cash Management Bank; *provided*, that the Debtors shall open any new Bank Account at a bank that has executed a Uniform Depository Agreement with the U.S. Trustee for the District of Delaware or at a bank that is willing to immediately execute such an agreement. In the event that such bank does not execute a Uniform Depository Agreement, the U.S. Trustee for the District of Delaware's rights are fully reserved.

10. For each bank that has executed a Uniform Depository Agreement with the U.S. Trustee for the District of Delaware (each, a "UDA Bank"), the Debtors must, as soon as possible, (i) contact each such UDA Bank, (ii) provide the UDA Bank with each of the Debtors' employer identification numbers, and (iii) identify each of the Debtors' Bank Accounts held at such UDA Bank as being held by a debtor in possession in a bankruptcy case and provide the case number.

11. All banks maintaining any of the Bank Accounts that are provided with notice of this Interim Order shall not honor or pay any bank payments drawn on the listed Bank Accounts or otherwise issued before the Petition Date for which the Debtors specifically issue stop payment orders in accordance with the documents governing such Bank Accounts. Each Cash Management Bank is otherwise authorized to debit the Debtors' accounts in the ordinary course of business without the need for further order of this Court for all checks and electronic payment requests

when presented for payment, and each Cash Management Bank is authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order without any duty of further inquiry and without liability for following the Debtors' instructions. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests with respect to prepetition amounts owed that are dishonored as a consequence of the filing of these cases.

12. The Cash Management Banks are authorized, in the ordinary course and without further order of this Court, to deduct all applicable Bank Fees, whether arising prepetition or postpetition, from the applicable Bank Accounts and to charge back to the appropriate accounts any returned items (including returned checks or returned items resulting from ACH transactions, wire transfers, or other electronic transfers of any kind), regardless of whether such returned items were deposited or transferred prepetition or postpetition.

13. Each of the Cash Management Banks is authorized to debit the Debtors' accounts, in the ordinary course of business and without the need for further order of this Court, for all checks or other items deposited in the Debtors' accounts prior to the Petition Date which have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith.

14. Any banks, including the Cash Management Banks, are further authorized to honor the Debtors' directions with respect to the opening and closing of any Bank Account and accept and hold, or invest, the Debtors' funds in accordance with the Debtors' instructions.

15. The Debtors are authorized to continue to use their checks, correspondence, and other Business Forms including, but not limited to, purchase orders, letterhead, envelopes, and promotional materials, substantially in the forms existing immediately prior to the Petition Date,

without reference to the Debtors' debtor-in-possession status; *provided*, that once the Debtors' existing checks have been used, the Debtors shall, when reordering checks, require the designation "Debtor in Possession" and the corresponding bankruptcy case number on all checks; *provided*, *further*, that, with respect to checks which the Debtors or their agents print themselves, the Debtors shall begin printing the "Debtor in Possession" legend and the bankruptcy case number on such items within ten (10) days of the date of entry of this Interim Order.

16. Continuation and maintenance of the Bank Accounts (including the Investment Account and the Ligado Networks Canadian Dollar Disbursement/Operating Account) is approved on an interim basis. The Debtors shall have thirty (30) days from the Petition Date within which to either come into compliance with section 345(b) of the Bankruptcy Code and Local Rule 4001-3, and such extension is without prejudice to the Debtors' right to request a further extension or waiver of the requirements of section 345(b) of the Bankruptcy Code pursuant to the Final Order or otherwise.

17. The Debtors are authorized to continue engaging in Intercompany Transactions and incurring Intercompany Claims in the ordinary course of business, consistent with historical practice; *provided* that, for the avoidance of doubt, the Debtors shall not be authorized to undertake any Intercompany Transactions or incur any Intercompany Claims that are not on the same terms as, or materially consistent with, the Debtors' operation of their business in the ordinary course before the Petition Date. The Debtors shall continue to maintain current records with respect to all Intercompany Transactions, such that any transfer may be readily ascertained, traced, and properly recorded on the Debtors' books and records. The Debtors shall make such records available on a confidential basis to counsel to the Ad Hoc Cross-Holder Group and counsel to the Ad Hoc First Lien Group upon reasonable request.

18. All postpetition claims arising from Intercompany Transactions authorized hereunder shall be entitled to administrative expense priority status under section 503(b) of the Bankruptcy Code.

19. Notwithstanding use of a consolidated Cash Management System, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which entity makes those disbursements.

20. Nothing contained in the Motion or this Interim Order shall be construed to (i) create or perfect, in favor of any person or entity, any interest in cash of a Debtor that did not exist as of the Petition Date or (ii) alter or impair the validity, priority, enforceability, or perfection of any security interest or lien, in favor of any person or entity, that existed as of the Petition Date.

21. Notwithstanding the relief granted in this Interim Order and any actions taken pursuant to such relief, nothing in this Interim Order shall be deemed: (i) an admission as to the amount of, basis for, or validity of any claim against the Debtors; (ii) a waiver of the Debtors' or any other party's right to dispute any claim; (iii) a promise or requirement to pay any particular claim; (iv) an admission that any particular claim is of a type described in the Motion; (v) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (vi) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; or (vii) a waiver of any claims or causes of action. If this Court grants the relief sought herein, any payment made pursuant to this Court's order is not intended and should not be construed as an admission as to the validity of any particular claim or a waiver of the Debtors' rights to subsequently dispute such claim.

22. The Motion satisfies the requirements of Bankruptcy Rule 6003(b).

23. Notice of the Motion as described therein shall be deemed good and sufficient notice thereof and the relief requested therein, and the requirements of Bankruptcy Rule 6004(a) and the Local Bankruptcy Rules are satisfied by such notice.

24. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.

25. The Debtors are authorized to take all actions that are necessary and appropriate to effectuate the relief granted in this Interim Order.

26. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Interim Order.

Exhibit B

Proposed Final Order

in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the notice of the Motion and of the opportunity to be heard at the hearing thereon were appropriate under the circumstances and that no other notice need be provided; and this Court having reviewed the Motion and the First Day Declaration and having heard the statements and argument in support of the relief requested at a hearing, if any, before this Court (the “Hearing”); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is **HEREBY ORDERED THAT:**

1. The Motion is granted on a final basis as set forth herein.
2. The Debtors are authorized, but not directed, to: (i) continue operating the Cash Management System and honor their prepetition obligations related thereto; (ii) continue to use the Bank Accounts in existence as of the Petition Date without the need to comply with certain guidelines relating to bank accounts set forth in the U.S. Trustee Guidelines; (iii) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; (iv) continue to use their Credit Cards; (v) use, in their present form, all checks and other Business Forms (including letterhead) without reference to the Debtors’ status as debtors in possession; and (vi) pay the Bank Fees, including any fees that accrued before the Petition Date, and to otherwise perform their obligations under the documents governing the Bank Accounts; provided that in the case of each of (i) through (vi), such action is taken in the ordinary course of business and consistent with prepetition practices.
3. The Cash Management Banks are authorized, but not directed, to continue to maintain, service, and administer the Bank Accounts without interruption and in the ordinary course, and to receive, process, honor, and pay, to the extent of available funds, any and all checks,

drafts, wires, credit card payments, and ACH transfers issued and drawn on the Bank Accounts after the Petition Date.

4. Subject to the terms set forth herein, any bank, including any Cash Management Bank, may rely upon the representations of the Debtors with respect to whether any check, draft, wire, or other transfer drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to an order of this Court, and no bank that honors a prepetition check or other item drawn on any account that is the subject of this Final Order (i) at the direction of the Debtors, (ii) in a good-faith belief that this Court has authorized such prepetition check or item to be honored, or (iii) as a result of a mistake made despite implementation of customary handling procedures, shall be deemed to be nor shall be liable to the Debtors, their estates, or any other party on account of such prepetition check or other item being honored postpetition, or otherwise deemed to be in violation of this Final Order.

5. The existing deposit agreements between the Debtors and the Cash Management Banks shall continue to govern the postpetition relationships between the applicable Debtors and Cash Management Banks, and all of the provisions of such agreements, including, without limitation, the termination and fee provisions, and any provisions relating to offset or charge back rights with respect to return items, shall remain in full force and effect.

6. The Debtors are authorized, but not directed, to continue using, and, if used, to perform their obligations in connection with, their Credit Cards and to pay any amounts owing with respect thereto, including any amounts relating to the prepetition period.

7. The Debtors and the Cash Management Banks may, without further order of this Court, agree to and implement changes to the Cash Management System and procedures related thereto in the ordinary course of business, including, without limitation, the opening of any new

bank accounts and the closing of any existing Bank Accounts, so long as any such new account is with a bank that is designated as an Authorized Depository by the U.S. Trustee or otherwise approved by the Court *provided*, that the Debtors shall open any new Bank Account at a bank that has executed a Uniform Depository Agreement with the U.S. Trustee for the District of Delaware or at a bank that is willing to immediately execute such an agreement; *provided further*, that if the Debtors open or close any Bank Account, such opening or closing shall be timely reflected on the Debtors' next monthly operating report, and the Debtors shall provide notice within fifteen (15) days to the U.S. Trustee, any official committee appointed in these chapter 11 cases, counsel to the Ad Hoc Cross-Holder Group, and counsel to the Ad Hoc First Lien Group. Subject to the terms hereof, the Debtors are authorized, in the ordinary course of business, to enter into any ancillary agreements, including new deposit account control agreements, related to the foregoing, as they may deem necessary and appropriate.

8. The relief granted in this Final Order is extended to any new bank account opened by the Debtors in the ordinary course of business after the date hereof, and each such account shall be deemed a Bank Account, and the bank at which such account is opened shall be deemed a Cash Management Bank.

9. All banks maintaining any of the Bank Accounts that are provided with notice of this Final Order shall not honor or pay any bank payments drawn on the listed Bank Accounts or otherwise issued before the Petition Date for which the Debtors specifically issue stop payment orders in accordance with the documents governing such Bank Accounts. Each Cash Management Bank is otherwise authorized to debit the Debtors' accounts in the ordinary course of business without the need for further order of this Court for all checks and electronic payment requests when presented for payment, and each Cash Management Bank is authorized to rely on the

Debtors' designation of any particular check or electronic payment request as approved by this Final Order without any duty of further inquiry and without liability for following the Debtors' instructions. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests with respect to prepetition amounts owed that are dishonored as a consequence of the filing of these cases.

10. The Cash Management Banks are authorized, in the ordinary course and without further order of this Court, to deduct all applicable Bank Fees, whether arising prepetition or postpetition from the applicable Bank Accounts, and to charge back to the appropriate accounts any returned items (including returned checks or returned items resulting from ACH transactions, wire transfers, or other electronic transfers of any kind), regardless of whether such returned items were deposited or transferred prepetition or postpetition.

11. Each of the Cash Management Banks is authorized to debit the Debtors' accounts, in the ordinary course of business and without the need for further order of this Court, for all checks or other items deposited in the Debtors' accounts prior to the Petition Date which have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith.

12. Any banks, including the Cash Management Banks, are further authorized to honor the Debtors' directions with respect to the opening and closing of any Bank Account and accept and hold, or invest, the Debtors' funds in accordance with the Debtors' instructions.

13. The Debtors are authorized to continue to use their checks, correspondence and other Business Forms including, but not limited to, purchase orders, letterhead, envelopes, promotional materials, substantially in the forms existing immediately prior to the Petition Date, without reference to the Debtors' debtor-in-possession status; *provided*, that once the Debtors'

existing checks have been used, the Debtors shall, when reordering checks, require the designation “Debtor in Possession” and the corresponding bankruptcy case number on all checks; *provided, further,* that, with respect to checks which the Debtors or their agents print themselves, the Debtors shall begin printing the “Debtor in Possession” legend and the bankruptcy case number on such items within ten (10) days of the date of entry of the Interim Order.

14. The investment and deposit requirements of section 345 of the Bankruptcy Code are waived on a final basis.

15. The Debtors are authorized to continue engaging in Intercompany Transactions and incurring Intercompany Claims in the ordinary course of business, consistent with historical practice; *provided that,* for the avoidance of doubt, the Debtors shall not be authorized to undertake any Intercompany Transactions or incur any Intercompany Claims that are not on the same terms as, or materially consistent with, the Debtors’ operation of their business in the ordinary course before the Petition Date. The Debtors shall continue to maintain current records with respect to all Intercompany Transactions, such that any transfer may be readily ascertained, traced, and properly recorded on the Debtors’ books and records. The Debtors shall make such records available on a confidential basis to counsel to the Ad Hoc Cross-Holder Group and counsel to the Ad Hoc First Lien Group upon reasonable request.

16. All postpetition claims arising from Intercompany Transactions authorized hereunder shall be entitled to administrative expense priority status under section 503(b) of the Bankruptcy Code.

17. Notwithstanding use of a consolidated Cash Management System, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which entity makes those disbursements.

18. Nothing contained in the Motion or this Final Order shall be construed to (i) create or perfect, in favor of any person or entity, any interest in cash of a Debtor that did not exist as of the Petition Date or (ii) alter or impair the validity, priority, enforceability or perfection of any security interest or lien, in favor of any person or entity, that existed as of the Petition Date.

19. Notwithstanding the relief granted in this Final Order and any actions taken pursuant to such relief, nothing in this Final Order shall be deemed: (i) an admission as to the amount of, basis for, or validity of any claim against the Debtors; (ii) a waiver of the Debtors' or any other party's right to dispute any claim; (iii) a promise or requirement to pay any particular claim; (iv) an admission that any particular claim is of a type described in the Motion; (v) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (vi) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; or (vii) a waiver of any claims or causes of action. If this Court grants the relief sought herein, any payment made pursuant to this Court's order is not intended and should not be construed as an admission as to the validity of any particular claim or a waiver of the Debtors' rights to subsequently dispute such claim.

20. Notice of the Motion as described therein shall be deemed good and sufficient notice thereof and the relief requested therein, and the requirements of Bankruptcy Rule 6004(a) and the Local Bankruptcy Rules are satisfied by such notice.

21. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order are immediately effective and enforceable upon its entry.

22. The Debtors are authorized to take all actions that are necessary and appropriate to effectuate the relief granted in this Final Order.

23. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.

Exhibit C**Bank Accounts**

Entity	Banks	Account Number	Type	Contact	Address
Ligado Networks LLC	JP Morgan Chase Bank	967057297	Concentration Account	Estefania Ramirez-Rodriguez	10 S Dearborn St Chicago, IL 60603
Ligado Networks LLC	Truist Bank	704193272	Concentration Account	Matthew Pallo	8330 Boone Blvd. Vienna, VA 22182
Ligado Networks LLC	RBC	311-23498	Investment Account	Marina Galli	3801 PGA Blvd., STE 801 Palm Beach Gardens, FL 33410
Ligado Networks Corp	ScotiaBank	47696 0699411	Disbursement/Operating Account	Tahmineh Ardalan	4715 Tahoe Blvd 3 rd Fl. Mississauga, ON L4W 0B4
Ligado Networks Corp	JP Morgan Chase Bank	967057735	Disbursement/Operating Account	Estefania Ramirez-Rodriguez	10 S Dearborn St Chicago, IL 60603
Ligado Networks Corp	Truist Bank	1000114219842	Disbursement/Operating Account	Matthew Pallo	8330 Boone Blvd. Vienna, VA 22182
One Dot Six	JP Morgan Chase Bank	967057628	Disbursement/Operating Account	Estefania Ramirez-Rodriguez	10 S Dearborn St Chicago, IL 60603
One Dot Six	Truist Bank	1000103363130	Disbursement/Operating Account	Matthew Pallo	8330 Boone Blvd. Vienna, VA 22182
Ligado Networks LLC	Truist Bank	17546790090	Restricted – Collateral CD	Matthew Pallo	8330 Boone Blvd. Vienna, VA 22182

Exhibit D

CHART OF LIGADO GROUP CASH MANAGEMENT SYSTEM

