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

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| In re: | : Chapter 11 |
| NII Holdings, Inc., <u>et al.</u> , ¹ | : Case No. 14-12611 (SCC) |
| Debtors. | : (Jointly Administered) |
| | : : |
| -----X | |

**NOTICE OF (I) SALE FREE AND CLEAR OF LIENS, CLAIMS,
INTERESTS AND ENCUMBRANCES AND RELATED INJUNCTION
AND SOLICITATION OF BIDS TO PURCHASE NII MEXICO AND TERMS
AND CONDITIONS OF BIDDING PROCEDURES AND (II) PROPOSED DISMISSAL
OF THE BANKRUPTCY CASE OF NEXTEL INTERNATIONAL (URUGUAY), LLC**

¹ The Debtors in the jointly administered bankruptcy cases are comprised of the following fourteen entities (the last four digits of their respective U.S. taxpayer identification numbers follow in parentheses): NII Holdings, Inc. (1412); Nextel International (Services), Ltd. (6566); NII Capital Corp. (6843); NII Aviation, Inc. (6551); NII Funding Corp. (6265); NII Global Holdings, Inc. (1283); NII International Telecom S.C.A. (7498); NII International Holdings S.à r.l. (N/A); NII International Services S.à r.l. (6081); Airfone Holdings, LLC (1746); Nextel International (Uruguay), LLC (5939); McCaw International (Brazil), LLC (1850); NII Mercosur, LLC (4079); and NIU Holdings LLC (5902). The location of the Debtors' corporate headquarters and the Debtors' service address is: 1875 Explorer Street, Suite 800, Reston, VA 20190.

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. NII Holdings, Inc. ("NII Holdings") and fourteen of its direct and indirect subsidiaries, as debtors and debtors in possession (collectively, the "Debtors"), filed a motion on January 27, 2015 [Docket No. 406] (the "Sale Motion") seeking the approval of a Purchase and Sale Agreement (including all exhibits, schedules and ancillary agreements related thereto, as such agreement, schedules, exhibits and ancillary agreements may be amended, modified or supplemented from time to time in accordance with the terms thereof, the "Purchase Agreement") with New Cingular Wireless Services, Inc. (together with all successors and assigns permitted under section 12.9 of the Purchase Agreement, the "Purchaser"), an affiliate of AT&T, dated as of January 26, 2015, which contemplates the sale of the entirety of the Debtors' interest in their non-debtor operations in Mexico ("NII Mexico") (collectively, the "Sale Transaction") to the Purchaser free and clear of liens, claims, interests and encumbrances pursuant to a proposed form of order attached to the Sale Motion as Exhibit D (the "Sale Order").

2. The Debtors' ability to close the Sale Transaction contemplated by the Purchase Agreement is subject to, among other things, higher or otherwise better offers and the approval of the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). Accordingly, the Debtors are soliciting offers for the purchase of NII Mexico, and the Bankruptcy Court has entered an order (the "Bidding Procedures Order") [Docket No. 472] approving auction and sale procedures (the "Bidding Procedures") for the sale of NII Mexico.² Capitalized terms not otherwise defined herein have the meanings given to them in the Bidding Procedures, the Bidding Procedures Order or the Sale Order.

² A copy of the Bidding Procedures Order is attached hereto as Exhibit A.

3. The Bankruptcy Court has scheduled an auction of NII Mexico (the "Auction") for **March 20, 2015 at 10:00 a.m. (Prevailing Eastern Time)** at the offices of Jones Day, located at 222 East 41st Street, New York, New York 10017. All interested parties are invited to submit a Qualified Bid to purchase NII Mexico.

4. A hearing to approve the Purchase Agreement and the sale of NII Mexico to the Purchaser or a Successful Bidder other than the Purchaser is scheduled to be conducted on **March 23, 2015 at 2:00 p.m. (Prevailing Eastern Time)**, before the Honorable Shelley C. Chapman, United States Bankruptcy Judge, in Courtroom 623, One Bowling Green, New York, New York 10004.

5. The Auction and/or Sale Hearing may be adjourned, from time to time, without further notice to creditors or parties in interest other than by announcement of the adjournment in open court or on the Bankruptcy Court's calendar.

6. **THE DEBTORS ARE PROPOSING A SALE OF NEXTEL INTERNATIONAL (URUGUAY), LLC FREE AND CLEAR OF ALL LIABILITIES AND INTERESTS, INCLUDING SUCCESSOR LIABILITY.** In the Sale Motion, the Debtors propose that NIU Holdings LLC ("Seller") will sell all of its membership interests (the "Company Parent Membership Interests") in Nextel International (Uruguay), LLC (the "Company Parent") free and clear of all interests (as such term is defined under section 363(f) of the Bankruptcy Code and described in the Purchase Agreement, the "363 Interests"), and that Purchaser shall not have any successor, transferee or vicarious liabilities of any kind or character in connection with, or in any way relating to, the Company Parent Membership Interests, the Company Parent or Comunicaciones Nextel de México, S.A. de C.V. (the "Company") or its subsidiaries prior to and including the closing date of the Sale

Transaction. The Purchase Agreement and the proposed Sale Order also contemplate (a) the assumption by Seller and novation by the Company Parent of all 363 Interests that have been or at any time could be asserted against the Company Parent or its assets, including the Company Shares (as defined in the Sale Motion), (b) the granting of certain injunctive relief consistent with the assumption by Seller and novation by the Company Parent of all 363 Interests that have been or at any time could be asserted against the Company Parent or its assets, including the Company Shares and (c) the dismissal of the bankruptcy case of the Company Parent pursuant to section 1112(b) of the Bankruptcy Code.

7. The Debtors propose that NII Mexico will be sold free and clear of all 363 Interests arising from, related to or incurred in connection with (a) the 10% senior unsecured notes issued by NII Capital Corp., due in 2016, (b) the 8.875% senior unsecured notes issued by NII Capital Corp., due in 2019, (c) the 7.625% senior unsecured notes issued by NII Capital Corp., due in 2021, (d) the 11.375% senior unsecured notes issued by NII International Telecom S.C.A., due in 2019, and (e) the 7.875% senior unsecured notes issued by NII International Telecom S.C.A., due in 2019.

8. The Debtors propose that all 363 Interests in the Company Parent or the Company Parent Membership Interests ("Specified 363 Interests") shall attach to the net proceeds of the Sale Transaction when received by the Seller, in the order of their priority, with the same validity, force and effect which they now have against the Company Parent and subject to any claims and defenses the Debtors, their estates or other parties may possess. Further, following the closing of the proposed Sale Transaction, all persons and entities (as defined in section 101(15) of the Bankruptcy Code) holding or asserting Specified 363 Interests will be forever barred, estopped and permanently enjoined from asserting such Specified 363 Interests

against the Company Parent, NII Mexico, the Purchaser, the Purchaser's affiliates and their respective assets (the "Injunction").

9. IF YOU HOLD ANY 363 INTERESTS AGAINST THE COMPANY PARENT OR THE COMPANY PARENT MEMBERSHIP INTERESTS (INCLUDING ANY LIENS, ENCUMBRANCES, CONTINGENT CLAIMS, CLAIMS IN THE BANKRUPTCY PROCEEDING OR OTHERWISE), YOUR 363 INTERESTS WILL BE ASSUMED BY SELLER FOLLOWING THE CLOSING OF THE PROPOSED SALE TRANSACTION AND THE COMPANY PARENT, NII MEXICO AND THE PURCHASER WILL HAVE NO LIABILITY THEREFOR. YOU WILL BE ENJOINED FROM ASSERTING THOSE 363 INTERESTS AGAINST, AMONG OTHERS, THE PURCHASER, THE COMPANY PARENT OR NII MEXICO.

10. Except as provided in paragraphs 12-14 below, to be considered, objections to the Sale Motion or any of the related relief sought therein must be in writing, filed with the Bankruptcy Court and served on (a) the Debtors, c/o NII Holdings, Inc., 1875 Explorer Street, Suite 800, Reston, Virginia 20190 (Attn: General Counsel); (b) counsel to the Debtors, Jones Day, 222 East 41st Street, New York, New York 10017 (Attn: Scott J. Greenberg, Esq. and Lisa Laukitis, Esq.); Jones Day, North Point, 901 Lakeside Avenue, Cleveland, Ohio 44114 (Attn: David G. Heiman, Esq. and Carl E. Black, Esq.); (c) counsel to the Creditors' Committee, Kramer Levin Naftalis & Frankel, 1177 Avenue of the Americas, New York, New York 10036 (Attn: Kenneth Eckstein, Esq., Adam Rogoff, Esq. and Stephen Zide, Esq.); and (e) Sullivan & Cromwell LLP, 125 Broad Street, New York, New York 10004 (Attn: Michael H. Torkin, Esq. and David R. Zylberberg, Esq.) (collectively, the "Notice Parties"), so as to be actually received

no later than 4:00 p.m. (Prevailing Eastern Time) on March 16, 2015 (the "Objection Deadline").

11. ANY PARTY OR ENTITY THAT FAILS TO TIMELY FILE AND SERVE AN OBJECTION TO THE SALE MOTION ON OR BEFORE THE OBJECTION DEADLINE SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE RELIEF REQUESTED IN THE SALE MOTION, INCLUDING THE INJUNCTION.

12. Under the terms of the Purchase Agreement, the Debtors shall file with the Court a schedule (a "Contract and Cure Schedule") of cure obligations for the Assumed Contracts. The Contract and Cure Schedule shall include a description of each Assumed Contract and the cure costs, if any, for each agreement pursuant to section 365 of the Bankruptcy Code. A copy of the Contract and Cure Schedule, together with this Notice and a copy of the Bidding Procedures Order, will be served by first-class mail on each of the non-debtor parties listed on the Contract and Cure Schedule.

13. Any objections to any proposed cure costs (any such objection, a "Cure Objection") must be in writing and filed with the Court and served on the Notice Parties, so as to be received **by the later of (a) 4:00 p.m. (Prevail Eastern Time) on March 16, 2015 and (b) 4:00 p.m. (Prevailing Eastern Time) on the date that is 14-days following the Debtors' delivery of notice to an affected counterparty.** If no timely Cure Objection is filed and served with respect to an Assumed Contract, the cure costs identified in the Contract and Cure Schedule with respect to such agreement will be the only amounts necessary under section 365(b) of the Bankruptcy Code to cure all monetary defaults under such agreement. Any party failing to timely file a Cure Objection shall be forever barred from objecting to the cure costs and from

asserting any additional cure or other amounts against the Debtors, their estates or the Successful Bidder.

14. Any objections to the provision of adequate assurance of future performance under any Assumed Contract (any such objection, an "Adequate Assurance Objection" and, together with Cure Objections, "Contract Objections"), must be filed with the Court and served on the Notice Parties so as to be received **by the later of (a) 4:00 p.m. (Prevailing Eastern Time) on March 16, 2015, (b) 4:00 p.m. (Prevailing Eastern Time) on the date that is 14-days following the Debtors' delivery of notice to the affected counterparty and (c) if the Successful Bidder is not the Purchaser, prior to the commencement of the Sale Hearing.** If no timely Adequate Assurance Objection is filed and served with respect to an Assumed Contract, the applicable Debtor or assignee will be deemed to have provided adequate assurance of future performance under the applicable Assumed Contract in accordance with section 365(f)(2)(B) of the Bankruptcy Code if such agreement ultimately is assumed by the Debtors or assumed and assigned to the Purchaser.

15. This notice summarizes the relief requested by the Sale Motion and the consequences thereof, and is qualified in its entirety by the Sale Motion and the Sale Order and the Bidding Procedures Order as entered by the Bankruptcy Court. You should refer to the Sale Motion for the full scope of the requested relief. You may obtain a copy of the Sale Motion and the Purchase Agreement free of charge by submitting a request in writing to the Debtors' claims and noticing agent, Prime Clerk LLC ("Prime Clerk") at:

Prime Clerk LLC
830 3rd Avenue, 9th Floor,
New York, NY 10022
Email: nii@primeclerk.com

or by accessing the Prime Clerk website at <https://cases.primeclerk.com/nii/>.

Dated: February 17, 2015
New York, New York

Respectfully submitted,

/s/ Scott J. Greenberg

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ATTORNEYS FOR DEBTORS AND
DEBTORS IN POSSESSION

EXHIBIT A

Bidding Procedures Order

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

-----X
In re: : Chapter 11
: :
NII Holdings, Inc., et al.,¹ : Case No. 14-12611 (SCC)
: :
Debtors. : (Jointly Administered)
: :
: Related Docket No. 406
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ORDER (A) AUTHORIZING AND APPROVING THE BIDDING PROCEDURES, BREAK-UP FEE AND EXPENSE REIMBURSEMENT, (B) AUTHORIZING AND APPROVING THE DEBTORS' ENTRY INTO THE STALKING HORSE PURCHASE AGREEMENT, (C) APPROVING THE NOTICE PROCEDURES, AND (D) SCHEDULING A SALE HEARING

Upon consideration of the motion [Docket No. 406] (as amended, the "Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors"), for (i) an order (a) authorizing and approving (x) the bidding procedures (as attached hereto as Exhibit 1, the "Bidding Procedures") and the Break-Up Fee and Expense Reimbursement granted pursuant to the Purchase and Sale Agreement by and among NIHD Telecom Holdings B.V. ("Seller Parent"), NIU Holdings LLC ("Seller"), Nextel International (Uruguay) LLC ("Company Parent"), Comunicaciones Nextel de México, S.A. de C.V., NII International Telecom S.C.A., NII International Holdings S.à.r.l., NII Global Holdings, Inc., NII Capital Corp. and NII Holdings, Inc. (collectively, "Seller Guarantor") and New Cingular Wireless Services, Inc.

¹ The Debtors in the jointly administered bankruptcy cases (the "Chapter 11 Cases") are comprised of the following fourteen entities (the last four digits of their respective U.S. taxpayer identification numbers follow in parentheses): NII Holdings, Inc. (1412); Nextel International (Services), Ltd. (6566); NII Capital Corp. (6843); NII Aviation, Inc. (6551); NII Funding Corp. (6265); NII Global Holdings, Inc. (1283); NII International Telecom S.C.A. (7498); NII International Holdings S.à r.l. (N/A); NII International Services S.à r.l. (6081); Airfone Holdings, LLC (1746); Nextel International (Uruguay), LLC (5939); McCaw International (Brazil), LLC (1850); NII Mercosur, LLC (4079); and NIU Holdings LLC (2902). The location of the Debtors' corporate headquarters and the Debtors' service address is: 1875 Explorer Street, Suite 800, Reston, VA 20190.

² Unless otherwise stated, all capitalized terms not defined herein shall have the same meanings ascribed to such terms in the Bidding Procedures or the Stalking Horse Purchase Agreement, as applicable.

(together with all successors and assigns permitted under section 12.9 of the Stalking Horse Purchase Agreement (as defined below), the “Stalking Horse Purchaser”) dated as of January 26, 2015 (as appended to the Motion as Exhibit G and, together with all Schedules and Exhibits thereto, as such agreement, schedules and exhibits may be amended, modified or supplemented from time to time in accordance with the terms thereof, the “Stalking Horse Purchase Agreement”) and (y) the Debtors' entry into the Stalking Horse Purchase Agreement, (b) granting superpriority administrative expense status with respect to payment of the Break-Up Fee and Expense Reimbursement under or in connection with the Stalking Horse Purchase Agreement, (c) approving the form and manner of notice of the Sale and the Sale Order (the “Notice Procedures”) and (d) setting the time, date and place for a hearing (the “Sale Hearing”) to consider, among other things, the sale by Seller to Purchaser of the Company Parent Membership Interests, free and clear of all 363 Interests (the “Sale”) (collectively, the “Bidding Procedures Relief”) and (ii) an order (a) authorizing all of the transactions contemplated by the Stalking Horse Purchase Agreement, (b) authorizing and approving the Sale, (c) authorizing and directing the assumption by the Debtors of the Contracts set forth in the Contract and Cure Schedule (as defined below), (d) approving the assumption by Seller and novation by Company Parent of certain interests in Company Parent and enjoining the enforcement of such interests against Company Parent, (e) authorizing and directing the dismissal of the Chapter 11 Case of Company Parent and (f) granting certain related relief; and it appearing that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that venue of these chapter 11 cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and the Court having considered the Declaration of J. Nicholas Melton, dated January

27, 2015 [Docket No. 407] and the Declaration of Daniel E. Freiman, dated January 27, 2015 [Docket No. 408]; and this Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors and other parties in interest; and it appearing that proper and adequate notice of the Motion has been given and that, except as otherwise ordered herein, no other or further notice is necessary; and after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby

FOUND AND DETERMINED THAT:³

A. The statutory and legal predicates for the relief requested in this Order are sections 105, 363 and 365 of chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), Rules 2002, 6004 and 6006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules 6004-1 and 6006-1 of the Local Rules for the United States Bankruptcy Court for the Southern District of New York (the “Local Rules”).

B. Good and sufficient notice of the relief granted by this Order has been given and no further notice is required. A reasonable opportunity to object or be heard regarding the relief granted by this Order has been afforded to those parties entitled to notice pursuant to Bankruptcy Rule 6004(a).

C. The Debtors’ proposed notice of the Sale and the other matters to be considered at the Sale Hearing, substantially in the form attached to the Motion as Exhibit B (the “Sale Notice”), and proposed publication notice, substantially in the form attached to the Motion as Exhibit C (the “Publication Notice”), are appropriate and reasonably calculated to provide all

³ The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

interested parties with timely and proper notice of the Bidding Procedures, Auction, Sale Motion, Sale Hearing, Sale, Injunction, Seller Liability Assumption and Company Parent Novation and Company Parent Dismissal.

D. No further or other notice beyond that described in the foregoing paragraphs is required in connection with the foregoing.

E. The Bidding Procedures attached hereto as Exhibit 1 are fair, reasonable, appropriate and are designed to maximize recovery to the Debtors' estates and creditors.

F. The Debtors have demonstrated compelling and sound business justifications for entering into the Stalking Horse Purchase Agreement and incurring the obligations arising thereunder or in connection therewith, including the provisions related to the payment of the Break-Up Fee and Expense Reimbursement under the circumstances, timing, and procedures set forth therein.

G. The Seller's and Seller Guarantor's incurrence of the obligations arising under or in connection with the Stalking Horse Purchase Agreement, including the provisions related to payment of the Break-Up Fee and Expense Reimbursement and the Seller Guarantor's guarantee thereof are (a) actual and necessary costs of preserving the Debtors' estates, within the meaning of section 503(b) of the Bankruptcy Code, (b) of substantial benefit to the Debtors' estates and creditors and all parties in interest herein, because, among other things, they induced the Stalking Horse Purchaser to submit a bid that will serve as a minimum or floor bid for the Sale on which the Debtors, their creditors and other bidders can rely, (c) reasonable and appropriate in light of the size and nature of the proposed Sale and the efforts that have been and will be expended by the Stalking Horse Purchaser, and (d) necessary to induce the Stalking Horse Purchaser to enter into the Stalking Horse Purchase Agreement and to continue to pursue the Sale.

H. The Company Parent Transfer is in the best interests of the Debtors' estates, creditors and all other parties in interest and represent a reasonable exercise of the Debtors' sound business judgment.

I. The Company Parent Membership Interests comprise 100% of the equity interests of Company Parent, and no other equity interests are outstanding or issuable by Company Parent. Neither Seller nor Company Parent is obligated, contractually or otherwise, to issue, directly or indirectly, any other equity interests or rights to acquire equity interests in Company Parent. Following the Company Parent Transfer, the Company Parent Membership Interests are the property of Seller's estate and legal and beneficial title thereto is vested in the Debtors' estates within the meaning of section 541(a) of the Bankruptcy Code. Seller's estate has no assets or liabilities other than the Company Parent Membership Interests.

J. The Shares comprise 100% of the equity interests of the Company, and no other equity interests are outstanding or issuable by the Company. The Company is not obligated, contractually or otherwise, to issue, directly or indirectly, any other equity interests or rights to acquire equity interests in the Company. The Company Shares are the property of Company Parent's estate and legal and beneficial title thereto is vested in the Company Parent's estate within the meaning of section 541(a) of the Bankruptcy Code. Company Parent's estate has no other assets other than the Company Shares and the Uruguay Interests.

K. The Bidding Procedures comply with the requirements of Local Rule 6004-1 and the Sale Guidelines.

L. There is no cause to dismiss the bankruptcy case of Seller under section 1112(b) of the Bankruptcy Code. Specifically, none of the events set forth in section 1112(b)(4) of the

Bankruptcy Code have occurred with respect to Seller, and Seller's bankruptcy petition was filed in good faith.

M. The entry of this Order is in the best interests of the Debtors and their estates, creditors, and interest holders and all other parties in interest herein; and therefore

IT IS HEREBY ORDERED THAT:

1. The Bidding Procedures Relief is GRANTED to the extent set forth herein.

2. To the extent approval for the Company Parent Transfer is required, the Company Parent Transfer is hereby approved.

Approval of Debtors' Entry Into Stalking Horse Purchase Agreement

3. The Debtors are authorized and directed to perform all of their respective pre-closing obligations under the Stalking Horse Purchase Agreement; provided that, for the avoidance of doubt, consummation of the transactions contemplated by the Stalking Horse Purchase Agreement shall be subject to entry of the Sale Order and the satisfaction or waiver of the other conditions to closing on the terms set forth in the Stalking Horse Purchase Agreement.

The Bidding Procedures

4. The Bidding Procedures attached hereto as Exhibit 1 are hereby approved in all respects.

5. The Debtors shall conduct a sale of the Company Parent Membership Interests and, indirectly, the Company, pursuant to the Bidding Procedures and the terms of this Order.

6. The Stalking Horse Purchaser is a Qualified Bidder and the Stalking Horse Purchase Agreement is a Qualified Bid, in each case, pursuant to the Bidding Procedures for all purposes.

7. Any party seeking to acquire any Company Parent Membership Interests or Shares, or a material portion of assets of the Company, in each case directly or indirectly, shall do so in compliance with the Bidding Procedures.

The Break-Up Fee and Expense Reimbursement

8. The Break-Up Fee and Expense Reimbursement as set forth in the Stalking Horse Purchase Agreement, and the provisions of the Stalking Horse Purchase Agreement relating thereto, are hereby approved. The Debtors shall pay the Break-Up Fee and Expense Reimbursement to the Stalking Horse Purchaser to the extent due and payable under the Stalking Horse Purchase Agreement.

9. All of Seller's, Company Parent's and Seller Guarantor's obligations arising under or in connection with the Stalking Horse Agreement with respect to the Break-Up Fee and the Expense Reimbursement shall (a) survive termination of the Stalking Horse Purchase Agreement, (b) constitute an administrative expense claim under section 503(b) and 507(a)(2) of the Bankruptcy Code and shall be senior to all other administrative expense claims that may be approved in the Bankruptcy Case, and (c) be payable under the terms and conditions of the Stalking Horse Purchase Agreement and this Order without any further order of this Court.

10. Seller's, Company Parent's and Seller Guarantor's obligations relating to the Break-Up Fee and the Expense Reimbursement arising under or in connection with the Stalking Horse Purchaser Agreement shall be binding and enforceable against each such party and their respective estates, and, as applicable, (i) any of their respective successors or assigns,

(ii) any trustee, examiner, or other representative of the Debtors' estate, (iii) the reorganized Debtors, and (iv) any other entity vested or re-vested with any right, title or interest in or to a material portion of the assets directly or indirectly owned by Seller, Company Parent or Seller Guarantor, or any other person claiming any rights in or control over a material portion of such assets (collectively, the "Debtor Successors") as if such Debtor Successors were the Debtors; provided that neither China Development Bank Corporation, HSBC México, S.A. nor any of their respective affiliates shall be deemed a Debtor Successor.

Notice Procedures

11. The Sale Notice and the Publication Notice are sufficient to provide effective notice to all interested parties of the Bidding Procedures, Auction, Sale Motion, Sale Hearing, Sale, Injunction, Seller Liability Assumption, Company Parent Novation and Company Parent Dismissal pursuant to Bankruptcy Rules 2002 and 6004 and Local Rules 4001-1 and 6004-1, and each is hereby approved.

12. As soon as reasonably practicable, but in no event later than the third (3rd) business day after entry of this Order, the Debtors (or their agent) shall serve the Sale Notice by first-class mail, postage prepaid, and/or via overnight mail, facsimile, hand delivery or electronic transmission upon:

- (a) the Office of the United States Trustee for the Southern District of New York (the "U.S. Trustee");
- (b) Kramer Levin Naftalis & Frankel, LLP, counsel to the Creditors' Committee;
- (c) Paul, Weiss, Rifkind, Wharton & Garrison, on behalf of certain noteholders;
- (d) Akin, Gump, Strauss, Hauer & Feld LLP, on behalf of certain noteholders;
- (e) Kirkland & Ellis LLP, on behalf of certain noteholders;

- (f) U.S. Bank National Association, solely in its capacity as the trustee under the indenture governing those certain 8.875% senior unsecured notes due in 2019;
- (g) Wilmington Savings Fund Society, FSB, solely in its capacities as the trustee under the indentures governing those certain 10% senior unsecured notes due in 2016 and those certain 7.625% senior unsecured notes due in 2021;
- (h) Wilmington Trust, National Association, solely in its capacities as the trustee under the indentures governing those certain 11.375% senior unsecured notes due in 2019 and those certain 7.875% senior unsecured notes due in 2019
- (i) all other parties known to hold, or have asserted, any Company Parent 363 Interest;
- (j) all other parties known to hold, or have asserted, any 363 Interest in the Company Parent Membership Interests;
- (k) all non-Debtor parties to the Assumed Contracts (as defined below);
- (l) all entities reasonably known to have expressed, since January 1, 2014, an interest in the acquisition, directly or indirectly, of Company Parent, the Shares, the Company or a material portion of the Company's assets;
- (m) federal, state, and local regulatory or taxing authorities or recording offices or any other governmental authorities that (i) as a result of the Sale, may have claims, contingent or otherwise, in connection with the Seller's ownership of the Company Parent Membership Interests or (ii) may have any claim against Company Parent or other reasonably known interest in the relief requested by the Sale Motion; and
- (l) all parties who have requested notice pursuant to Bankruptcy Rule 2002 as of the date hereof.

13. As soon as reasonably practicable, but in no event later than February 26, 2015, the Debtors shall publish the Publication Notice (a) one time in the global edition of the *Wall Street Journal*, (b) one time in *Reforma* and (b) on the Debtors' website hosted by Prime Clerk at <https://cases.primeclerk.com/nii>.

14. Concurrently with the filing of the Sale Notice, the Debtors shall file with the Court a schedule (a "Contract and Cure Schedule") of cure obligations for the Contracts that may be assumed or assumed and assigned by the Debtors at Closing (the "Assumed Contracts" and each, an "Assumed Contract"), which may be amended from time to time. The Contract and Cure Schedule shall include a description of each Assumed Contract and the Cure Costs, if any, necessary to cure such Assumed Contracts pursuant to section 365 of the Bankruptcy Code. A copy of the Contract and Cure Schedule, together with the Sale Notice and a copy of this Order, will be served by first-class mail on each of the non-debtor parties listed on the Contract and Cure Schedule, and such notice is appropriate and reasonably calculated to provide such parties with timely and proper notice of the assumption of the Assumed Contracts.

Objection Procedures

15. The deadline for objecting, for any reason, to approval of the Sale (including the sale of the Company Parent Membership Interests free and clear of 363 Interests), the Injunction, the Seller Liability Assumption and Company Parent Novation or the Company Parent Dismissal shall be **4:00 p.m. (ET) on March 16, 2015** (the "Sale Objection Deadline"). Any and all written objections as contemplated by this Order must be: (a) in writing; (b) state with specificity the basis of the objection, (c) signed by counsel or attested to by the objecting party; (d) in conformity with the Bankruptcy Rules, the Local Rules and the case management procedures in these chapter 11 cases; (e) filed with the Bankruptcy Court; and (f) served on

(i) the U.S. Trustee, 201 Varick Street, Suite 1006, New York, NY 10014 (Attn: Susan D. Golden, Esq. and Brian Masumoto, Esq.); (ii) the Debtors, c/o NII Holdings, Inc. 1875 Explorer Street, Suite 800, Reston, VA 20190 (Attn: General Counsel); (iii) Jones Day, 222 East 41st Street, New York, New York 10017 (Attn: Scott J. Greenberg, Esq. and Lisa Laukitis, Esq.); (iv) Kramer Levin Naftalis & Frankel, 1177 Avenue of the Americas, New York, New York 10036 (Attn: Kenneth Eckstein, Esq., Adam Rogoff, Esq., and Stephen Zide, Esq.); and (v) Sullivan & Cromwell LLP, 125 Broad Street, New York, New York 10004 (Attn: Michael H. Torkin, Esq. and David R. Zylberberg, Esq.) so as to be received on or before the Sale Objection Deadline.

16. Failure to object to the relief requested in the Motion by the Sale Objection Deadline shall be deemed to be “consent” for purposes of section 363(f) of the Bankruptcy Code.

17. Any objections to any proposed Cure Costs (any such objection, a “Cure Objection”) must be in writing and filed with the Court and served on the Notice Parties so as to be received by the later of (a) **4:00 p.m. (ET) on March 16, 2015** and (b) 4:00 p.m. (ET) on the date that is 14-days following the Debtors' delivery of notice to an affected counterparty. If no timely Cure Objection is filed and served with respect to an Assumed Contract, the Cure Costs identified in the Contract and Cure Schedule with respect to such Assumed Contract will be the only amounts necessary under section 365(b) of the Bankruptcy Code to cure all monetary defaults under such Assumed Contract. Any party failing to timely file a Cure Objection shall be forever barred from objecting to the Cure Costs and from asserting any additional cure or other amounts against the Debtors, their estates or the Successful Bidder.

18. Any objections to the provision of adequate assurance of future performance under any Assumed Contract (any such objection, an “Adequate Assurance Objection”), must be filed with the Court and served on the Notice Parties so as to be received by the later of (a) **4:00 p.m. (ET) on March 16, 2015**, (b) 4:00 p.m. (ET) on the date that is 14-days following the Debtors' delivery of notice to the affected counterparty and (c) if the Successful Bidder is not the Stalking Horse Purchaser, prior to the commencement of the Sale Hearing. If no timely Adequate Assurance Objection is filed and served with respect to an Assumed Contract, the applicable Debtor will be deemed to have provided adequate assurance of future performance under the applicable Assumed Contract in accordance with section 365(f)(2)(B) of the Bankruptcy Code if such Debtor ultimately assumes such Assumed Contract at Closing of the Sale.

19. If a timely Cure Objection or Adequate Assurance Objection is received and any such objection cannot otherwise be resolved by the parties, such objection shall be resolved at the Sale Hearing or at a subsequent hearing set by the Court.

20. All objections to the Motion or the relief requested therein (and all reservations of rights included therein), as it pertains to the entry of this Order, are overruled to the extent they have not been withdrawn, waived or otherwise resolved.

Other Relief Granted

21. The Auction is scheduled for **10:00 a.m. (ET) on March 20, 2015** at the offices of Jones Day, 222 East 41st Street, New York, New York 10017.

22. The Sale Hearing shall be held in this Court at **2:00 p.m. (ET) on March 23, 2015**. The Sale Hearing may be adjourned or rescheduled without further notice by an announcement of the adjourned date at the Sale Hearing or by the filing of a hearing agenda.

23. The Good Faith Deposits of the Stalking Horse Purchaser and any other bidder, and any other amounts deposited into escrow pursuant to the applicable purchase agreement (which, in the case of the Stalking Horse Purchaser, shall be the Stalking Horse Purchase Agreement), shall be held in escrow by the Deposit Agent and shall not become property of the Seller's bankruptcy estates unless the Deposit or other escrow amount is otherwise due and payable to Seller in accordance with the applicable purchase agreement (which, in the case of the Stalking Horse Purchaser, shall be the Stalking Horse Purchase Agreement). The Escrow Agreement shall be binding and enforceable against Seller and its estate in all respects and Seller is authorized and directed to perform its obligations thereunder. Seller is authorized to enter into an escrow agreement substantially in the form of the Escrow Agreement with each other bidder (if any), and when executed by Seller, such escrow agreements (if any) shall be binding and enforceable against Seller and its estate in all respects.

24. Notwithstanding anything to the contrary in this Order, any other order of this Court or any plan of reorganization or liquidation of any Debtor, Purchaser shall not be required to file or serve a proof of claim with respect to claims arising under or in connection with the Stalking Horse Purchase Agreement with respect to payment of the Breakup Fee and Expense Reimbursement, and no bar date shall be imposed with respect to such claims.

25. The Debtors will not pursue approval of the Existing Plan Documents in the form currently on file with the Court,⁴ and will announce to the Court no later than the hearing on approval of the Bidding Procedures Order whether the Debtors intend to promptly

⁴ “Existing Plan Documents” means, collectively, the Plan Support Agreement filed as an exhibit to Docket No. 320, the *Joint Plan of Reorganization Proposed by Debtors and Debtors in Possession and Official Committee of Unsecured Creditors* [Docket No. 322] and the *Disclosure Statement for Joint Plan of Reorganization Proposed by Debtors and Debtors in Possession and Official Committee of Unsecured Creditors* [Docket No. 323].

withdraw, or to amend, replace or supersede the Existing Plan Documents to account for the transactions contemplated by the Stalking Horse Purchase Agreement. For the avoidance of doubt, the Debtors shall be permitted to consummate the Existing Plan Documents if the Stalking Horse Purchase Agreement is validly terminated according to its terms.

26. In the event there is a conflict between this Order and the Motion or the Stalking Horse Purchase Agreement, this Order shall control and govern.

27. This Order shall be binding in all respects upon any trustees, examiners, “responsible persons” or other fiduciaries appointed in the Debtors’ bankruptcy cases or upon a conversion to chapter 7 under the Bankruptcy Code.

28. The Stalking Horse Purchaser has standing to seek to enforce the terms of this Order.

29. Notwithstanding any provision in the Federal Rules of Bankruptcy Procedure to the contrary, (i) the terms of this Order shall be immediately effective and enforceable upon its entry, notwithstanding the possible applicability of Bankruptcy Rule 6004(h) or otherwise, (ii) the Debtors are not subject to any stay in the implementation, enforcement or realization of the relief granted in this Order, and (iii) the Debtors may, in their reasonable business judgment and without further delay, take any action and perform any act authorized under this Order. For the avoidance of doubt, the Break-Up Fee and Expense Reimbursement approved by this Order shall be immediately appealable and failure to appeal in accordance with the Bankruptcy Rules or other applicable law shall constitute a waiver of such rights.

30. The requirements set forth in Local Rule 9013-1(b) are satisfied.

31. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied.

32. The requirements set forth in Bankruptcy Rule 6004(a) are satisfied.

33. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: February 17, 2015
New York, New York

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

EXHIBIT 1

BIDDING PROCEDURES¹

By motion (the "Motion"), dated January 27, 2015, NII Holdings, Inc. ("NII Holdings") and its affiliated debtors, including NIU Holdings LLC (the "Seller"), each as a debtor and debtor-in-possession (collectively, with NII Holdings and the Seller, the "Debtors"), sought, among other things, approval of the process and procedures solely for the sale of 100% of the outstanding membership interests (the "Company Parent Interests") of Nextel International (Uruguay), LLC ("Company Parent") to effectuate an indirect sale of Comunicaciones Nextel de México, S.A. de C.V. (the "Company") outside the ordinary course of business.

A purchase and sale agreement (including all exhibits, schedules and ancillary agreements related thereto, the "Purchase and Sale Agreement"), dated as of January 26, 2015, has been entered into, subject to the Bidding Procedures described below (the "Bidding Procedures"), among the Seller, Company Parent, Seller Parent, Seller Guarantors and New Cingular Wireless Services, Inc. (together with all successors and assigns permitted under section 12.9 of the Purchase and Sale Agreement, the "Stalking Horse Purchaser"), which Purchase and Sale Agreement contemplates a transaction for the sale of the Company Parent Interests to Purchaser (the "Sale Transaction").

On February 17, 2015, the Bankruptcy Court entered the Bidding Procedures Order that, among other things, authorized the Debtors to establish separate escrow accounts to hold the Good Faith Deposit of the Stalking Horse Purchaser and pursue the Sale Transaction through the Bidding Procedures, subject to the approval of Sale Transaction by the Bankruptcy Court following a hearing before the Bankruptcy Court scheduled for March 23, 2015, at 2:00 p.m. (ET) (the "Sale Hearing").

1. Important Dates and Contact Information

Following entry of the Bidding Procedures Order, the Debtors will:

- (a) solicit and assist Potential Bidders (as defined below) in conducting their respective due diligence investigations and accept Qualified Bids (as defined below) until the deadline for receipt of Qualified Bids, which is 9:00 a.m. (prevailing Eastern time) on March 17, 2015;
- (b) negotiate with Qualified Bidders (as defined below) in preparation for an auction (the "Auction") to begin at 10:00 a.m. (prevailing Eastern time) on March 20, 2015; and

¹ Capitalized terms not otherwise defined herein have the meanings given to them in the Bidding Procedures Order or the Motion, as applicable.

- (c) after consultation with the official committee of unsecured creditors appointed in the Debtors' chapter 11 cases (the "Creditors' Committee") select the Successful Bidder (as defined below) at the conclusion of the Auction and seek authority to sell the Company Parent Interests to such Successful Bidder at the Sale Hearing to be held by the Bankruptcy Court at 2:00 p.m. (prevailing Eastern time) on March 23, 2015.

Information that must be provided under these Bidding Procedures must be provided to the following parties (the "Notice Parties"): (i) NII Holdings, Inc., 1875 Explorer Street, Reston, Virginia 20190 (Attn: Gary D. Begeman, Esq.) and at gary.begeman@nii.com; (ii) Rothschild Inc. ("Rothschild"), 1251 Avenue of the Americas #51, New York, New York 10020 (Attn: J. Nicholas Melton and Homer Parkhill) and at nick.melton@rothschild.com and homer.parkhill@rothschild.com; (iii) Jones Day, 222 East 41st Street, New York, New York 10017 (Attn: Robert A. Profusek, Esq., and Scott J. Greenberg, Esq.) and at rprofusek@jonesday.com, sgreenberg@jonesday.com; (iv) Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, New York 10036 (Attn: Kenneth Eckstein, Esq., Adam C. Rogoff, Esq. and Stephen D. Zide, Esq.) and at keckstein@kramerlevin.com, arogoff@kramerlevin.com, szide@kramerlevin.com; and (v) FTI Consulting, Inc., Three Times Square, New York, New York 10036 (Attn: Steven Simms and Andrew Scruton) and at steven.simms@fticonsulting.com, Andrew.scruton@fticonsulting.com; (v) Akin Gump Strauss Hauer & Feld LLP, as counsel to Aurelius Capital Management, LP ("Aurelius"), One Bryant Park, New York, New York 10036 (Attn: Daniel Golden, Esq. and David Botter, Esq.) and at dgolden@akingump.com, dbotter@akingump.com; (vi) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as counsel to Capital Research and Management ("Capital Group"), 1285 Avenue of the Americas, New York, New York 10019 (Attn: Andrew N. Rosenberg, Esq. and Elizabeth R. McColm, Esq.) and at arosenberg@paulweiss.com, emccolm@paulweiss.com.

All dates and times set forth in these Bidding Procedures may be adjusted by the Debtors after consultation with the Creditors' Committee and with the consent of the Stalking Horse Purchaser.

2. The Sale Hearing.

At the Sale Hearing, the Debtors will seek the entry of an order in substantially the form of the order attached as Exhibit D to the Motion, *inter alia*, authorizing and approving the Sale Transaction (the "Sale Order") (a) if no other Qualified Bid with respect to the Company Parent Interests is received by the Debtors, to the Stalking Horse Purchaser pursuant to the terms and conditions set forth in the Purchase and Sale Agreement or (b) if another Qualified Bid is received by the Debtors with respect to the Company Parent Interests, to the Stalking Horse Purchaser and/or such other Qualified Bidder(s) as the Debtors, in the exercise of their good faith business judgment, after consultation with the Creditors' Committee, determine to have made the highest or otherwise best offer to purchase the Company Parent Interests, consistent with the Bidding Procedures. After consultation with the Creditors' Committee, the Sale Hearing may be adjourned or rescheduled without notice or with limited and shortened notice to

parties, including by (i) an announcement of such adjournment at the Sale Hearing or at the Auction or (ii) the filing of a notice of adjournment with the Bankruptcy Court prior to the commencement of the Sale Hearing.

3. **Determination by the Debtors**

The Bidding Procedures as described herein are calculated to obtain the highest or otherwise best offer solely for the Company Parent Interests. The Debtors will (a) determine, with the assistance of their financial advisor, Rothschild, and after consultation with the Creditors' Committee, whether any person or entity is a Qualified Bidder, (b) receive bids from Qualified Bidders, (c) negotiate any bids, and (d) conduct the Auction (clauses (a) through (d) and Section 1 above, collectively, the "Bidding Process"). Any person or entity who wishes to make a bid to purchase the Company Parent Interests in the Bidding Process must be a Qualified Bidder. Neither the Debtors nor any of their representatives will be obligated to furnish any information of any kind whatsoever relating to the Company Parent Interests, Company Parent or the Company to any person or entity who is not a Potential Bidder and who does not comply with the requirements set forth herein.

4. **Participation Requirements**

Unless otherwise ordered by the Bankruptcy Court, to participate in the Bidding Process, each interested person or entity (each an "Interested Party") must deliver the following (unless previously delivered) to the Notice Parties so as to be received no later than 5:00 p.m. (prevailing Eastern time) on March 11, 2015:

- (a) an executed confidentiality agreement in form and substance satisfactory to the Debtors;
- (b) a statement and other factual support demonstrating to the Debtors' satisfaction in the exercise of their reasonable business judgment that the Interested Party has a *bona fide* interest in purchasing the Company Parent Interests; and
- (c) sufficient information, as determined by the Debtors, to allow the Debtors in the exercise of their reasonable business judgment to determine that the Interested Party has the financial wherewithal and any required internal corporate, legal or other authorizations to complete the Sale Transaction, including financial statements of the Interested Party (or such other form of financial disclosure acceptable to the Debtors in their discretion).

If the Debtors determine that an Interested Party has a *bona fide* interest in acquiring the Company Parent Interests, no later than two Business Days after the Debtors make that determination and have received all of the materials required above, such Interested Party will be deemed a "Potential Bidder" and the Debtors will deliver to such Potential Bidder: (a) an information package containing information and financial data with respect to the Company Parent Interests, Company Parent and the Company

(the "Information Package"), (b) an electronic copy of the Purchase and Sale Agreement, and (c) access to the Debtors' confidential electronic data room concerning the Company Parent Interests, Company Parent and the Company (the "Data Room"). The Debtors reserve the right to determine whether an Interested Party has satisfied the above participation requirements such that it is eligible to be a Potential Bidder. Once an Interested Party is deemed a Potential Bidder, its identity will be disclosed to (a) the Stalking Horse Purchaser and any other Potential Bidders, and (b) the Notice Parties.

5. **Due Diligence**

Following the determination by the Debtors that any Interested Party is a Potential Bidder until the Bid Deadline (as defined below), in addition to access to the Data Room, the Debtors will provide such Potential Bidder such due diligence access or additional information as may be reasonably requested by the Potential Bidder that the Debtors determine to be reasonable in the circumstances. All additional due diligence requests must be directed to Nick Melton of Rothschild at nick.melton@rothschild.com. The Debtors, with the assistance of Rothschild, will coordinate all reasonable requests for additional information and due diligence access from Potential Bidders. In the event that any such due diligence material is in written form and has not previously been provided to any other Potential Bidder, the Debtors will simultaneously provide such materials to all Potential Bidders, as well as to the Stalking Horse Purchaser and the professionals (the "Creditors' Committee Professionals") retained by the Creditors' Committee.

Unless otherwise determined by the Debtors, the availability of additional due diligence to a Potential Bidder will cease if: (a) the Potential Bidder does not become a Qualified Bidder during the period commencing on the Bid Deadline and concluding on the Auction Date or (b) the Bidding Process is terminated. Except as provided above with respect to the Information Package, the Purchase and Sale Agreement and access to the Data Room, or as to the Stalking Horse Purchaser only as provided in the Purchase and Sale Agreement, neither the Debtors nor their representatives will be obligated to furnish any information of any kind whatsoever relating to the Company Parent Interests, Company Parent or the Company to any party.

6. **Bid Deadline**

A Potential Bidder that desires to make a bid must deliver written and electronic copies of its bid in both Portable Document Format (.pdf) and Microsoft Word (.doc/.docx) format to the Notice Parties so as to be received no later than 9:00 a.m. (prevailing Eastern time) on March 17, 2015 (the "Bid Deadline").

7. **Form and Content of a Qualified Bid**

A bid is a written proposal from a Potential Bidder that provides, at a minimum, that:

- (a) the Potential Bidder offers to purchase solely the Company Parent Interests at the purchase price and upon the terms and conditions set forth

in a copy of the Purchase and Sale Agreement enclosed therewith, marked to show any proposed amendments and modifications (the "Marked Agreement");

- (b) states that all necessary filings under applicable regulatory, antitrust and other Laws will be made (pursuant to the terms and conditions in the Marked Agreement) and that payment of the fees associated with such filings will be made by the Potential Bidder;
- (c) is formal, binding and unconditional (except for those conditions expressly set forth in the applicable Marked Agreement) and is not subject to any due diligence or contingency and is irrevocable until the selection of the Successful Bid, as set forth herein;
- (d) does not entitle a bidder (other than the Stalking Horse Purchaser) to any breakup fee, termination fee, expense reimbursement or similar type of payment or reimbursement and includes a waiver of any substantial contribution administrative expense claim under section 503(b) of the Bankruptcy Code related to bidding for the Company Parent Interests;
- (e) is determined by the Debtors, after consultation with the Creditors' Committee, to be higher or better than the terms of the Purchase and Sale Agreement, taking into account the Break-Up Fee, Expense Reimbursement (which shall be deemed to be \$10 million) and the Minimum Overbid;
- (f) is accompanied by the Good Faith Deposit;
- (g) includes cash consideration sufficient to pay the Break-Up Fee and the Expense Reimbursement; and
- (h) is received by the Bid Deadline.

The Debtors will not qualify any bid to participate in the auction contemplated by the Bidding Procedures Order that is not accompanied by the Good Faith Deposit and does not include at a minimum an additional amount of cash consideration sufficient to repay the Break-Up Fee and the Expense Reimbursement.

The Debtors, after consultation with the Creditors' Committee, will have the right to determine that a bid is not a Qualified Bid if the Debtors determine in good faith that the terms of the bid are substantially more burdensome or conditional than the terms of the Purchase and Sale Agreement and are not offset by a material increase in purchase price or other terms, which determination may take into consideration:

- (a) indemnification and other provisions;

- (b) whether the bid provides sufficient cash consideration to pay transfer taxes or other cash costs of the transaction (including professionals' fees, the Break-Up Fee and the Expense Reimbursement);
- (c) whether the bid includes a non-cash instrument or similar consideration that is not freely marketable; and
- (d) any other factors the Debtors may deem relevant.

A Potential Bidder must accompany its bid with: (a) written evidence of available cash, a binding commitment for financing (not subject to any conditions other than those expressly set forth in the applicable Marked Agreement) or such other evidence of ability to consummate the transaction contemplated by the applicable Marked Agreement as the Debtors may reasonably request, (b) a copy of a board resolution or similar document demonstrating the authority of the Potential Bidder to make a binding and irrevocable bid on the terms proposed, (c) a covenant to cooperate with the Debtors to provide pertinent factual information regarding the Potential Bidder's operations reasonably required to analyze issues arising with respect to any applicable antitrust laws and other applicable regulatory requirements, (d) if the purchase price includes non-cash consideration or fewer contingencies than are in the Purchase and Sale Agreement, an analysis in reasonable detail of the value of the non-cash consideration and sufficient back-up documentation that demonstrates that the bid is a higher and better offer than the transaction contemplated by the Purchase and Sale Agreement, and (e) if the Qualified Bid includes a Marked Agreement that is not executed, a signed statement that such bid is irrevocable until the selection of the Successful Bid.

A Potential Bidder must deposit with an escrow agent selected by the Debtors (the "Escrow Agent") a deposit equal to \$32 million (any such deposit, a "Good Faith Deposit"). The Good Faith Deposit must be made by wire transfer and will be held by the Escrow Agent in accordance with the terms of the escrow agreement.

If a bid is received and, in the Debtors' judgment, it is not clear whether the bid is a Qualified Bid, the Debtors may consult with the Potential Bidder and seek additional information in an effort to establish whether or not a bid is a Qualified Bid.

A bid received from a Potential Bidder that is determined by the Debtors, after consultation with the Creditors' Committee, to meet the above requirements will be considered a "Qualified Bid," and each Potential Bidder that submits a Qualified Bid will be considered a "Qualified Bidder." For purposes hereof, the Stalking Horse Purchaser is a Qualified Bidder and the Purchase and Sale Agreement executed by the Purchaser is a Qualified Bid. A Qualified Bid and bids at the Auction may be valued by the Debtors, after consultation with the Creditors' Committee, based upon factors as they determine in good faith to be relevant, including: (a) the purported amount of the Qualified Bid, including non-cash consideration if applicable, (b) the value to be provided to the Debtors under the Qualified Bid, including the net economic effect upon the Debtors' estates after payment of the Break-Up Fee and Expense Reimbursement, if applicable, (c) contingencies with respect to the Sale Transaction and the ability to

close the proposed Sale Transaction on a basis acceptable to the Debtors, and any incremental costs to the Debtors in closing delays, (d) the ability to obtain any and all necessary antitrust or other applicable regulatory approvals for the proposed transaction, and (e) any other factors the Debtors may deem relevant.

A party may only participate in the Bidding Process by submitting a bid to purchase 100% of the Company Parent Interests.

The Debtors, after consultation with the Creditors' Committee, reserve the right to impose additional terms and conditions with respect to Qualified Bidders. With respect to the Stalking Horse Purchaser, the terms of the Purchase and Sale Agreement (as may be consensually modified at any Auction) and not the terms of this paragraph will control in connection with the matters described in the immediately preceding sentence.

8. **Baseline Bid**

Qualified Bidders that have submitted Qualified Bids are eligible to participate in the Auction. The Debtors, after consultation with the Creditors' Committee, will select what they determine to be the highest or best Qualified Bid (or collection of Qualified Bids) for the Company Parent Interests (the "Baseline Bid") to serve as the starting point at the Auction taking into account all relevant considerations, including payment of the Break-Up Fee and Expense Reimbursement, financial condition of the applicable bidder and certainty of closing. As soon as reasonably practicable and not later than two days prior to the Auction, the Debtors will identify the Baseline Bid and provide to all Qualified Bidders and the Creditors' Committee Professionals copies of all Qualified Bids (with such distribution permissible by electronic means, including posting to the Data Room). For the avoidance of doubt, any Baseline Bid must provide for at least of \$10 million of incremental value to the Debtors after taking into account the payment of the Break-Up Fee and Expense Reimbursement (which shall be deemed to be \$10 million) to the Stalking Horse Purchaser.

9. **"As Is, Where Is"**

Any Sale Transaction will be on an "as is, where is" basis and without representations or warranties of any kind by the Debtors, their agents or the Debtors' chapter 11 estates, except and solely to the extent expressly set forth in the final purchase agreement approved by the Bankruptcy Court. Each Qualified Bidder will be required to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Company Parent Interests that are the subject of the Auction prior to making its bid and that it has relied solely upon its own independent review and investigation in making its bid. Except as otherwise provided in the final purchase agreement approved by the Bankruptcy Court, all of the Debtors' right, title and interest in the Company Parent Interests will be sold free and clear of liens, claims, interests and encumbrances as proposed in the form of sale order attached to the Motion (collectively, "Liens"), with any Liens to attach to the proceeds of the Sale Transaction as provided in the proposed form of sale order.

10. **Auction**

If more than one Qualified Bid is received by the Bid Deadline, the Debtors will conduct the Auction. The Auction will take place at 10:00 a.m. (prevailing Eastern time) on March 20, 2015 (the "Auction Date"), at the offices of Jones Day, located at 222 East 41st Street, New York, New York, or such other time as the Debtors may notify Qualified Bidders who have submitted Qualified Bids. Only a Qualified Bidder that has submitted a Qualified Bid will be eligible to participate at the Auction, subject to such limitations as the Debtors may impose in good faith. A reasonable number of representatives of the professional advisors and members of the Creditors' Committee will be permitted to attend and observe the Auction.

At the Auction, participants (including the Stalking Horse Purchaser) will be permitted to increase their bids. Bidding on the Company Parent Interests will start at the purchase price and terms proposed in the Baseline Bid, and will proceed thereafter in increments of \$10 million (the "Minimum Overbid"). If the Stalking Horse Purchaser bids at the Auction, the Stalking Horse Purchaser will be entitled to a "credit" in the amount of the Expense Reimbursement (which shall be deemed to be \$10 million) and the Break-Up Fee to be counted towards its bid such that the cash and other consideration proposed by the Stalking Horse Purchaser plus the Expense Reimbursement and Break-Up Fee "credit" must exceed the most recent bid by at least the Minimum Overbid amount.

The Debtors may adopt rules for the Auction at any time that the Debtors, after consultation with the Creditors' Committee, determine in any material respect to be appropriate to promote the goals of the Bidding Process and do not conflict with these Bidding Procedures; provided that any Auction rules adopted by the Debtors will not modify or conflict with the immediately prior paragraph or any of the terms of the Purchase and Sale Agreement (as may be consensually modified at any Auction) without the consent of the Stalking Horse Purchaser.

The Debtors reserve the right to and may, after consultation with the Creditors' Committee, reject at any time before entry of the relevant Sale Order any bid (other than the Purchase and Sale Agreement) that, in the Debtors' judgment, is: (a) inadequate or insufficient, (b) not in conformity with the requirements of the Bankruptcy Code, these Bidding Procedures or the terms and conditions of the Sale Transaction, or (c) contrary to the best interests of the Debtors and their estates.

Prior to the conclusion of the Auction, the Debtors, in consultation with the Creditors' Committee, will: (a) review and evaluate each bid made at the Auction on the basis of financial and contractual terms and other factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the Sale Transaction, (b) identify the highest or otherwise best offer or collection of offers (the "Successful Bid") solely for the Company Parent Interests, (c) inform and consult with the professional advisors to the Creditors' Committee regarding the foregoing, and (d) notify all Qualified Bidders participating in the Auction, prior to its adjournment, of the successful bidder (the "Successful Bidder"), the amount and other material terms of the

Successful Bid. Absent irregularities in the conduct of the Auction or reasonable and material confusion during the bidding, each as determined by the Bankruptcy Court, the Debtors will not consider bids made after the Auction has been closed. In the event the Stalking Horse Purchaser's bid is the only Qualified Bid received by the Debtors by the Bid Deadline, no Auction will be conducted, and Purchaser will be the Successful Bidder. At the Sale Hearing, the Debtors will present the Successful Bid to the Bankruptcy Court for approval. Following the entry of the Sale Order, the Debtors will proceed to close the Sale Transaction upon the satisfaction or waiver of all applicable conditions precedent to closing.

11. **Acceptance of Qualified Bids**

The Debtors presently intend to seek approval of, and thereafter consummate the Sale Transaction with the Successful Bidder, subject to the entry of the Sale Order.

If a failure to consummate the purchase is the result of a breach by the Successful Bidder, the Debtors may retain the Good Faith Deposit of such Successful Bidder and reserve the right to seek, in addition to the Good Faith Deposit, any and all available damages from such Successful Bidder, including, but not limited to, with respect to any Good Faith Deposit. With respect to the Stalking Horse Purchaser and the Purchase and Sale Agreement, the terms of the Purchase and Sale Agreement (as may be consensually modified at any Auction) and not the terms of this paragraph will control in connection with the matters described in this paragraph.

12. **Modification of Bidding Procedures**

The Debtors, with the consent of the Creditors' Committee, may amend these Bidding Procedures or the Bidding Process at any time and from time to time in any manner that they determine in good faith will best promote the goals of the Bidding Process, including extending or modifying any of the dates described herein; provided that, with respect to the Stalking Horse Purchaser and the Stalking Horse Purchase Agreement, the terms of the Stalking Horse Purchase Agreement (as may be consensually modified at any Auction) and not the terms of this paragraph shall control.

13. **Return of Good Faith Deposit**

The Good Faith Deposits of all Qualified Bidders, including Purchaser, will be held in escrow by the Escrow Agent and while held in escrow will not become property of the Debtors' bankruptcy estates unless released from escrow pursuant to terms of the applicable escrow agreement or pursuant to further order of the Bankruptcy Court. The Escrow Agent will retain the Good Faith Deposits of the Successful Bidder until the closing of the Sale Transaction unless otherwise ordered by the Bankruptcy Court. The Good Faith Deposits (other than the Successful Bidder) of the other Qualified Bidders will be returned within two Business Days of the entry of the Sale Order. At the closing of the Sale Transaction contemplated by the Successful Bid, the Successful Bidder will be entitled to a credit for the amount of its Good Faith Deposit. Upon the return of the Good Faith Deposits, their respective owners will receive any and all interest that has

accrued thereon. With respect to the Stalking Horse Purchaser and the Purchase and Sale Agreement, the terms of the Purchase and Sale Agreement and the Escrow Agreement (each as may be consensually modified at any auction) and not the terms of this paragraph will control the Purchaser's rights with respect to the Good Faith Deposit.

14. **Consultation Matters**

In the event that any member of the Creditors' Committee or an affiliate thereof submits a Qualified Bid, the Creditors' Committee's professional advisor must exclude such member from any discussions or deliberations between the Creditors' Committee's professional advisors and the Committee regarding the sale of the Company Parent Interests and must not provide any information regarding the sale of the Company Parent Interests to such member, and any obligation of the Debtors hereunder or otherwise to consult with the affected party will be without further action waived, discharged and released.