

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

U.S. TELEPACIFIC CORP., *et al.*,¹

Debtors.

Chapter 11

Case 26-90625 (ARP)

(Jointly Administered)

**DECLARATION OF
STEVEN SHENKER IN SUPPORT OF
(I) FINAL APPROVAL OF THE DISCLOSURE
STATEMENT AND (II) CONFIRMATION OF THE AMENDED
JOINT CHAPTER 11 PLAN OF U.S. TELEPACIFIC CORP. AND ITS DEBTOR
AFFILIATES (WITH TECHNICAL AND NON-SUBSTANTIVE MODIFICATIONS)**

I, Steven Shenker, declare pursuant to 28 U.S.C. § 1746, under penalty of perjury that the following is true and correct to the best of my knowledge, information, and belief:

1. I am a Managing Director at Triple P TRS, LLC (“Portage Point”), a financial advisory services firm. Portage Point maintains its principal offices at 640 Fifth Avenue, 10th Floor, New York, New York 10019. Portage Point is the restructuring advisor to the above-captioned debtors (collectively, the “Debtors,” and collectively with their non-Debtor affiliates, the “Company”). On June 28, 2026, I was appointed as Chief Restructuring Officer of the Debtors.

2. I submit this declaration (this “Declaration”) in support of (a) confirmation of the *Amended Joint Chapter 11 Plan of U.S. TelePacific Corp. and its Debtor Affiliates (with Technical*

¹ The Debtors in these chapter 11 cases, together with the last four digits of the Debtors’ federal tax identification numbers, are: U.S. TelePacific Holdings Corp. (0151); Mpower Holding Corporation (N/A); Mpower Communications Corp. (0042); TPx International Holdings Corp. (N/A); U.S. TelePacific Corp. (3876); NextWeb, Inc. (7530); DSCI, LLC (1304); OCiX, Inc. (2715); Arrival Communications, Inc. (2990); TPx Communications Co. (8824); Big City Networks, Inc. (N/A); and ICG ChoiceCom L.P. (N/A). The Debtors’ service address is Plaza 7000 North Mopac Expressway, Suite 2080, Austin, TX 78731.

and Non-Substantive Modifications) [Docket No. 340] (as may be further amended, supplemented, or modified from time to time, the “Plan”),² and (b) final approval of the *Disclosure Statement for the Amended Joint Chapter 11 Plan of Reorganization of U.S. TelePacific Corp. and its Debtor Affiliates* [Docket No. 280] (as amended from time to time, the “Disclosure Statement”).

3. Except as otherwise indicated herein, the facts set forth in this Declaration are based upon my personal knowledge, my review of relevant documents, information provided to me by employees of the Debtors, my opinion based on experience, knowledge, and information concerning the Debtors’ operations and financial condition, or from my discussions with the Debtors’ management, professionals, attorneys, and advisors, including Sidley Austin LLP, as counsel (“Sidley”) and PJT Partners LP, as investment banker (“PJT” and, together with Portage Point and Sidley, the “Advisors”). If I were called upon to testify, I could and would competently testify to the facts set forth herein on that basis. I am authorized to submit this Declaration on behalf of the Debtors.

Background and Qualifications

4. I have over twelve (12) years of experience serving in a variety of roles, including in management positions and as a financial advisor, private equity investor, and investment banker. I joined Portage Point in June 2020 and have served as a Managing Director since January 2024. Prior to joining Portage Point, I held a variety of roles, including founding member and Vice President at private equity firm Periphas Capital, L.P., from 2018 to 2020; Associate at the Carlyle Group Inc. from 2016 to 2018; and Investment Banker at Moelis & Company LLC from

² All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.

2014 to 2016. In 2014, I received a B.S. in Business & Management with a concentration in Finance from the Sy Syms School of Business at Yeshiva University.

5. Portage Point has assisted, advised, and provided strategic advice to debtors, creditors, bondholders, investors, and other entities in numerous chapter 11 cases of similar size and complexity to the Debtors' chapter 11 cases. I have personally been involved in recent comparable chapter 11 cases such as *In re Wag! Group Co.*, No. 25-11358 (TMH) (Bankr. D. Del. July 21, 2025), in which I served as a financial advisor to the debtors; *In re Blink Holdings, Inc.*, No. 24-11686 (JKS) (Bankr. D. Del. Aug. 12, 2024), where I served as Chief Restructuring Officer; *In re Center for Autism and Related Disorders, LLC*, No. 23-90709 (CML) (Bankr. S.D. Tex. June 12, 2023), where I served as Chief Restructuring Officer; *In re IEH Auto Parts Holdings LLC (Auto Plus)*, No. 23-90054 (CML) (Bankr. S.D. Tex. Jan. 31, 2023), in which I served as restructuring advisor to the debtors; *In re Teligent, Inc.*, No. 21-11332 (BLS) (Bankr. D. Del. Oct. 14, 2021), in which I served as a financial advisor to the debtors; *In re Bouchard Trans. Co., Inc.*, No. 20-34682 (DRJ) (Bankr. S.D. Tex. Oct. 22, 2020), where I served as Deputy Chief Restructuring Officer; and *In re Hornbeck Offshore Servs., Inc.*, No. 20-32679 (DRJ) (Bankr. S.D. Tex. May 19, 2020), in which I served as restructuring advisor to the debtors. I specialize in advising senior executives, boards of directors, and creditors in distressed situations.

6. In my capacity as Chief Restructuring Officer to the Debtors, I am familiar with and knowledgeable about the Debtors' day-to-day operations, business and financial affairs, and books and records, as well as the circumstances leading to the commencement of these chapter 11 cases (the "Chapter 11 Cases"). I have been responsible for leading Portage Point's engagement with the Debtors since October 28, 2025. The Debtors retained Portage Point to provide advice and assistance in connection with the evaluation and implementation of strategic alternatives, as

described in further detail below. Portage Point has worked with the Debtors on a variety of issues, including cash forecasting and liquidity management, financial forecasting, business plan development, and other contingency planning efforts. Since Portage Point's retention, I have worked closely with the Debtors' management team and other Advisors.

7. In forming the views set forth herein, I have relied upon and/or considered, among other things, the following: (a) my experiences in chapter 11 cases, including with chapter 11 plans and disclosure statements; (b) the Plan; (c) the Disclosure Statement and accompanying exhibits; (d) the Plan Supplement; (e) my prior declaration in support of the Debtors' Chapter 11 Petitions and First Day Motions [Docket No. 24], the *Declaration of William Evarts in Support of the Debtors' Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Financing, (B) Use Cash Collateral, (C) Grant Senior Secured Liens and Provide Claims with Superpriority Administrative Expense Status, and (D) Grant Adequate Protection to the Prepetition Secured Parties; (II) Modifying the Automatic Stay; (III) Scheduling a Final Hearing; and (IV) Granting Related Relief Chapter 11 Petitions and First Day Motions* [Docket No. 20], and the *Declaration of Tony Horton in Support of Confirmation of the Amended Joint Chapter 11 Plan of U.S. TelePacific Corp. and Its Debtor Affiliates*, filed contemporaneously herewith (the "Horton Declaration"); (f) the Debtors' cash forecast; and (g) discussions with certain other employees at Portage Point focusing on restructuring strategies for underperforming and distressed companies. I am generally familiar with the Debtors' books and records that reflect, among other things, the assets and liabilities of the Debtors' Estates.

Background and Plan Summary

8. On June 28, 2026 (the "Petition Date"), the Debtors commenced these Chapter 11 Cases to pursue a court-supervised, dual-track restructuring process designed to maximize value through either (a) the sale or disposition of some or all of the Debtors' assets or

equity interests, or (b) if no value-maximizing sale transaction emerged, the Reorganization Transaction contemplated by the Plan. The Debtors entered chapter 11 with the support of key stakeholders under the Restructuring Support Agreement and with debtor-in-possession financing.

9. Beginning on December 4, 2025, the Debtors, with the assistance of PJT, launched a prepetition marketing and sale process (the “Marketing and Sale Process”). It is my understanding that this process resulted in nine bids that were determined to be insufficiently developed to proceed on an actionable basis at that time. Accordingly, the Debtors continued the Marketing and Sale Process postpetition pursuant to the *Order (I) Approving Bid Procedures and Authorizing Sale Transaction; (B) Authorizing Designation of Stalking Horse Bidder; (C) Scheduling Auction and Sale Hearing; (D) Approving Sale Notices; (E) Approving Assumption and Assignment Procedures; and (II) Granting Related Relief* [Docket No. 66] (the “Bid Procedures Order”) entered by the Bankruptcy Court for the Southern District of Texas (the “Court”) on June 29, 2026. Pursuant to the Bid Procedures Order, the Debtors ran a thorough postpetition marketing process to solicit higher or otherwise better proposals from third parties. Ultimately, the Debtors did not receive any qualifying postpetition bids. On August 10, 2026, the Debtors filed the *Notice of Cancellation of Auction and Proceeding with Reorganization Transaction* [Docket No. 267], notifying parties that the Debtors would proceed with the Reorganization Transaction embodied in the Plan.

10. After months of arm’s-length, good faith negotiations, the Debtors now seek to confirm the Plan, which has the overwhelming support of each voting class. The Reorganization Transaction embodied in the Plan provides for necessary capital to be raised for the Reorganized Debtors to emerge with a deleveraged balance sheet and the financial flexibility to continue operating and provide customers with reliable and uninterrupted services on a go-forward basis.

In addition, the Plan embodies the terms of a global settlement among the Debtors, the Official Committee of Unsecured Creditors (the “Committee”), and the Ad Hoc Group (the “Committee Settlement”).³ The Committee Settlement, among other things, (i) provides Holders of Allowed General Unsecured Claims with their Pro Rata share of the Total GUC Consideration, subject to an aggregate cap of \$3.0 million and the proportional-reduction mechanism set forth in the Plan; and (ii) provides for the Committee to support the Plan and the releases embodied therein.

11. In short, based on my experience and my discussions with the Debtors’ other Advisors, I believe the Plan resolves what would be costly litigation between and among the key case constituencies, maximizes value for the Estates and for all stakeholders, and positions the Reorganized Debtors for success upon their emergence from chapter 11. The broad consensus for the Plan attests to its fairness and value to the Debtors’ Estates and stakeholders. As such, based upon my discussions with the Debtors’ other Advisors, I believe confirmation of the Plan and final approval of the Disclosure Statement is in the best interest of the Debtors, their Estates, and their stakeholders.

The Disclosure Statement Should Be Approved

I. The Disclosure Statement Should Be Approved on a Final Basis Under Section 1125 of the Bankruptcy Code.

12. I believe the Disclosure Statement contains “adequate information” for creditors to evaluate the Plan.

13. The Disclosure Statement includes a description of:

- a. the key terms of the Plan;

³ See Notice of Settlement Term Sheet Regarding the Global Settlement Among the Debtors, Ad Hoc Group, and Committee [Docket No. 230].

- b. the Debtors' DIP Facility;
- c. the Debtors' corporate history, structure, business overview, including the Debtors' prepetition capital structure;
- d. the events leading to the Chapter 11 Cases;
- e. certain risk factors that should be considered in connection with the Plan and Disclosure Statement;
- f. the solicitation and voting procedures with respect to the Plan;
- g. an overview of the requirements for confirmation of the Plan;
- h. an overview of certain securities laws matters with respect to the Plan;
- i. an overview of certain regulatory requirements with respect to the Plan; and
- j. certain federal tax consequences of the Plan.

14. I have read and assisted in the preparation of the Disclosure Statement. I believe that the Disclosure Statement is accurate, and pursuant to my discussions with the Debtors' other Advisors, I believe that the Disclosure Statement contains sufficient information to enable Holders of Claims to make an informed judgment on the Plan.

15. Following the Court's entry of the Disclosure Statement Order, I am informed that the Debtors' Claims and Noticing Agent solicited votes on the Plan consistent with the Court-approved Solicitation Procedures approved by such order. I understand that the Debtors did not solicit acceptances of the Plan from any Holders of Claims before entry of the Disclosure Statement Order, and that any modifications made to the Plan following its initial solicitation either improve creditor treatment or otherwise make their rights clearer.

The Plan Satisfies the Requirements of Confirmation

16. I have been advised by counsel of the applicable standards under which a plan of reorganization may be confirmed. For the reasons detailed below, and based on my discussions with the Debtors' other Advisors, I understand that the Plan satisfies the applicable Bankruptcy

Code requirements for confirmation of a plan of reorganization. I have set forth the reasons for such belief below, except where such compliance is apparent on the face of the Plan, the Plan Supplement, or the related documents, or where it will be the subject of other testimony or evidence introduced at the Confirmation Hearing.

II. The Plan Complies with the Applicable Provisions of the Bankruptcy Code—Section 1129(a)(1).

17. I am advised that section 1129(a)(1) of the Bankruptcy Code requires a chapter 11 plan to comply with all applicable provisions of the Bankruptcy Code. As set forth below, I understand from my discussions with the Debtors' other Advisors that the Plan satisfies section 1129(a)(1) of the Bankruptcy Code.

A. Proper Classification of Claims and Interests—Section 1122.

18. I have been advised that section 1122 of the Bankruptcy Code requires a plan may place a claim or interest in a particular class only if such claim or interest is substantially similar to the other claims or interests of such class.

19. The Plan places Claims and Interests into ten separate Classes, with Claims and Interests in each Class differing from the Claims and Interests in each other Class on a legal or factual basis or based on other relevant criteria.

20. Article III of the Plan provides for the following classification scheme for Claims and Interests:

<u>Class</u>	<u>Type of Claim or Interest</u>	<u>Impairment</u>	<u>Entitled to Vote</u>
Class 1	Other Secured Claims	Unimpaired	No (Presumed to accept)
Class 2	Other Priority Claims	Unimpaired	No (Presumed to accept)

<u>Class</u>	<u>Type of Claim or Interest</u>	<u>Impairment</u>	<u>Entitled to Vote</u>
Class 3	Pari Funded Debt Secured Claims	Impaired	Yes
Class 4	Second Lien Secured Claims	Impaired	Yes
Class 5	Third Lien Secured Claims	Impaired	Yes
Class 6	General Unsecured Claims	Impaired	Yes
Class 7	Intercompany Claims	Impaired / Unimpaired	No (Deemed to reject/presumed to accept)
Class 8	Subordinated Claims	Impaired	No (Deemed to reject)
Class 9	Intercompany Interests	Impaired / Unimpaired	No (Deemed to reject/presumed to accept)
Class 10	Existing Equity Interests	Impaired	No (Deemed to reject)

21. I believe that the Claims or Interests in each particular Class described above are substantially similar to the other Claims or Interests in each such Class, as all Claims and Interests within a Class have the same or similar rights against the Debtors. In general, the Plan's classification scheme follows the Debtors' capital structure. For example, debt and equity are separately classified and secured (or purportedly secured) debt is separately classified from unsecured debt. In light of the foregoing considerations, it is my understanding that other aspects of the classification scheme reasonably recognize the different legal or factual nature of Claims or Interests. Further, each Claim or Interest in each particular Class is substantially similar to every other Claim or Interest in that Class. Accordingly, based upon my discussions with the Debtors'

other Advisors, I believe the Plan fully complies with and satisfies section 1122 of the Bankruptcy Code.

B. Specification of Classes, Impairment, and Treatment—Sections 1123(a)(1)(3).

22. I am advised that sections 1123(a)(1)–(3) of the Bankruptcy Code require that a chapter 11 plan specify in detail the classification of claims or interests, whether such claims or interests are unimpaired by the Plan, and the treatment of each class of claims or interests that is impaired. Article III of the Plan specifies in detail the classification of the Claims and Interests, whether such Claims and Interests are Unimpaired under the Plan, and the treatment of each Class of Claims and Interests, including those that are Impaired. Accordingly, based upon my discussions with the Debtors’ other Advisors, the Plan fully complies with and satisfies sections 1123(a)(1)–(3) of the Bankruptcy Code.

C. Equal Treatment of Similarly Situated Claims and Interests—Section 1123(a)(4).

23. I am advised that section 1123(a)(4) of the Bankruptcy Code requires that a chapter 11 plan provide the same treatment to each claim or interest of a particular class. Under Article III of the Plan, Holders of Allowed Claims or Interests will receive either the exact same rights and treatment as all other Holders of Allowed Claims or Interests within Holders’ respective Class, or the same opportunity to receive equal treatment.

24. Therefore, based upon my discussions with the Debtors’ other Advisors, I believe that the Plan provides for equal treatment of similarly situated Claims and Interests and fully complies with and satisfies section 1123(a)(4) of the Bankruptcy Code.

D. Means for Implementation—Section 1123(a)(5).

25. I am advised that section 1123(a)(5) of the Bankruptcy Code requires that a chapter 11 plan provide adequate means for a plan’s implementation. Article IV of the Plan sets

forth the means for implementation of the Plan and transactions underlying the Plan, including the following, among other things:

- a. general settlement of Claims and Interests, including the Committee Settlement;
- b. the Restructuring Transactions;
- c. the treatment of the Purchased Receivables;
- d. the vesting of assets in the Reorganized Debtors;
- e. the cancellation of existing securities and agreements;
- f. the cancellation of certain existing security interests;
- g. the sources of consideration for Plan Distributions;
- h. certain securities law matters;
- i. the New Equity Interests;
- j. the Cash-Out Option;
- k. the Warrants;
- l. the 1L Exit Facility;
- m. the Preferred Equity Interests;
- n. certain corporate action matters
- o. the Debtors' continued corporate existence;
- p. the New Organizational Documents;
- q. the New Board;
- r. certain effectuating documents and further transactions;
- s. the preservation of Causes of Action;
- t. the exemption from certain transfer taxes;
- u. the treatment of indemnification obligations; and

v. the cooperation of the Independent Directors.

26. The precise terms governing the execution of these transactions are set forth in greater detail in the applicable documents included in the Plan Supplement. As a result, based upon my discussions with the Debtors' other Advisors, I believe that the Plan satisfies section 1123(a)(5) of the Bankruptcy Code.

E. Prohibition of Issuance of Non-Voting Stock—Section 1123(a)(6).

27. I am advised that section 1123(a)(6) of the Bankruptcy Code requires that a debtor's corporate constituent documents prohibit the issuance of non-voting equity securities. The Plan provides that New Organizational Documents will be adopted by the applicable Reorganized Debtors. Such New Organizational Documents will prohibit the issuance of non-voting equity securities. Accordingly, based upon my discussions with the Debtors' other Advisors, I believe that the Plan satisfies the requirements of section 1123(a)(6) of the Bankruptcy Code.

F. Selection of Officers and Directors—Section 1123(a)(7).

28. I am advised that section 1123(a)(7) of the Bankruptcy Code requires that plan provisions with respect to the manner of selection of any director, officer, or trustee, or any other successor thereto, be "consistent with the interests of creditors and equity security holders and with public policy."

29. As of the Effective Date, the terms of the current members of the board of directors and similar governing bodies of the Debtors shall expire and each such member shall be deemed to have resigned. Article IV.Q of the Plan provides that New Boards and new officers of each of the Reorganized Debtors shall be deemed to have been appointed. Further, in accordance with Article IV.Q of the Plan and section 1129(a)(5) of the Bankruptcy Code, on August 17, 2026, the Debtors disclosed in the Plan Supplement the known members of the New Board and known

individuals who will serve as officers of the Reorganized Debtors.⁴ Thus, based upon my discussions with the Debtors' other Advisors, I believe that the Plan satisfies the requirements of section 1123(a)(7) of the Bankruptcy Code.

G. Cure of Defaults—1123(d).

30. Article V.A of the Plan provides for the satisfaction of the Cure amounts associated with each Executory Contract or Unexpired Lease to be assumed, as applicable. Specifically, the Plan provides that the Debtors shall pay the Cure amounts, if any, as indicated on the cure notices distributed to the counterparties of assumed Executory Contracts and Unexpired Leases. Any disputed Cure amount will be determined in accordance with the procedures set forth in Article V.A of the Plan and applicable law on or before the Effective Date.

31. As such, I have been advised that the Plan provides that the Debtors will cure, or provide adequate assurance that the Debtors will promptly cure, defaults with respect to assumed Executory Contracts or Unexpired Leases in compliance with section 365(b)(1) of the Bankruptcy Code, and therefore complies with section 1123(d) of the Bankruptcy Code. Based upon the foregoing and my discussions with the Debtors' other Advisors, I believe the Plan complies fully with sections 1122 and 1123, and therefore satisfies the requirements of section 1129(a)(1) of the Bankruptcy Code.

32. I am advised that section 1123(d) of the Bankruptcy Code provides that "if it is proposed in a plan to cure a default the amount necessary to cure the default shall be determined in accordance with the underlying agreement and applicable non-bankruptcy law."

33. Based upon my discussions with the Debtors' other Advisors, I believe the Plan complies with section 1123(d) of the Bankruptcy Code. The Plan provides that the Debtors will

⁴ See *Notice of Filing Plan Supplement*, Ex. D [Docket No. 276-4].

pay the Cure amounts, if any, in the ordinary course of the Debtors' business, upon assumption of the underlying Executory Contract or Unexpired Lease.

H. The Debtors Complied with the Solicitation Requirements of the Bankruptcy Code—Section 1129(a)(2).

34. I am advised that section 1129(a)(2) of the Bankruptcy Code requires that plan proponents comply with the applicable provisions of the Bankruptcy Code and, in that regard, is specifically intended to ensure compliance with the disclosure and solicitation requirements set forth in sections 1125 and 1126 of the Bankruptcy Code. Based on my review of the information provided by the Debtors and their advisors, along with the *Declaration of Alex Orchowski of Kroll Restructuring Administration LLC Regarding the Solicitation of Votes and Tabulation of Ballots Cast on the Debtors' Amended Joint Chapter 11 Plan*, filed contemporaneously herewith, and based upon my discussions with the Debtors' other Advisors, I understand that the Debtors have complied with sections 1125 and 1126 of the Bankruptcy Code, and have thus complied with section 1129(a)(2) of the Bankruptcy Code.

35. I understand that the Debtors solicited acceptances of the Plan only from the Holders of Claims and Interests in the voting classes, which are the only Classes that are Impaired and entitled to vote on the Plan. In addition, it is my understanding that the Debtors did not solicit votes to accept or reject the Plan from the Holders of Claims and Interests in the non-Voting Classes, as I have been advised by counsel that the non-Voting Classes are either (a) Unimpaired and, therefore, deemed to have accepted the Plan or (b) Impaired and presumed to have rejected the Plan.

36. I have also been advised by the Debtors' legal counsel that holders of an impaired class of claims or interests must vote in favor of a plan by at least two-thirds in amount and more than one-half in number of the allowed claims, or interests, of such class to accept the plan. Of

those who timely voted, no Voting Classes voted to reject the Plan. Based on the foregoing and my discussions with the Debtors' other Advisors, I understand that the requirements of sections 1125 and 1126 of the Bankruptcy Code have been satisfied, and thus, the Debtors have satisfied the requirements of section 1129(a)(2) of the Bankruptcy Code.

I. The Debtors Proposed the Plan in Good Faith—Section 1129(a)(3).

37. The Plan represents the culmination of months of good faith, arm's-length negotiations among the Debtors and key stakeholders. Based upon my observation of and participation in plan-related discussions, I believe the Plan, and all related documents were negotiated, proposed, and entered into by the Debtors and the respective parties thereto without any collusion, fraud, or attempt to take unfair advantage of any party. During these discussions, I did not observe conduct that would indicate collusive or otherwise improper activity. I understand from discussions with the Debtors' other Advisors that the Plan will achieve a result consistent with the objectives and purposes of section 1129(a)(3) of the Bankruptcy Code. As such, I believe the Plan was proposed in good faith, with the legitimate and honest purposes of reorganizing the Debtors' ongoing businesses, maximizing recoveries for creditors, and enabling the Debtors to reorganize through infusion of new capital and consensus with key go-forward creditors.

J. Payment of Professional Fees and Expenses Are Subject to Bankruptcy Court Approval—Section 1129(a)(4).

38. I am advised that section 1129(a)(4) of the Bankruptcy Code requires that certain fees and expenses paid by the plan proponent, a debtor, or a person receiving distributions of property under the plan, be approved by the Bankruptcy Court or remain subject to approval by the Bankruptcy Court as reasonable. The Plan provides that Professional Fee Claims incurred through the Confirmation Date and corresponding payments are subject to prior Bankruptcy Court approval and the reasonableness requirements under sections 328 or 330 of the Bankruptcy Code.

Article II.C.1 of the Plan, moreover, provides that Professionals shall file all final requests for payment of Professional Fee Claims no later than 45 days after the Effective Date, thereby providing an adequate period of time for parties in interest to review such Professional Fee Claims. Accordingly, based upon my discussions with the Debtors' other advisors, I understand that the Plan complies with section 1129(a)(4) of the Bankruptcy Code.

K. Compliance with Governance Disclosure Requirements—Section 1129(a)(5).

39. I am advised that section 1129(a)(5) of the Bankruptcy Code requires (a) that a plan proponent disclose the identity and affiliation of any individual proposed to serve as a director or officer of the debtor or a successor thereto under a chapter 11 plan, (b) that the appointment or continuance of such officers and directors be consistent with the interests of creditors and equity security holders and with public policy, and (c) that a plan proponent disclose the identities or affiliations of insiders to be employed or retained by the reorganized debtors as directors and officers and the nature of any compensation for such insider. To the extent known, the identity and affiliation of any person proposed to serve on the New Board, as well as those persons that will serve as officers of the Reorganized Debtors, has been disclosed in Exhibit D of the Plan Supplement.⁵ I further understand that if, at the time of the Effective Date, the Debtors are unable to identify these individuals by name, the Debtors still satisfy this requirement so long as directors will be appointed consistent with the Debtors' organizational documents. As such, based upon my discussions with the Debtors' other Advisors, I understand that the Debtors have satisfied the requirements of section 1129(a)(5) of the Bankruptcy Code.

⁵ See *Notice of Filing Plan Supplement*, Ex. D [Docket No. 276-4].

L. Government Regulatory Approval of Rate Changes—Section 1129(a)(6).

40. I am advised that section 1129(a)(6) of the Bankruptcy Code permits confirmation only if any regulatory commission that has or will have jurisdiction over the debtor after confirmation has approved any rate change provided for in the plan. The Plan does not contemplate a rate change that is subject to regulatory review. Thus, based on my conversations with the Debtors' other Advisors, I understand that section 1129(a)(6) of the Bankruptcy Code is inapplicable to these Chapter 11 Cases.

M. Best Interests Test—Section 1129(a)(7).

41. I am advised that section 1129(a)(7) of the Bankruptcy Code requires that any chapter 11 plan must satisfy the "best interests of creditors" test, which provides that each holder of an impaired claim or interest either (a) accept the plan or (b) receive or retain under the plan property of a value, as of the petition date, that is not less than the value such holder would receive if the debtors were liquidated under chapter 7 of the Bankruptcy Code. I understand from discussions with the Debtors' other Advisors that section 1129(a)(7) of the Bankruptcy Code makes clear that the best interests test applies only to holders of non-accepting impaired claims or interests.

42. Overall, based on my analysis of the Liquidation Analysis and my discussions with the Debtors' other Advisors, I understand that all Holders of Claims and Interests in all impaired Classes will recover at least as much as a result of the confirmation of the Plan as they would in a hypothetical chapter 7 liquidation of the Debtors, and therefore, as I understand from my discussions with the Debtors' other Advisors, the Plan satisfies section 1129(a)(7) of the Bankruptcy Code and the best interests test.

43. Relying on information from the Debtors' management, advisors, and my own personal knowledge and experiences, Portage Point assisted the Debtors with the preparation of a liquidation analysis (the "Liquidation Analysis"), which estimates recoveries for Holders of Claims in each Class under the Plan.⁶ I personally oversaw the preparation of the Liquidation Analysis and worked closely with a team of Portage Point professionals in its development. I am familiar with the methods used and the conclusions reached in the preparation of the Liquidation Analysis.

44. Based on my involvement in the preparation of the Liquidation Analysis and my experience as a restructuring advisor, I believe that the methodology used to prepare the Liquidation Analysis is reasonable and reliable. The Liquidation Analysis was based on a variety of assumptions, which are detailed in the notes to the Liquidation Analysis, and which I believe are reasonable under the circumstances. The Liquidation Analysis represents an estimate of recovery values and percentages based upon a hypothetical liquidation if the Debtors' Chapter 11 Cases were converted by the Bankruptcy Court to a proceeding under chapter 7 of the Bankruptcy Code and the chapter 7 trustee proceeded to convert the Debtors' assets into cash, which I believe is a good-faith and reasonable estimate of what creditors would recover in a hypothetical chapter 7 liquidation scenario. As demonstrated by the Liquidation Analysis, I believe that upon the Effective Date, the Plan will provide all Holders of Claims or Interests with a recovery (if any) that is not less than what such Holders would receive pursuant to a liquidation of the Debtors under chapter 7 of the Bankruptcy Code.

⁶ A copy of the Liquidation Analysis is attached as Exhibit C to the Disclosure Statement. See Docket No. 280-3.

N. Priority Cash Payments—Section 1129(a)(9).

45. I am advised that section 1129(a)(9) of the Bankruptcy Code generally requires that claims entitled to administrative priority must be repaid in full in cash or receive certain other specified treatment. The Plan contemplates that Allowed Administrative Claims will be repaid in full in Cash. On the Effective Date, in full and final satisfaction of all Allowed DIP Claims, the DIP Obligations, including, for the avoidance of doubt, all Claims in respect of the outstanding principal amount of all DIP Loans and any accrued but unpaid interest thereon, including any outstanding fees, premiums, costs, or expenses, shall be satisfied as follows: (i) holders of Allowed DIP Claims on account of DIP New Money Term Loan Advances and DIP Rolled-Up First Lien Principal Term Loan Advances shall receive 1L Exit Term Loans in accordance with the terms of the DIP Loan Documents; (ii) holders of Allowed DIP Claims on account of DIP Rolled-Up Bridge Term Loan Advances shall (x) be paid in full in Cash or, (y) if such holders are Funding Consenting Lenders, receive 1L Exit Term Loans in accordance with the terms of the DIP Loan Documents; and (iii) holders of Allowed DIP Claims on account of DIP Rolled-Up First Lien Interest Term Loan Advances shall (x) be paid in full in Cash or, (y) if such holders are Funding Consenting Lenders, receive Preferred Equity Tranche A Interests (including in respect of the Preferred Equity Exchange Premium) in accordance with the terms of the DIP Loan Documents, the Governance Term Sheet and the other Definitive Documents.

46. Further, I understand from my discussions with the Debtors' other Advisors that no Holders of the types of Claims specified by section 1129(a)(9) of the Bankruptcy Code are Impaired under the Plan. In addition, I understand Allowed Priority Tax Claims will be paid by

the Reorganized Debtors in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.

O. Impaired Accepting Class Claims—Section 1129(a)(10).

47. I am advised that section 1129(a)(10) of the Bankruptcy Code provides that, to the extent there is an impaired class of claims, at least one impaired class of claims must accept the plan “without including any acceptance of the plan by any insider,” as an alternative to the requirement under section 1129(a)(8) of the Bankruptcy Code that each class of claims or interests must either accept the plan or be unimpaired under the plan. Here, Classes 3, 4, 5, and 6 are Impaired and have voted to accept the Plan. Accordingly, based upon my discussions with the Debtors’ other Advisors, I understand that the Plan satisfies the requirements of section 1129(a)(10) of the Bankruptcy Code.

P. The Plan Is Feasible—Section 1129(a)(11).

48. I am advised that the Bankruptcy Code requires that the Bankruptcy Court find that a plan is feasible as a condition precedent to confirmation, *i.e.*, it is not likely to be followed by liquidation or the need for further financial reorganization. To demonstrate that a plan is feasible, I am further advised that it is not necessary for a debtor to guarantee success. In connection with the Plan, the Debtors, with assistance from their relevant advisors, including Portage Point (with my personal oversight), prepared projections of the Debtors’ financial performance for the period from January 1, 2026, through 2030, which is annexed to the Plan as Exhibit D (the “Financial Projections”).

49. The Debtors and their advisors have analyzed the Debtors’ ability to meet their respective obligations to make distributions under the Plan, and I believe the Debtors will be able to fulfill them. The Debtors’ business is cash flow positive, and the current financial distress

reflects an unsustainable capital structure rather than any deficiency in the underlying business. The Reorganization Transaction will substantially deleverage the Debtors' capital structure and materially reduce their debt service. I therefore expect the Reorganized Debtors to have sufficient Cash on hand, together with Cash generated from operations, to fund all obligations required to be paid under the Plan, to continue operating on a net cash flow positive basis, and to satisfy their obligations in the ordinary course as and when they come due. Those obligations include the Cure amounts payable on the Executory Contracts and Unexpired Leases to be assumed under the Plan and the Reorganized Debtors' go-forward performance obligations under those assumed contracts and leases.

50. In reaching this conclusion, the Debtors and their advisors have considered known disputes affecting the Debtors' go-forward contractual relationships, including the Debtors' ongoing dispute with Arista Networks, Inc. The Debtors are actively pursuing a resolution of that dispute, including through the recently commenced adversary proceeding and request for mediation, and the existence of the dispute does not alter my conclusion regarding the feasibility of the Plan.

51. Based on the foregoing, I understand based upon my conversations with the Debtors' other Advisors that the Plan is feasible and satisfies section 1129(a)(11) of the Bankruptcy Code.

Q. The Plan Provides for Payment of All Fees—Section 1129(a)(12).

52. The Plan includes an express provision requiring payment of all fees payable under section 1930 of title 28, which based upon my discussions with the Debtors' other Advisors, I understand complies with section 1129(a)(12) of the Bankruptcy Code.

R. Sections 1129(a)(13) Through Sections 1129(a)(16) of the Bankruptcy Code Do Not Apply to the Plan.

53. I am advised that section 1129(a)(13) of the Bankruptcy Code requires that all retiree benefits continue post-confirmation at any levels established in accordance with section 1114 of the Bankruptcy Code. The Debtors do not owe any retiree benefits and, accordingly, I understand based upon my discussions with the Debtors' other Advisors that section 1129(a)(13) of the Bankruptcy Code is inapplicable to these Chapter 11 Cases.

54. I understand based upon my conversations with the Debtors' other Advisors that section 1129(a)(14) of the Bankruptcy Code does not apply because the Debtors are not subject to any domestic support obligations. I further understand from Debtors' counsel that section 1129(a)(15) of the Bankruptcy Code is inapplicable because no Debtor is an "individual" as defined in the Bankruptcy Code, and section 1129(a)(16) of the Bankruptcy Code is inapplicable because the Plan does not provide for any property transfers by a corporation or trust that is not a moneyed business, commercial corporation, or trust. Thus, I understand based upon my conversations with the Debtors' other Advisors that sections 1129(a)(14) through sections 1129(a)(16) of the Bankruptcy Code's confirmation requirements are inapplicable to the Plan.

III. The Plan Satisfies the Requirements for Confirmation of the Plan Over Nonacceptance of Impaired Classes—Section 1129(b) of the Bankruptcy Code.

55. I am advised that section 1129(a)(8) of the Bankruptcy Code generally requires that each class of claims or interests must either accept a plan or be unimpaired under a plan. I am further advised that section 1129(b)(1) of the Bankruptcy Code provides that, if all applicable requirements of section 1129(a) of the Bankruptcy Code are met *other than* section 1129(a)(8) of the Bankruptcy Code, a plan may be confirmed so long as the requirements set forth in section 1129(b) of the Bankruptcy Code are satisfied. Further, I am advised that to confirm a plan

that has not been accepted by all impaired classes (thereby failing to satisfy section 1129(a)(8) of the Bankruptcy Code), the plan proponent must show that the plan does not “discriminate unfairly” and is “fair and equitable” with respect to the non-accepting impaired classes.

56. As noted above, each of the Impaired Classes of Claims entitled to vote on the Plan voted to accept the Plan. Notwithstanding the fact that certain Impaired Classes are deemed to have rejected the Plan, I understand based upon my discussions with the Debtors’ other Advisors that the Plan is confirmable because, as outlined below, the Plan does not discriminate unfairly and is fair and equitable with respect to the non-accepting Impaired Classes.

A. The Plan Does Not Unfairly Discriminate—Section 1129(b)(1).

57. With respect to the Plan’s treatment of the non-accepting Impaired Classes, all similarly situated Holders of Claims and Interests at each applicable Debtor will receive substantially similar treatment. More specifically, I understand that Interests in the non-accepting Impaired Class—*i.e.*, Class 10 (Existing Equity Interests)—are not similarly situated to any other Classes, given their distinctly different legal character from all other Claims and Interests. The remaining Classes set forth in the Plan have either voted to accept the Plan or are deemed to have accepted the Plan, rendering section 1129(b) inapplicable to such Classes. As set forth in the Plan, Class 10 (Existing Equity Interests) will not receive more favorable treatment than any similarly situated Class. Furthermore, where the Plan provides differing treatment for certain Classes of Claims or Interests, the Debtors have a rational basis for doing so. Based upon my discussions with the Debtors’ other Advisors, I believe that these facts support a finding that the Plan does not discriminate unfairly under section 1129(b)(1) of the Bankruptcy Code.

B. The Plan Is Fair and Equitable—Section 1129(b)(2)(B)(ii).

58. I am advised that a plan is “fair and equitable” with respect to an impaired class of claims or interests that rejects a plan (or is deemed to reject a plan) if it follows the “absolute priority” rule, and the absolute priority rule provides that a junior stakeholder may not receive or retain property under a plan of reorganization “on account of” its junior claims or interests unless all senior classes either (a) are paid in full or (b) vote in favor of the plan.

59. Class 10 is comprised of Existing Equity Interests and on the Effective Date, all Existing Equity Interests shall be discharged, canceled, released, and extinguished and will be of no further force or effect. There are no stakeholders junior to Class 10 that fare better under the Plan. While the Existing Equity Interests are proposed to be canceled, there is no class junior to Existing Equity Interests that is retaining anything under the Plan.⁷

60. I understand from my discussions with the Debtors’ other advisors that the Plan thus satisfies the absolute priority rule (and is fair and equitable) as to these rejecting Classes because, as to such Classes, there is no Class of equal priority receiving more favorable treatment, and no Class that is junior to such Classes will receive or retain any property on account of the Claims or Interests in such Class. Accordingly, I understand, based on my conversations with the Debtors’ other advisors, that the Plan satisfies the “fair and equitable” requirement of the Bankruptcy Code and that the Plan may be confirmed notwithstanding the rejecting Classes.

⁷ Class 7 (Intercompany Claims) and Class 9 (Intercompany Interests) may be, at the option of the applicable Debtor (with the consent of the Ad Hoc Group), either: (i) Reinstated; (ii) canceled, released, and extinguished, and will be of no further force or effect; or (iii) otherwise addressed at the option of each applicable Debtor such that Holders of Intercompany Claims or Interests will not receive any distribution on account of such Intercompany Claim or Interest. To the extent Intercompany Interests are Reinstated under the Plan, such reinstatement or any distribution made on account of such reinstatement shall not be deemed to be a distribution to the Holders of such Intercompany Interests on account of such Intercompany Interests, but, rather, shall be for the purposes of administrative convenience and due to the importance of maintaining the prepetition corporate structure for the ultimate benefit of the holders of New Equity Interests and in consideration for the Debtors’ (or Reorganized Debtors’, as applicable) agreement under the Plan to make certain distributions to the Holders of Allowed Claims.

IV. The Principal Purpose of the Plan Is Not the Avoidance of Taxes as Required Under Section 1129(d) of the Bankruptcy Code.

61. I am advised that section 1129(d) of the Bankruptcy Code prohibits confirmation of a chapter 11 plan if it was designed and proposed to evade taxes or the requirements of section 5 of the Securities Act of 1933, as amended. No party that is a governmental unit, or any other entity, has requested that the Bankruptcy Court decline to confirm the Plan on the grounds that the principal purpose of the Plan is the avoidance of taxes or the avoidance of the application of section 5 of the Securities Act of 1933. Based on my involvement in the Plan process, I understand that the Plan was not proposed for either proscribed purpose; rather, I understand that the Plan was proposed with the intention to provide a framework for the Debtors' restructuring. Accordingly, I understand from my discussions with the Debtors' other advisors that the Debtors have satisfied the requirements of section 1129(d) of the Bankruptcy Code.

V. The Releases, Exculpations and Injunctions in the Plan Are Appropriate.

A. The Debtor Release Is Appropriate and in the Best Interests of the Debtors' Estates.

62. I understand that Article VIII.C of the Plan sets forth the releases by the Debtors (the "Debtor Release"). Based upon my discussions with the Debtors' other Advisors, the Debtor Release is appropriate, justified, in the best interests of the stakeholders, and an integral part of the Plan.

63. *First*, and foremost, I understand the Debtors' board of directors established a special committee (the "Special Committee") and delegated to the Special Committee, among other things, the authority to conduct an independent investigation into whether the Debtors hold potential Claims against Related Parties (the "Investigation").⁸ I understand that the Special

⁸ See Horton Declaration at ¶ 6–7. Capitalized terms used but not otherwise defined in this paragraph have the meaning given to such terms in the Horton Declaration.

Committee has since concluded its Investigation and determined that the Debtors' Estates do not possess viable and valuable Claims against Related Parties worthy of pursuit in the context of the Committee Settlement and value-maximizing Plan, and that the Committee Settlement was fair and reasonable and in the best interests of the Debtors' Estates.⁹

64. *Second*, I understand that the Committee separately evaluated the work and conclusions of the Special Committee before agreeing to the Committee Settlement. I understand that the Committee and its advisors conducted extensive diligence over the course of several weeks regarding, among other things, potential sources of distributable value for unsecured creditors, including any proceeds of the Causes of Action under investigation by the Special Committee.¹⁰ Following that diligence, the Committee agreed to the Committee Settlement. Under the Committee Settlement, the Committee agreed to, among other things, (a) support the discharge, releases, and exculpations set forth in the Plan, and (b) recommend that all Holders of General Unsecured Claims vote to accept the Plan, including the releases embodied therein.¹¹ That the Committee reached these conclusions independently, on behalf of the constituency whose recoveries the Debtor Release most directly affects, reinforces my belief that the Debtor Release is appropriate and in the best interests of the Debtors, the Estates, and all parties in interest.

65. *Third*, the Plan, including the Debtor Release, was heavily negotiated pre and postpetition by sophisticated entities that were represented by able counsel and financial advisors. I believe that the Debtor Release constitutes an integral aspect of the Debtors' arm's length

⁹ See Horton Declaration at ¶ 23.

¹⁰ See *Statement of Official Committee of Unsecured Creditors in Support of Debtors' Emergency Motion to Obtain Post-Petition Debtor-in-Possession Financing, Bid Procedures and Sale Process, and Plan* [Docket No. 232], ¶¶ 2, 4–5.

¹¹ See *Notice of Settlement Term Sheet Regarding the Global Settlement Among the Debtors, Ad Hoc Group, and Committee*, Ex. 1 [Docket No. 230-1].

negotiations with their key constituencies that resulted in the unanimously consensual Plan. In reaching this result, the Released Parties have and will continue to negotiate, formulate, and ultimately effectuate the Plan. Absent the Debtor Release, I understand based on conversations that I observed and participated in that many of the Released Parties would have been unwilling to participate in the Plan process, which would have negatively impacted the Debtors' restructuring.

66. *Fourth*, the Debtors' stakeholders, including the Committee, have overwhelmingly voted in favor of (or otherwise support) the Plan, including the Debtor Release.

B. The Third-Party Release Is Appropriate and Complies with the Bankruptcy Code.

67. I understand that Article VIII.D of the Plan contains a third-party release provision (the "Third-Party Release") that provides that each Releasing Party—including all Holders of Claims and Interests that do not specifically opt-out of, or opt-in to, as applicable, to their inclusion as a Releasing Party—and Related Parties will release any and all Causes of Action such parties could assert against the Debtors and the Released Parties. I understand based on discussions I observed and participated in that the provisions of the Plan, including the Third-Party Release, were negotiated at arm's length, and believe the Third-Party Release is an integral component of the Plan. I believe that the Third-Party Release (together with the Debtor Release) are key components of the Debtors' restructuring and required by key stakeholder groups. The restructuring contemplated by the Plan is intended by the Debtors to be value-maximizing and would not be possible absent the support of the Released Parties. Thus, I understand the Third-Party Release is intended to maximize the Debtors' fresh start by minimizing the possibility of distracting, post-emergence litigation or other disputes. I believe the Third-Party Release

therefore not only benefits the non-Debtor Released Parties, but also the Debtors' post-emergence enterprise as a whole.

68. I understand that the Third-Party Release is consensual. The Plan expressly allows any party in interest to opt-out of, or opt-in to, as applicable, the Third-Party Release, and all Holders of Claims and Interests received notice of their right to opt-out of, or opt-in to, as applicable, such releases. I understand that the Combined Hearing Notice was sent to all parties in interest and published in *The New York Times* and *The Austin American-Statesman* on July 13, 2026, and July 14, 2026, respectively, and the Ballots sent to all Holders of Claims and Interests entitled to vote on the Plan, in each case, clearly and unambiguously stated that the Plan contained the Third-Party Release, provided the language of the Third-Party Release, and included any relevant definitions. Further, I understand that the non-voting materials sent to Holders of Claims and Interests not entitled to vote to accept or reject the Plan provided clear instructions regarding how to opt-out of, or opt-in to, as applicable, the Third-Party Release and clearly stated the opt-out/opt-in deadline.

69. Additionally, I understand that the Debtors and the Committee took steps to ensure that Holders of General Unsecured Claims could evaluate the Third-Party Release with knowledge of what they stand to receive under the Plan as a result of the Committee Settlement. On August 18, 2026, and August 21, 2026 the Debtors distributed a letter on behalf of the Committee to all Holders of Claims in Class 6 (the "Committee Letter").¹² The Committee Letter described, among other things, the Committee Settlement and the Total GUC Consideration; explained that Holders of General Unsecured Claims were projected to receive no recovery under the Plan as

¹² See *Affidavit of Service*, Ex. B [Docket No. 329]; *Affidavit of Supplemental Service of Solicitation Materials* [Docket No. 330].

originally proposed; disclosed in bolded, capitalized text that the Total GUC Consideration is subject to a \$3.0 million aggregate cap and will be reduced proportionately if Allowed Class 6 Claims total less than \$27.8 million; expressly advised Holders that the Plan contains discharge, release, and exculpation provisions, including third-party releases and that they should carefully review and understand them before voting. Accordingly, Holders of General Unsecured Claims received, with a full week remaining before both the Voting Deadline and the Third-Party Release Deadline, notice of the improved treatment afforded to Class 6.

70. Further, I understand that the Third-Party Release was given for consideration. I am advised that the significant consideration provided by the Released Parties, including (i) the capital infusion provided by the 1L Exit Facility and the Preferred Equity New Money Commitments, (ii) the waiver of the Funded Debt Deficiency Claims, and (iii) the contribution of the RPA Obligations, inures not only to the benefit of the Debtors as described above but also to the benefit of various stakeholders by allowing the Chapter 11 cases to efficiently proceed and, thus, maximize the value of the Debtors' business. The Restructuring Transactions contemplated by the Plan provide for the Debtors to emerge as a significantly deleveraged and recapitalized organization that continues to operate as a going concern providing uninterrupted services to its customers. The Restructuring Transactions will allow the Debtors to preserve jobs, maintain vendor relationships, and provide for the assumption of Executory Contracts and Unexpired Leases and the satisfaction of Cure amounts related thereto. Given that the Debtors' business is already cash flow positive, with prepetition funded indebtedness significantly reduced and a right-sized capital structure, the Restructuring Transactions are intended to position the Reorganized Debtors for future growth. Accordingly, in exchange for the substantial contributions, concessions, and

support offered by the Released Parties under the Plan, I understand such parties are afforded the Third-Party Release.

71. Accordingly, based on my discussions with the Debtors' other Advisors, I understand that the Third-Party Release is appropriate and necessary to the Plan.

C. The Exculpation Provision Is Appropriate and Necessary.

72. I believe that the exculpation provision in Article VIII.E of the Plan (the "Exculpation Provision") is an integral piece of the overall settlement embodied by the Plan and is the product of good faith, arm's-length negotiations. I believe that exculpation provisions generally are essential to ensure that capable individuals are willing to manage and assist a debtor in the chapter 11 context. And, specifically, in my opinion, all of the Exculpated Parties have preserved value for the benefit of all parties in interest and were integral to the negotiation of the Plan.

73. I believe the Exculpation Provision represents an integral piece of the overall settlement embodied in the Plan and is the product of significant concessions by the Exculpated Parties. I understand from discussions with the Debtors' other Advisors that the Exculpation Provision is narrowly tailored to exclude acts of fraud, relates only to acts or omissions in connection with, or arising out of the Debtors' restructuring, is limited to parties who have performed valuable services as fiduciaries of the Debtors' Estates in connection with the Debtors' restructuring, and is the product of good faith, arm's-length negotiations.

D. The Injunction Provision Is Appropriate and Necessary.

74. I believe that the injunction provision (the "Injunction Provision"), including the "gatekeeping provision" (the "Gatekeeping Provision"), in Article VIII.F of the Plan is a necessary part of the Plan because it implements the discharge, release, and exculpation provisions that are

critically important to the Plan, and such injunction provisions are appropriately tailored to achieve those purposes. I believe that if such Injunction Provision and Gatekeeping Provision were disallowed, it would critically undermine the reorganization efforts of the Debtors and jeopardize the carefully-agreed upon settlements and agreements embodied in the Plan.

VI. Waiver of the Stay of the Confirmation Order Is Appropriate.

75. I understand based upon my discussions with the Debtors' other Advisors that the Plan conditions the Effective Date on the Debtors having obtained all authorizations, consents, regulatory approvals, rulings, or documents that are necessary to implement and effectuate the Plan. Based on my discussions with the Debtors' management and their advisors, I understand the Restructuring Transactions will result in transfers of control requiring prior approval of the Federal Communications Commission (the "FCC") and of applicable state public utility commissions (each, a "PUC"). The Effective Date cannot occur until all required FCC approvals are obtained, and I understand that certain PUCs may condition their approvals on prior FCC approval. Further, I understand that certain regulatory bodies may not commence the approval process until the Confirmation Order is entered. These approvals are critical to the occurrence of the Effective Date, and their timing is largely outside the Debtors' control.

76. Based upon my conversations with the Debtors' other Advisors, I believe that good cause exists to waive any stay so that the Confirmation Order is effective immediately upon entry. The Debtors incur significant administrative and professional costs while these Chapter 11 Cases remain pending, which reduces value otherwise available to creditors. Because the regulatory process must run before the Effective Date can occur, and I understand that in some circumstances the regulatory process cannot begin until the Confirmation Order is effective. Accordingly, I

understand that any delay in the effectiveness of the Confirmation Order extends that timeline without benefit to any stakeholder.

Conclusion

77. In conclusion, it is my opinion that the Plan satisfies the requirements of confirmation and should be approved.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge and belief.

Dated: August 31, 2026

Respectfully submitted,

/s/ Steven Shenker

Steven Shenker
Chief Restructuring Officer
U.S. TelePacific Holdings Corp.
and its Debtor affiliates