

# ORIGINAL

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Hearing Date: May 27, 2004 @ 10:00 a.m.  
 Objection Deadline: May 20, 2004 @ 4:00 p.m.

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**IN THE UNITED STATES BANKRUPTCY COURT  
 FOR THE SOUTHERN DISTRICT OF NEW YORK**

In re

Chapter 11

**TELIGENT SERVICES, INC.**

Case No. 01-12974 (SMB)

-----X  
**SAVAGE & ASSOCIATES, P.C. as the  
 Unsecured Claim Estate Representative for  
 and on behalf of TELIGENT, INC.,  
 TELIGENT SERVICES, INC., ET.AL.,**

Adv. Pro. No. 03-02695

**Plaintiffs,**

- against -

**Export Development Corp.**

**Defendants.**

-----X  
**SAVAGE & ASSOCIATES, P.C. as the  
 Unsecured Claim Estate Representative for  
 and on behalf of TELIGENT, INC.,  
 TELIGENT SERVICES, INC., ET.AL.,**

Adv. Pro. No. 03-02704

**Plaintiffs,**

- against -

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**MUTUAL FUND SERVICE, CHASE SECURITIES, INC.,  
 GOLDMAN SACHS CREDIT PARTNERS L.P.,  
 TD SECURITIES (USA), INC., JP MORGAN CHASE,  
 TORONTO DOMINION (TEXAS), INC., AND  
 THE CHASE MANHATTAN BANK, AND BLACK  
 ROCK PROVIDENT INSTITIONAL FUNDS**

**NOTICE OF MOTION**

**Defendants.**

DOCUMENT NUMBER - DATE

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**SAVAGE & ASSOCIATES, P.C. as the  
Unsecured Claim Estate Representative for  
and on behalf of TELIGENT, INC.,  
TELIGENT SERVICES, INC., ET.AL.,**

**Adv. Pro. No. 03-03245**

**Plaintiffs,**

**- against -**

**Bank of America  
Bank of America –credit services  
Bank of America US FX**

**Defendants.**

-----X

**SAVAGE & ASSOCIATES, P.C. as the  
Unsecured Claim Estate Representative for  
and on behalf of TELIGENT, INC.,  
TELIGENT SERVICES, INC., ET.AL.,**

**Adv. Pro. No. 03-03593**

**Plaintiffs,**

**- against -**

**PriceWaterhouseCoopers LP**

**Defendants.**

-----X

**SAVAGE & ASSOCIATES, P.C. as the  
Unsecured Claim Estate Representative for  
and on behalf of TELIGENT, INC.,  
TELIGENT SERVICES, INC., ET.AL.,**

**Adv. Pro. No. 03-03601**

**Plaintiffs,**

**- against -**

**CHASE SECURITIES, INC.,  
GOLDMAN SACHS CREDIT PARTNERS L.P.,  
TD SECURITIES (USA), INC., JPMORGAN CHASE,  
TORONTO DOMINION (TEXAS), INC., AND  
THE CHASE MANHATTAN BANK  
(AND ONLY THESE DEFENDANTS)**

**Defendants.**

-----X

**NOTICE OF MOTION OF UNSECURED CLAIMS ESTATE  
REPRESENTATIVE’S APPLICATION UNDER FEDERAL RULE OF  
BANKRUPTCY PROCEDURE 9019 IN SUPPORT OF ENTRY OF THE  
STIPULATION AND AGREED ORDER (I) DISMISSING WITH PREJUDICE  
COMPLAINTS FILED AGAINST BANK RELEASEES AND (II) ENJOINING**

**THE UNSECURED CLAIMS ESTATE REPRESENTATIVE FROM  
COMMENCING OR PROSECUTING ACTIONS AGAINST ANY BANK  
RELEASEE**

**PLEASE TAKE NOTICE** that, a hearing will be held on **May 27, 2004 at 10:00 a.m.** before the Honorable Stuart M. Bernstein, Chief United States Bankruptcy Judge for the Southern District of New York, at the United States Courthouse, located at the Alexander Hamilton Custom House at One Bowling Green, New York, New York 10004, Room 723, to consider the application (the “**Application**”) of Savage & Associates, P.C., the Unsecured Claim Estate Representative (the “**Representative**”) for Teligent, Inc., et al.. (“collectively, “**Teligent**”, and the “**Debtor**” in Case No. 01-12974 (SMB)), and the Plaintiff in the above captioned adversary proceedings filed by the Representative in the above referenced Chapter 11 case, seeking an order approving the Stipulation and Agreed Order ( the “**Settlement Agreement**”) relating to the Agent, Lenders and the Bank Releasees (as these terms are defined in the Settlement Agreement), annexed as **Exhibit A** to the Application.

**PLEASE TAKE FURTHER NOTICE** that objections (the “**Objections**”), if any, to the relief requested in the Application shall be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules, shall set forth the name of the objecting party, the basis of the objection and the specific grounds therefor. Objections shall be filed with the Bankruptcy Court in accordance with the Bankruptcy Code, Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules and shall further be served upon Savage & Associates, P.C., 56 Lafayette Avenue, White Plains, New York 10603, Attention: Denise L. Savage, Esq. and JennyAnn Carles, Esq., so as to be received no later than **4:00 p.m. on May 20, 2004.**

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**PLEASE TAKE FURTHER NOTICE** that if written Objections by any party are not received on or before 4:00 p.m. on May 20, 2004 the Settlement Agreement shall be presented to the Honorable Stuart M. Bernstein for signature and entry on **May 27, 2004**.

Dated: White Plains, New York  
April 30, 2004

SAVAGE & ASSOCIATES, P.C.  
Attorneys for the Representative

By: /s/ Denise L. Savage  
/s/ JennyAnn Carles  
Denise L. Savage (ds1498)  
JennyAnn Carles (jc5832)  
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Denise L. Savage (ds1498)  
JennyAnn Carles (jc5832)  
**SAVAGE & ASSOCIATES, P.C.**  
**Attorneys for the Unsecured Claims Estate**  
**Representative of Teligent, Inc.**  
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**Hearing Date: May 27, 2004 @ 10:00 a.m.**  
**Objection Deadline: May 20, 2004 @ 4:00 p.m.**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

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**In re**

**Chapter 11**

**TELIGENT SERVICES, INC.**

**Case No. 01-12974 (SMB)**

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**SAVAGE & ASSOCIATES, P.C. as the  
Unsecured Claim Estate Representative for  
and on behalf of TELIGENT, INC.,  
TELIGENT SERVICES, INC., ET.AL.,**

**Adv. Pro. No. 03-02695**

**Plaintiffs,**

**- against -**

**Export Development Corp.**

**Defendants.**

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**SAVAGE & ASSOCIATES, P.C. as the  
Unsecured Claim Estate Representative for  
and on behalf of TELIGENT, INC.,  
TELIGENT SERVICES, INC., ET.AL.,**

**Adv. Pro. No. 03-02704**

**Plaintiffs,**

**- against -**

**MUTUAL FUND SERVICE, CHASE SECURITIES, INC.,  
GOLDMAN SACHS CREDIT PARTNERS L.P.,  
TD SECURITIES (USA), INC., JP MORGAN CHASE,  
TORONTO DOMINION (TEXAS), INC., AND  
THE CHASE MANHATTAN BANK, AND BLACK  
ROCK PROVIDENT INSTITIONAL FUNDS**

**Defendants.**

-----X

**SAVAGE & ASSOCIATES, P.C. as the  
Unsecured Claim Estate Representative for  
and on behalf of TELIGENT, INC.,  
TELIGENT SERVICES, INC., ET.AL.,**

**Adv. Pro. No. 03-03245**

**Plaintiffs,**

**- against -**

**Bank of America  
Bank of America –credit services  
Bank of America US FX**

**Defendants.**

-----X

**SAVAGE & ASSOCIATES, P.C. as the  
Unsecured Claim Estate Representative for  
and on behalf of TELIGENT, INC.,  
TELIGENT SERVICES, INC., ET.AL.,**

**Adv. Pro. No. 03-03593**

**Plaintiffs,**

**- against -**

**PriceWaterhouseCoopers LP**

**Defendants.**

-----X

**SAVAGE & ASSOCIATES, P.C. as the  
Unsecured Claim Estate Representative for  
and on behalf of TELIGENT, INC.,  
TELIGENT SERVICES, INC., ET.AL.,**

**Adv. Pro. No. 03-03601**

**Plaintiffs,**

**- against -**

**CHASE SECURITIES, INC.,  
GOLDMAN SACHS CREDIT PARTNERS L.P.,  
TD SECURITIES (USA), INC., JPMORGAN CHASE,  
TORONTO DOMINION (TEXAS), INC., AND  
THE CHASE MANHATTAN BANK  
(AND ONLY THESE DEFENDANTS)**

**Defendants.**

-----X

**UNSECURED CLAIMS ESTATE REPRESENTATIVE'S APPLICATION  
UNDER FEDERAL RULE OF BANKRUPTCY PROCEDURE 9019 IN SUPPORT  
OF ENTRY OF THE STIPULATION AND AGREED ORDER (I) DISMISSING  
WITH PREJUDICE COMPLAINTS FILED AGAINST BANK RELEASEES AND  
(II) ENJOINING THE UNSECURED CLAIM ESTATE REPRESENTATIVE**

**FROM COMMENCING OR PROSECUTING ACTIONS AGAINST ANY BANK  
RELEASEE**

SAVAGE & ASSOCIATES, P.C., the Unsecured Claims Estate Representative of Teligent, Inc. (the “**Estate Representative**” or the “**Representative**”), by its undersigned counsel, hereby files the Representative’s Motion (the “Motion”) for entry of the Stipulation and Agreed Order (I) Dismissing with Prejudice Complaints Filed Against Bank Releasees and (II) Enjoining the Unsecured Claim Estate Representative from Commencing or Prosecuting Against Any Bank Release (in the form annexed hereto as **Exhibit A**, the “**Settlement Agreement**”)<sup>1</sup> with the above captioned defendants (collectively, the “**Defendants**”, and against such Defendants only) and moves the Court for the entry of an order pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedures (the “**Bankruptcy Rules**”) approving a Settlement Agreement with and/or binding upon the Defendants. In support of this Motion, the Representative respectfully represents as follows:

**JURISDICTION, VENUE AND STATUTORY PREDICATES**

1. This Court has jurisdiction over this adversary proceeding pursuant to 28 U. S. C. §§ 157 and 1334 and the “Standing Order of Referral of Cases to Bankruptcy Judges” (Ward, C.J., July 10, 1984). The statutory predicates for this proceeding are §§ 105, 542, 544, 547, 550 and 551 of the Bankruptcy Code and Bankruptcy Rule 7001(1) and (2) and 9019.
2. This is a core proceeding pursuant to 28 U. S. C. § 157. Venue is proper in this District pursuant to 28 U. S. C. § 1409.

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<sup>1</sup> All capitalized terms herein shall have the meaning ascribed in the Settlement Agreement, unless otherwise expressly defined herein.

## BACKGROUND

### A. Background of Chapter 11 Cases

3. On May 21, 2001 (the "Petition Date"), each of the Debtors filed with this Court a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.
4. After the Petition Date, the Debtors continued in possession of their properties and operated and managed their businesses as debtors in possession pursuant to Bankruptcy Code Sections 1107 and 1108.
5. On May 30, 2001, the Office of the United States Trustee appointed an official committee of unsecured creditors (the "Creditors' Committee"), which exercised its powers and carried out its duties during the course of the Debtors' Chapter 11 cases pursuant to Bankruptcy Code Section 1103.

### B. The Lenders; Cash Collateral Order

6. Pursuant to the Final Order (I) Authorizing the Use of Lenders' Cash Collateral and (II) Granting Adequate Protection Pursuant to 11 U.S.C. §§ 361 and 363, dated June 13, 2001 (the "Cash Collateral Order"), this Court granted final approval to the Debtors to use the Lenders' cash collateral on a consensual basis and provide adequate protection to the Lenders.
7. Pursuant to the Cash Collateral Order, the Debtors admitted that they were liable as of the Petition Date in the aggregate principal amount of approximately \$800 million (the "Prepetition Obligations") to the Lenders in respect of loans made by the Lenders to Teligent pursuant to the Credit Agreement, dated as of July 2, 1998 (as amended, supplemented or otherwise modified prior to the Petition Date, the "Credit Agreement"). among Teligent, the Lenders and the Agent.



8. Pursuant to the Cash Collateral Order, the Debtors admitted that the Prepetition Obligations were secured by first priority liens and security interests upon and in substantially all of each Debtor's assets and property.
9. Pursuant to the Cash Collateral Order, this Court found that notice of the final hearing to consider the Cash Collateral Order had been provided by the Debtors in accordance with the Bankruptcy Code, the Bankruptcy Rules and the interim order authorizing the Debtors' use of the Lenders' cash collateral.
10. Pursuant to the Cash Collateral Order, as adequate protection for, among other things, the use of the Lenders' cash collateral, the Lenders were granted liens on all assets of the Debtors and the Debtors' estates, including without limitation, all so called "avoidance actions" arising under Chapter 5 of the Bankruptcy Code.
11. Pursuant to the Cash Collateral Order, the Debtors acknowledged and agreed that (i) the Prepetition Obligations constituted allowed claims, not subject to subordination and otherwise unavoidable and (ii) the Agent's and the Lenders' liens on the collateral securing the Prepetition Obligations were legal, valid, binding and perfected and not subject to defense, counterclaim, offset or subordination and otherwise unavoidable.
12. Notwithstanding the Debtors' acknowledgements and agreements in the Cash Collateral Order, but acknowledging the challenge made by the Estate Representative in the Complaints (as defined below), the Cash Collateral Order provided an opportunity for the Creditors' Committee or any other party in interest to fully investigate the validity, priority and extent of the Prepetition Obligations and the Lenders' liens on the Debtors' property and any affirmative

causes of action against the Lenders, and the Lenders cooperated in the investigation undertaken by the Creditors' Committee and consented to extensions of the deadline to commence an action against the Lenders through November 12, 2001.

13. Pursuant to the Cash Collateral Order, but acknowledging the challenge made by the Estate Representative in the Complaints, the Debtors' acknowledgements and agreements as to the validity, priority and extent of the Prepetition Obligations and the Lenders' liens became binding upon all other parties in interest, including without limitation, the Creditors' Committee, as a result of the expiration of the time period to commence an action against the Lenders (as of August 28, 2001 for all parties in interest other than the Creditors' Committee and as of November 12, 2001 for the Creditors' Committee) without any such action being commenced against the Agent or the Lenders.

**C. The Chapter 11 Plan; Appointment of the Estate Representative**

14. On September 5, 2002, this Court entered an order (the "**Confirmation Order**") confirming the Plan which, notwithstanding the Debtors' administrative insolvency and the Lenders' liens on all of the Debtors' assets, implemented the Lenders' agreement to provide a distribution to prepetition unsecured creditors by (a) waiving the Lenders' superpriority claims and liens (i) on Chapter 5 Causes of Action so that any recoveries thereon could be shared with the holders of Allowed General Unsecured Claims and (ii) to allow the Debtors to fund the \$300,000 Unsecured Claim Fund on the Effective Date for the pursuit of the Chapter 5 Causes of Action and (b) reducing the Lenders' unsecured deficiency claims from

approximately \$740 million to \$600 million (the “**Lender Deficiency Claim**”) for purposes of sharing in the proceeds from the Chapter 5 Causes of Actions recovered by the Estate Representative (such proceeds, net of fees and expenses deducted from such recoveries in accordance with the Appointment Agreement referenced below, the “**Chapter 5 Cause of Action Proceeds**”).

15. Pursuant to the Confirmation Order, this Court found that notice of the Confirmation Hearing and the opportunity for any party in interest to object to confirmation of the Plan were adequate and appropriate as to all parties to be affected by the Plan and the transactions contemplated thereby.
16. Pursuant to the express terms of the Plan and the Confirmation Order, in consideration of the funding of the Chapter 11 cases pursuant to the Cash Collateral Order, and the compromises made by the Lenders in making distributions and funding available pursuant to the Plan, the Bank Releasees allege that they (a) received the benefit of an exculpation provision to insulate them from any liability for any act taken or omitted to be taken in connection with or related to the formulation, preparation, dissemination, implementation, administration, confirmation or the consummation of the Plan and (b) as of the Effective Date of the Plan, were released by the Debtors (and Reorganized Teligent) from “any and all Claims (as defined in Section 101(5) of the Bankruptcy Code), obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereafter arising in law, equity or otherwise, that any Debtor or the subsidiary of any Debtor, or any person claiming derivatively through or on

behalf of any Debtor or any such subsidiary would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Equity Interest or other Person, based in whole or in part upon any act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date” (Plan § XI.B).

17. Pursuant to the express terms of the Plan and the Confirmation Order, “for good and valuable consideration, including in the case of the Lenders, the funding of the Chapter 11 Cases pursuant to the Cash Collateral Order, the funding to be provided by the Lenders under the Plan, and the obligations and undertakings of the Lenders set forth in the Plan... each Holder of a Claim (a) who has accepted or is deemed to accept the Plan or (b) who may be entitled to receive a distribution of property in connection with the Plan (in each case regardless of whether a proof of claim was filed, whether or not Allowed and whether or not the Holder of such claim has voted on the Plan), shall be deemed to have unconditionally released the D&O Releasees, the Bank Releasees and the Committee Releasees from any and all Claims (as defined in Section 101(5) of the Bankruptcy Code), obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever, including any derivative claims on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or thereafter arising in law, equity or otherwise, that such Person would have been legally entitled to assert (whether individually or collectively), based in whole or in part upon any act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date in any way relating to or

pertaining to (w) the purchase or sale, or the rescission of a purchase or sale, of any security of the Debtors, (x) the Debtor or Reorganized Teligent, (y) the Chapter 11 Cases or (z) the negotiation, formulation and preparation of the Plan or any related agreements, instruments or other documents” (Plan § XI.C).

18. In order to implement the provisions of the Plan, the Confirmation Order provides as follows: “All settlements, compromises, releases, discharges, exculpations and injunctions set forth in the Plan shall be, and hereby are, effective and binding on all persons and entities who may have had standing to assert such claims or causes of action and no other person or entity shall possess such standing to assert such claims or causes of action after the Effective Date.” (Confirmation Order ¶ F).
19. The Effective Date of the Plan occurred on September 12, 2002 and, as set forth in the Plan, the Plan was substantially consummated on such date under Bankruptcy Code Sections 1101 and 1127(b).

**D. The Estate Representative; Avoidance Actions**

20. Pursuant and subject to the Plan, the Creditors’ Committee appointed Savage & Associates, P.C. as the Estate Representative (as successor-in-interest to the initial Estate Representative) pursuant to Bankruptcy Code Section 1123(b)(3) to pursue the Chapter 5 Causes of Action assigned by the Debtors to the Estate Representative for the benefit of all holders (including the Lenders) of Allowed General Unsecured Claims, and the Estate Representative has been acting in such capacity since the Effective Date.
21. Pursuant to the Agreement, dated as of September 12, 2002 (as amended, the “**Appointment Agreement**”), among Reorganized Teligent, the Creditors’

Committee and the Agent, the parties memorialized the terms and conditions of the appointment of the Estate Representative by the Creditors' Committee.

22. Prior to the May 21, 2003 deadline under Bankruptcy Code Section 546 to file Chapter 5 Causes of Action, the Estate Representative filed complaints against certain Bank Releasees (including certain Lenders and the financial advisor to the Agent, PricewaterhouseCoopers LLP, now known as FTI Consulting, Inc.) seeking to avoid certain prepetition and postpetition transfers under Bankruptcy Code Sections 544, 547 and 548 (including cases docketed as Adversary Proceeding Nos. 03-02695, 03-02704, 03-03245, 03-03593 and 03-03601, as such complaints may have been amended, supplemented or otherwise modified, the "**Complaints**").
23. On August 11, 2003, the Agent and the Lenders named as defendants in the Complaints filed a "Motion for an Order in Aid of Enforcement and Implementation of the Confirmed Plan of Reorganization, the Confirmation Order and the Cash Collateral Order: (A) Prohibiting the Commencement or Continuation by the Unsecured Claim Estate Representative of Lawsuits Against the Bank Releasees, (B) Directing the Unsecured Claim Estate Representative to Pay the Costs and Expenses Incurred by the Bank Releasees Sued in Violation of the Plan and Those Orders of this Court and (C) Establishing an Oversight Committee to Monitor and Direct the Unsecured Claim Estate Representative" (the "**Lender Motion**").
24. On August 18, 2003, in respect of an avoidance action filed by the Estate Representative against Reorganized Teligent and certain of its subsidiaries,

Reorganized Teligent filed a “Motion for Entry of an Order to (i) Enforce Order Confirming the Debtors’ Third Amended Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code with Respect to Certain Adversary Actions and Matters Commenced by the Unsecured Claim Estate Representative and (ii) Direct the Unsecured Claim Estate Representative to Reimburse Reorganized Teligent for Costs and Expenses Related to Such Adversary Actions” (the “**Debtors’ Motion**”).

25. The Estate Representative filed an objection to the Lender Motion and the Debtors’ Motion.
26. At the conclusion of the September 17, 2003 hearing on the Lender Motion and the Debtors’ Motion, the Court stated that the releases in the Plan of the Bank Releasees were unambiguous, but the Court requested that the parties file briefs on, among other issues raised at the hearing by the Estate Representative, whether the Estate Representative could equitably estop the Bank Releasees from asserting such releases as defenses to the Complaints and whether revocation of the Confirmation Order was possible even though more than six months had elapsed since the entry thereof.
27. Based upon discussions by and among counsel to the Agent and the Estate Representative subsequent to the September 17, 2003 hearing, the Agent, the Lenders and the other Bank Releasees named as defendants in the Complaints and the Estate Representative have concluded that it is in the best interest of the Debtors’ estates, the parties hereto and the holders of Allowed General Unsecured Claims to avoid the costs and uncertainty of litigation or to further brief and

litigate the issues set forth in the Complaints or the Lender Motion or raised at the September 17, 2003 hearing, and to settle all matters on the terms and conditions set forth in this Settlement Agreement.

28. Notice of this Settlement Agreement has been given to (i) the Office of the United States Trustee, (ii) counsel to the Debtors, (iii) counsel to the Creditors' Committee, (iv) each of the Lenders, (v) any party who filed a request for notices in the Debtors' Chapter 11 cases pursuant to Bankruptcy Rule 2002, (vi) all parties given notice of the confirmation hearing held on September 5, 2002, (vii) all creditors who have filed proofs of claims and/or are set forth in the Debtors' schedules and (viii) any defendants named in a Chapter 5 Cause of Action commenced by the Estate Representative.
29. On March 31, 2003, an order was approved and thereafter entered by the United States Bankruptcy Court for the Southern District of New York (the "Court") pursuant to 11 U.S.C. Section 105(a) authorizing, *inter alia*, the establishment of procedures for settling pending adversary proceedings ("Procedure Order").

## THE SETTLEMENT

### **A. The terms of Settlement**

30. After the commencement of the above captioned adversary proceedings, the Representative and the Agent reached a mutually agreeable settlement, the terms of which are reflected in the Settlement Agreement (annexed hereto and made a part hereof as **Exhibit A**). The Settlement Agreement provides, *inter alia*, that the Parties settle all claims asserted in the Lender Motion and the Complaints for the consideration realized via the reduction by the Lenders of their pro rata share



of the Chapter 5 Causes of Action Proceeds, as more fully set forth in paragraph 2 of the Settlement Agreement.

31. For the consideration set forth in paragraph 2 of the Settlement Agreement, the Estate Representative shall (i) dismiss with prejudice as to all Bank Releasees the Complaints, and a notice of dismissal shall be filed within five (5) business days after Court approval of this Settlement Agreement in Adversary Proceeding Nos. 03-02695, 03-02704, 03-03245, 03-03593 and 03-03601<sup>2</sup>, only with respect to such Bank Releasees, (ii) dismiss with prejudice (by filing a notice of dismissal) any other adversary proceeding against any Bank Releasee within five (5) business days after the Agent or such Bank Releasee provides written notice and evidence reasonably satisfactory to the Estate Representative that such Bank Releasee has been named in a complaint in its capacity as a Bank Releasee and (iii) withdraw with prejudice as to all Bank Releasees all pleadings relating to or filed by the Estate Representative in connection with the Complaints (including any discovery requests or motion to establish mediation procedures), and such pleadings shall be deemed mooted as to the Bank Releasees.

**B. Request for Approval of the Settlement Agreement**

**i. Legal Standard**

32. Pursuant to this Motion, the Representative seeks entry of an order pursuant to Bankruptcy Rule 9019 approving the Settlement Agreement. Bankruptcy Rule 9019(a) provides the Court with authority to approve settlements of claims and

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<sup>2</sup> The Complaint filed in Adversary Proceeding No. 03-03601 will be dismissed with prejudice only as to the Bank Releasees named therein and will remain pending as to any other entity named as a defendant therein.

controversies. See Fed. R. Bankr. P. 9019. The approval of a proposed compromise and settlement is committed to the sound discretion of the bankruptcy court. See *In re Louise's, Inc.*, 211 B.R.798, 801 (D.Del. 1997). The Courts have emphasized that “to minimize litigation and expedite the administration of a bankruptcy estate ‘compromises are favored in bankruptcy.’” *Myers v. Martin (In re Martin)*, 91 F.3d 389,393 (3d Cir. 1996) (quoting 9 Collier on Bankruptcy ¶ 9019.03[1](15<sup>th</sup> ed. 1993); See also *In re Culmtech, Ltd.*, 118 B.R. 237, 238 (Bankr. M.D. Pa. 1990) (“[C]ompromises are favored in bankruptcy and....much of litigation in bankruptcy estates results in settlements”).

33. Before approving a settlement under Bankruptcy Rule 9019, a court must determine whether “the compromise is fair, reasonable, and in the best interests of the estate.” *In re Marvel Entm't Group, Inc.*, 222 B.R. 234,249 (D.Del. 1998) (quoting *In re Louise's*, 211 B.R. at 801). To reach this determination, the court must assess the value of the claim that is being settled and balance it against the value to the estate of the approval of the settlement. *Martin*, 91 F.3d at 393. In striking this balance, the court should consider the following factors: “(1) the probability of success in litigation; (2) the likely difficulties in collection; (3) the complexity of the litigation involved, and the expense, inconvenience and delay necessarily attending it; and (4) the paramount interest of the creditors.” *Id.* Settlements should be allowed unless they fall below the lowest point of the range of reasonableness. *Cosoff v. Rodman (In re W.T. Grant Co.)*, 699 F.2d 599,608 (2d Cir.), cert. denied, 464 U.S. 822 (1983).

**ii. The Settlement Agreement is in the Best Interests of General Unsecured Creditors**

34. The Representative respectfully submits that the Settlement Agreement is reasonable and beneficial to the Debtors' estates and the Debtors' general unsecured creditors. The Estate Representative has concluded that the outcome of the Complaints against the Bank Releasees is uncertain at this stage given, among other things, the issues still to be litigated in connection with the Lender Motion. In addition, the costs of litigating the Complaints and the Lender Motion likely would be high. Absent the settlement on the terms and conditions set forth in the Settlement Agreement, it currently appears that the Lender Deficiency Claim would be entitled to an approximately 40% share of all Chapter 5 Cause of Action Proceeds. Accordingly, the reduction of the Lenders' *proportionate percentage* share of the Chapter 5 Causes of Action Proceeds as set forth in the Settlement Agreement will be tantamount to recovering up to \$100,000 on each \$1,000,000 (up to \$5,000,000), and \$150,000 on each \$1,000,000 above \$5,000,000, of the Chapter 5 Cause of Action Proceeds distributed to holders of Allowed General Unsecured Claims.. This sum would represent a substantial percentage recovery on the Representative's claims when weighed against the defenses that have been (and could be) asserted by the Defendants. The Representative has reviewed the potential defenses to the Complaints the Defendants could assert at trial and the complicated issues still to be determined in connection with the Lender Motion and, based on that review, it is the Representative's reasoned business judgment that the Settlement Agreement is in the best interests of the Debtors' estates.

Accordingly, it is respectfully submitted that approval of the Settlement Agreement by this Court is warranted.

35. For the foregoing reasons, the Representative submits that approval of the Settlement Agreement is justified and appropriate under Bankruptcy Rule 9019.

**iii. No Prior Request**

36. No previous request for the relief sought in this Motion has been made to this or any other Court.

**CONCLUSION**

WHEREFORE, the Representative respectfully requests that this Court enter an order, substantially in the form attached hereto as Exhibit B, approving the Settlement Agreement pursuant to Bankruptcy Rule 9019 and the Procedure Order, and granting such other and further relief as the Court may deem just and proper.

Dated: White Plains, New York  
April 30, 2004

SAVAGE & ASSOCIATES, P.C.  
Attorneys for the Representative

By: /s/ Denise L. Savage  
/s/ JennyAnn Carles  
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# **EXHIBIT A**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

In re:

TELIGENT, INC., et al.,

Debtors.

Case No. 01-12974 (SMB)

Chapter 11

Related to Adv. Pro. Nos.

03-02695 (SMB)

03-02704 (SMB)

03-03245 (SMB)

03-03593 (SMB)

03-03601 (SMB)

**STIPULATION AND AGREED ORDER (I) DISMISSING WITH PREJUDICE  
COMPLAINTS FILED AGAINST BANK RELEASEES AND (II) ENJOINING THE  
UNSECURED CLAIM ESTATE REPRESENTATIVE FROM COMMENCING OR  
PROSECUTING ACTIONS AGAINST ANY BANK RELEASEE**

THIS STIPULATION AND AGREED ORDER, dated as of April 30, 2004 (this "Stipulation"), by and among (i) JPMorgan Chase Bank, in its capacity as administrative agent (the "Agent") for itself and a syndicate of senior secured lenders (including those individual Lenders named as defendants in the avoidance actions referenced in paragraph 1 below, the "Lenders") to Teligent, Inc. ("Teligent") and the other above-captioned former debtors and former debtors-in-possession (collectively, the "Debtors") and (ii) Savage & Associates, P.C., in its capacity as the Unsecured Claim Estate Representative<sup>1</sup> (the "Estate Representative"), has

<sup>1</sup> Unless otherwise defined herein, capitalized terms are used herein as defined in the Debtors' Third Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code, dated September 5, 2002 (the "Plan").

been entered into in order to resolve any and all claims of the Estate Representative against the Lenders and all other Bank Releasees,<sup>2</sup> and in furtherance thereof, the parties, by and through their undersigned counsel, hereby stipulate and agree as follows:

**Background of Chapter 11 Cases**

WHEREAS, on May 21, 2001 (the "Petition Date"), each of the Debtors filed with this Court a voluntary petition for relief under Chapter 11 of the Bankruptcy Code; and

WHEREAS, after the Petition Date, the Debtors continued in possession of their properties and operated and managed their businesses as debtors in possession pursuant to Bankruptcy Code Sections 1107 and 1108; and

WHEREAS, on May 30, 2001, the Office of the United States Trustee appointed an official committee of unsecured creditors (the "Creditors' Committee"), which exercised its powers and carried out its duties during the course of the Debtors' Chapter 11 cases pursuant to Bankruptcy Code Section 1103; and

**The Lenders; Cash Collateral Order**

WHEREAS, pursuant to the Final Order (I) Authorizing the Use of Lenders' Cash Collateral and (II) Granting Adequate Protection Pursuant to 11 U.S.C. §§ 361 and 363, dated June 13, 2001 (the "Cash Collateral Order"), this Court granted final approval to the Debtors to use the Lenders' cash collateral on a consensual basis and provide adequate protection to the Lenders; and

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<sup>2</sup> The term "Bank Releasees" is defined in the Plan as follows: "The Agent and the Lenders in their capacity as such under the Prepetition Credit Agreement or the Cash Collateral Order, together with their respective officers, directors, employees, attorneys, financial advisors, accountants, investment bankers, agents and representatives in each case in their capacity as such." This Stipulation and the release contained herein only apply to such persons and entities in their capacity as Bank Releasees; to the extent that any such person or entity is a defendant in any Chapter 5 Cause of Action on account of any transaction or other matter that did not arise under or relate to the Prepetition Credit Agreement or the Cash Collateral Order (i.e., it has been sued in a capacity other than as a Bank Releasee), this Stipulation and the release contained herein shall not apply to any such person or entity in any such other capacity

WHEREAS, pursuant to the Cash Collateral Order, the Debtors admitted that they were liable as of the Petition Date in the aggregate principal amount of approximately \$800 million (the "Prepetition Obligations") to the Lenders in respect of loans made by the Lenders to Teligent pursuant to the Credit Agreement, dated as of July 2, 1998 (as amended, supplemented or otherwise modified prior to the Petition Date, the "Credit Agreement"), among Teligent, the Lenders and the Agent; and

WHEREAS, pursuant to the Cash Collateral Order, the Debtors admitted that the Prepetition Obligations were secured by first priority liens and security interests upon and in substantially all of each Debtor's assets and property; and

WHEREAS, pursuant to the Cash Collateral Order, this Court found that notice of the final hearing to consider the Cash Collateral Order had been provided by the Debtors in accordance with the Bankruptcy Code, the Bankruptcy Rules and the interim order authorizing the Debtors' use of the Lenders' cash collateral; and

WHEREAS, pursuant to the Cash Collateral Order, as adequate protection for, among other things, the use of the Lenders' cash collateral, the Lenders were granted liens on all assets of the Debtors and the Debtors' estates, including without limitation, all so called "avoidance actions" arising under Chapter 5 of the Bankruptcy Code; and

WHEREAS, pursuant to the Cash Collateral Order, the Debtors acknowledged and agreed that (i) the Prepetition Obligations constituted allowed claims, not subject to subordination and otherwise unavoidable and (ii) the Agent's and the Lenders' liens on the collateral securing the Prepetition Obligations were legal, valid, binding and perfected and not subject to defense, counterclaim, offset or subordination and otherwise unavoidable; and



WHEREAS, notwithstanding the Debtors' acknowledgements and agreements in the Cash Collateral Order, but acknowledging the challenge made by the Estate Representative in the Complaints (as defined below), the Cash Collateral Order provided an opportunity for the Creditors' Committee or any other party in interest to fully investigate the validity, priority and extent of the Prepetition Obligations and the Lenders' liens on the Debtors' property and any affirmative causes of action against the Lenders, and the Lenders cooperated in the investigation undertaken by the Creditors' Committee and consented to extensions of the deadline to commence an action against the Lenders through November 12, 2001; and

WHEREAS, pursuant to the Cash Collateral Order, but acknowledging the challenge made by the Estate Representative in the Complaints, the Debtors' acknowledgements and agreements as to the validity, priority and extent of the Prepetition Obligations and the Lenders' liens became binding upon all other parties in interest, including without limitation, the Creditors' Committee, as a result of the expiration of the time period to commence an action against the Lenders (as of August 28, 2001 for all parties in interest other than the Creditors' Committee and as of November 12, 2001 for the Creditors' Committee) without any such action being commenced against the Agent or the Lenders; and

**The Chapter 11 Plan; Appointment of the Estate Representative**

WHEREAS, on September 5, 2002, this Court entered an order (the "Confirmation Order") confirming the Plan which, notwithstanding the Debtors' administrative insolvency and the Lenders' liens on all of the Debtors' assets, implemented the Lenders' agreement to provide a distribution to prepetition unsecured creditors by (a) waiving the Lenders' superpriority claims and liens (i) on Chapter 5 Causes of Action so that any recoveries thereon could be shared with the holders of Allowed General Unsecured Claims and (ii) to allow

the Debtors to fund the \$300,000 Unsecured Claim Fund on the Effective Date for the pursuit of the Chapter 5 Causes of Action and (b) reducing the Lenders' unsecured deficiency claims from approximately \$740 million to \$600 million (the "Lender Deficiency Claim") for purposes of sharing in the proceeds from the Chapter 5 Causes of Actions recovered by the Estate Representative (such proceeds, net of fees and expenses deducted from such recoveries in accordance with the Appointment Agreement referenced below, the "Chapter 5 Cause of Action Proceeds"); and

WHEREAS, pursuant to the Confirmation Order, this Court found that notice of the Confirmation Hearing and the opportunity for any party in interest to object to confirmation of the Plan were adequate and appropriate as to all parties to be affected by the Plan and the transactions contemplated thereby; and

WHEREAS, pursuant to the express terms of the Plan and the Confirmation Order, in consideration of the funding of the Chapter 11 cases pursuant to the Cash Collateral Order, and the compromises made by the Lenders in making distributions and funding available pursuant to the Plan, the Bank Releasees allege that they (a) received the benefit of an exculpation provision to insulate them from any liability for any act taken or omitted to be taken in connection with or related to the formulation, preparation, dissemination, implementation, administration, confirmation or the consummation of the Plan and (b) as of the Effective Date of the Plan, were released by the Debtors (and Reorganized Teligent) from "any and all Claims (as defined in Section 101(5) of the Bankruptcy Code), obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereafter arising in law, equity or otherwise, that any Debtor or the subsidiary of any Debtor, or any person claiming derivatively through or on behalf of any Debtor or any such

subsidiary would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Equity Interest or other Person, based in whole or in part upon any act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date” (Plan § XI.B); and

WHEREAS, pursuant to the express terms of the Plan and the Confirmation Order, “for good and valuable consideration, including in the case of the Lenders, the funding of the Chapter 11 Cases pursuant to the Cash Collateral Order, the funding to be provided by the Lenders under the Plan, and the obligations and undertakings of the Lenders set forth in the Plan... each Holder of a Claim (a) who has accepted or is deemed to accept the Plan or (b) who may be entitled to receive a distribution of property in connection with the Plan (in each case regardless of whether a proof of claim was filed, whether or not Allowed and whether or not the Holder of such claim has voted on the Plan), shall be deemed to have unconditionally released the D&O Releasees, the Bank Releasees and the Committee Releasees from any and all Claims (as defined in Section 101(5) of the Bankruptcy Code), obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever, including any derivative claims on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or thereafter arising in law, equity or otherwise, that such Person would have been legally entitled to assert (whether individually or collectively), based in whole or in part upon any act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date in any way relating to or pertaining to (w) the purchase or sale, or the rescission of a purchase or sale, of any security of the Debtors, (x) the Debtor or Reorganized Teligent, (y) the Chapter 11 Cases or (z) the negotiation, formulation and preparation of the Plan or any related agreements, instruments or other documents” (Plan § XI.C); and

WHEREAS, in order to implement the provisions of the Plan, the Confirmation Order provides as follows: “All settlements, compromises, releases, discharges, exculpations and injunctions set forth in the Plan shall be, and hereby are, effective and binding on all persons and entities who may have had standing to assert such claims or causes of action and no other person or entity shall possess such standing to assert such claims or causes of action after the Effective Date.” (Confirmation Order ¶ F); and

WHEREAS, the Effective Date of the Plan occurred on September 12, 2002 and, as set forth in the Plan, the Plan was substantially consummated on such date under Bankruptcy Code Sections 1101 and 1127(b); and

**The Estate Representative: Avoidance Actions**

WHEREAS, pursuant and subject to the Plan, the Creditors’ Committee appointed Savage & Associates, P.C. as the Estate Representative (as successor-in-interest to the initial Estate Representative) pursuant to Bankruptcy Code Section 1123(b)(3) to pursue the Chapter 5 Causes of Action assigned by the Debtors to the Estate Representative for the benefit of all holders (including the Lenders) of Allowed General Unsecured Claims, and the Estate Representative has been acting in such capacity since the Effective Date; and

WHEREAS, pursuant to the Agreement, dated as of September 12, 2002 (as amended, the “Appointment Agreement”), among Reorganized Teligent, the Creditors’ Committee and the Agent, the parties memorialized the terms and conditions of the appointment of the Estate Representative by the Creditors’ Committee; and

WHEREAS, prior to the May 21, 2003 deadline under Bankruptcy Code Section 546 to file Chapter 5 Causes of Action, the Estate Representative filed complaints against certain Bank Releasees (including certain Lenders and the financial advisor to the Agent,

PricewaterhouseCoopers LLP, now known as FTI Consulting, Inc.) seeking to avoid certain prepetition and postpetition transfers under Bankruptcy Code Sections 544, 547 and 548 (including cases docketed as Adversary Proceeding Nos. 03-02695, 03-02704, 03-03245, 03-03593 and 03-03601, as such complaints may have been amended, supplemented or otherwise modified, the "Complaints"); and

WHEREAS, on August 11, 2003, the Agent and the Lenders named as defendants in the Complaints filed a "Motion for an Order in Aid of Enforcement and Implementation of the Confirmed Plan of Reorganization, the Confirmation Order and the Cash Collateral Order: (A) Prohibiting the Commencement or Continuation by the Unsecured Claim Estate Representative of Lawsuits Against the Bank Releasees, (B) Directing the Unsecured Claim Estate Representative to Pay the Costs and Expenses Incurred by the Bank Releasees Sued in Violation of the Plan and Those Orders of this Court and (C) Establishing an Oversight Committee to Monitor and Direct the Unsecured Claim Estate Representative" (the "Lender Motion"); and

WHEREAS, on August 18, 2003, in respect of an avoidance action filed by the Estate Representative against Reorganized Teligent and certain of its subsidiaries, Reorganized Teligent filed a "Motion for Entry of an Order to (i) Enforce Order Confirming the Debtors' Third Amended Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code with Respect to Certain Adversary Actions and Matters Commenced by the Unsecured Claim Estate Representative and (ii) Direct the Unsecured Claim Estate Representative to Reimburse Reorganized Teligent for Costs and Expenses Related to Such Adversary Actions" (the "Debtors' Motion"); and

WHEREAS, the Estate Representative filed an objection to the Lender Motion and the Debtors' Motion; and

WHEREAS, at the conclusion of the September 17, 2003 hearing on the Lender Motion and the Debtors' Motion, the Court stated that the releases in the Plan of the Bank Releasees were unambiguous, but the Court requested that the parties file briefs on, among other issues raised at the hearing by the Estate Representative, whether the Estate Representative could equitably estop the Bank Releasees from asserting such releases as defenses to the Complaints and whether revocation of the Confirmation Order was possible even though more than six months had elapsed since the entry thereof; and

WHEREAS, based upon discussions by and among counsel to the Agent and the Estate Representative subsequent to the September 17, 2003 hearing, the Agent, the Lenders and the other Bank Releasees named as defendants in the Complaints and the Estate Representative have concluded that it is in the best interest of the Debtors' estates, the parties hereto and the holders of Allowed General Unsecured Claims to avoid the costs and uncertainty of litigation or to further brief and litigate the issues set forth in the Complaints or the Lender Motion or raised at the September 17, 2003 hearing, and to settle all matters on the terms and conditions set forth in this Stipulation; and

WHEREAS, notice of this Stipulation has been given to (i) the Office of the United States Trustee, (ii) counsel to the Debtors, (iii) counsel to the Creditors' Committee, (iv) each of the Lenders, (v) any party who filed a request for notices in the Debtors' Chapter 11 cases pursuant to Bankruptcy Rule 2002, (vi) all parties given notice of the confirmation hearing held on September 5, 2002, (vii) all creditors who have filed proofs of claims and/or are set forth in the Debtors' schedules and (viii) any defendants named in a Chapter 5 Cause of Action commenced by the Estate Representative;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among the Agent, the Lenders named as defendants in the Complaints and the Estate Representative, by and through their undersigned counsel, as follows:

1. Without payment of money by any Lender or any other Bank Releasee, but for the consideration set forth below, the Estate Representative shall (i) dismiss with prejudice as to all Bank Releasees the Complaints, and a notice of dismissal shall be filed within five (5) business days after Court approval of this Stipulation in Adversary Proceeding Nos. 03-02695, 03-02704, 03-03245, 03-03593 and 03-03601 only with respect to such Bank Releasees, (ii) dismiss with prejudice (by filing a notice of dismissal) any other adversary proceeding against any Bank Releasee within five (5) business days after the Agent or such Bank Releasee provides written notice and evidence reasonably satisfactory to the Estate Representative that such Bank Releasee has been named in a complaint in its capacity as a Bank Releasee and (iii) withdraw with prejudice as to all Bank Releasees all pleadings relating to or filed by the Estate Representative in connection with the Complaints (including any discovery requests or motion to establish mediation procedures), and such pleadings shall be deemed mooted as to the Bank Releasees. Without limiting the release in paragraph 5 herein or the waivers, injunctions, discharges and releases set forth in the Plan, the Confirmation Order or the Cash Collateral Order, the Estate Representative (and its counsel) shall be permanently enjoined from (i) seeking (or representing or assisting any other party in seeking) to modify, revoke, vacate or otherwise challenge the Cash Collateral Order, the Plan, the Confirmation Order or this Stipulation (except to enforce the obligations created hereunder), (ii) asserting (or representing or assisting any other party in asserting) that any Bank Releasee is estopped from enforcing the Cash Collateral Order, the Plan, the Confirmation Order or this Stipulation and (iii) commencing or prosecuting (or

representing or assisting any other party in commencing or prosecuting) any Claim or cause of action of any kind whatsoever, including, without limitation, under Bankruptcy Code Sections 544, 547, 548, 549, 553 or any other applicable law, against any Bank Releasee.

2. In consideration of the withdrawal of the Complaints and the other terms set forth in this Stipulation, and notwithstanding that it currently appears that the Lender Deficiency Claim would otherwise be entitled to an approximately 40% share of all Chapter 5 Cause of Action Proceeds, the Lender Deficiency Claim shall be reduced and fixed such that the Lenders shall receive (i) on the first \$5,000,000 of Chapter 5 Cause of Action Proceeds distributed to holders of Allowed General Unsecured Claims, the lesser of (A) 30% thereof or (B) the Lenders' actual pro rata percentage share (prior to giving effect to this Stipulation) of Chapter 5 Cause of Action Proceeds after adjudicating to a final order or settling all Chapter 5 Causes of Action and reconciling all General Unsecured Claims asserted against the Debtors' estates and (ii) on any Chapter 5 Cause of Action Proceeds in excess of \$5,000,000 distributed to holders of Allowed General Unsecured Claims, the lesser of (A) 25% thereof or (B) the Lenders' actual pro rata percentage share (prior to giving effect to this Stipulation) of Chapter 5 Cause of Action Proceeds after adjudicating to a final order or settling all Chapter 5 Causes of Action and reconciling all General Unsecured Claims asserted against the Debtors' estates. Any amounts (net of fees and expenses to be paid to the Estate Representative pursuant to the Appointment Agreement) that would have been distributed to the Lenders on account of the Lender Deficiency Claim (prior to giving effect to this Stipulation ) shall be distributed to holders (other than the Lenders) of Allowed General Unsecured Claims in accordance with the Plan, and the Estate Representative's fees thereon may be distributed in accordance with the Appointment Agreement.



3. In consideration of the settlements embodied in this Stipulation, the Estate Representative shall make interim distributions on account of the Lender Deficiency Claim to the Agent, for the account of the Lenders, from time to time as and when Chapter 5 Cause of Action Proceeds are available to make such distributions, and the Lenders waive the right to receive (i) more than 30% of the first \$5,000,000 of Chapter 5 Cause of Action Proceeds and (ii) more than 25% of any Chapter 5 Cause of Action Proceeds in excess of \$5,000,000. The entry into this Stipulation shall in no way constitute or be deemed to be a representation or projection by the Estate Representative as to the total amount of Chapter 5 Cause of Action Proceeds that will ultimately be available for distribution to holders of Allowed General Unsecured Claims, or that the Chapter 5 Cause of Action Proceeds will ever reach or exceed \$5,000,000.

4. Upon Court approval of this Stipulation, the Lender Motion (and any joinders filed in support thereof) shall be deemed withdrawn with prejudice as to any matter or conduct that occurred prior to the date of the approval of this Stipulation.

5. In consideration of the settlement embodied in this Stipulation, effective upon approval of this Stipulation by this Court, and without limiting the scope of the waivers, injunctions, discharges and releases contained in the Plan, the Confirmation Order or the Cash Collateral Order, the Estate Representative hereby fully and forever releases, acquits and discharges the Agent, the Lenders and the other Bank Releasees in such capacity, and their respective present and former officers, directors, employees, agents, advisors, parent companies, subsidiaries, affiliates, successors and/or assigns from any and all obligations, Claims, actions, causes of action, suits, liabilities, debts, dues, sums of money, accounts, and damages of any nature whatsoever (including, without limitation, any and all claims asserted or that could have been asserted by the Estate Representative in the Complaints, collectively, the "Actions"), which

the Estate Representative has, or may in the future have, whether actual or potential, known or unknown, asserted or unasserted, foreseen or unforeseen, concealed or disclosed, fixed or contingent, whether in law, equity or otherwise (including without limitation, any and all avoidance actions under Chapter 5 of the Bankruptcy Code or any other provision of state or federal law, or any law of any jurisdiction outside the United States), from the beginning of time to the date of approval of this Stipulation by the Court, related to or arising from the Actions, the Chapter 11 Cases, the Plan, the Confirmation Order, the Cash Collateral Order, the Chapter 5 Causes of Action or any action related thereto taken (or omitted to be taken) at any time by or on behalf of the Agent, the Lenders or the other Bank Releasees; provided that this release shall not include any obligations created hereunder and shall only apply to the Bank Releasees in their capacity as Bank Releasees.

6. The Lenders, the Agent and the Bank Releasees shall be barred from asserting any claims against the Estate Representative arising prior to the date of approval of this Stipulation for attorneys' fees, expenses, costs and sanctions arising from, and including but not limited to, the Lender Motion, the Complaints and any and all other motions, pleadings and discovery relating thereto.

7. Nothing herein shall be construed to restrict the positions that may be taken by the Estate Representative, the Agent or any Lender in any other adversary proceeding or contested matter, including any such adversary proceeding or contested matter involving Reorganized Teligent, the Debtors or any of their subsidiaries or affiliates.

8. In further consideration of the undertakings set forth in this Stipulation, the Estate Representative and the Agent hereby each agree to take any and all other actions

reasonably requested by another party to this Stipulation to effectuate the terms of this Stipulation.

9. This Stipulation may be executed in counterparts and by facsimile, and all such counterparts shall constitute one stipulation.

10. This Stipulation shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns.

11. This Stipulation constitutes the entire agreement between the parties with respect to the subject matter hereof. This Stipulation supersedes all prior negotiations and documents reflecting any such prior negotiations among the parties hereto with respect to the subject matter hereof. No prior or contemporaneous agreement may be used to alter the terms of this Stipulation.

12. This Stipulation may be modified from time to time only in a writing signed by all parties hereto and without further Court approval in the event of a non-material modification hereto.

13. This Stipulation is subject to the approval of the Bankruptcy Court. The parties agree to use reasonable best efforts to obtain the approval of the Bankruptcy Court. Nothing in this Stipulation shall be deemed effective unless the Bankruptcy Court approves this Stipulation. In the event the Bankruptcy Court declines to approve this Stipulation, (a) the parties hereto shall return to their respective rights and obligations existing prior to the execution of this Stipulation and (b) neither this Stipulation nor any part hereof may be used by any party for any purpose, except to enforce the terms hereof.

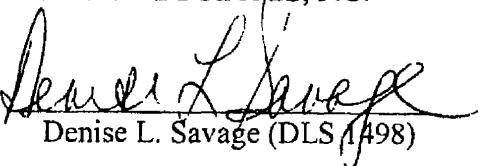
14. This Stipulation and the rights and obligations of the parties hereto shall be governed by and construed in accordance with the law of the State of New York, except to the

extent that the Bankruptcy Code governs such rights and obligations. The Bankruptcy Court shall retain and have exclusive jurisdiction to consider any material modification of this Stipulation or any dispute or other matters that may arise in connection with this Stipulation.

Proper and adequate notice of the Stipulation has been given and no other or further notice is necessary for entry of this Stipulation.

SAVAGE & ASSOCIATES, P.C.

By:


  
Denise L. Savage (DLS 1498)

56 Lafayette Avenue  
White Plains, New York 10603  
Tel: (914) 99-6318

Counsel to the Unsecured Claim Estate  
Representative of Teligent, Inc.

SIMPSON THACHER & BARTLETT LLP

By:

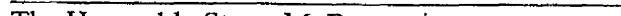
  
Steve Fuhrman (SF 0898)

425 Lexington Avenue  
New York, New York 10017

Counsel to JPMorgan Chase Bank, as Agent,  
and the Lenders Named as Defendants

So Ordered and Approved:

Dated: New York, New York  
May \_\_, 2004

  
The Honorable Stuart M. Bernstein  
Chief United States Bankruptcy Judge

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Proper and adequate notice of the Stipulation has been given and no other or further notice is necessary for entry of this Stipulation.

SAVAGE & ASSOCIATES, P.C.

By: \_\_\_\_\_  
Denise L. Savage (DLS 1498)


56 Lafayette Avenue  
White Plains, New York 10603  
Tel: (914) 99-6318

Counsel to the Unsecured Claim Estate  
Representative of Teligent, Inc.

So Ordered and Approved:

Dated: New York, New York  
May \_\_, 2004

SIMPSON THACHER & BARTLETT LLP

By:   
Steve Fuhrman (SF 0898)

425 Lexington Avenue  
New York, New York 10017

Counsel to JPMorgan Chase Bank, as Agent,  
and the Lenders Named as Defendants

\_\_\_\_\_  
The Honorable Stuart M. Bernstein  
Chief United States Bankruptcy Judge

**File a Court document: 03-02695-smb Savage & Associates, P.C. as the Unsecured Claim E v. Export Development Corp. 03-02704-smb Savage & Associates, P.C. as the Unsecured Claim E v. Mutual Fund Service et al 03-03245-smb Savage & Associates, P.C. as the Unsecured Claim E v. Bank of America et al 03-03593-smb Savage & Associates, P.C. as the Unsecured Claim E v. Price Waterhouse Coopers LLP 03-03601-smb Savage & Associates, P.C. as the Unsecured Claim E v. Associated Communications Deutschland GMBH et al**

**U.S. Bankruptcy Court**

**Southern District of New York**

Notice of Electronic Filing

The following transaction was received from Savage, Denise entered on 4/30/2004 at 2:16 PM and filed on 4/30/2004

**Case Name:** Savage & Associates, P.C. as the Unsecured Claim E v. Export Development Corp.  
**Case Number:** 03-02695-smb  
**Document Number:** 9

**Case Name:** Savage & Associates, P.C. as the Unsecured Claim E v. Mutual Fund Service et al  
**Case Number:** 03-02704-smb  
**Document Number:** 18

**Case Name:** Savage & Associates, P.C. as the Unsecured Claim E v. Bank of America et al  
**Case Number:** 03-03245-smb  
**Document Number:** 14

**Case Name:** Savage & Associates, P.C. as the Unsecured Claim E v. Price Waterhouse Coopers LLP  
**Case Number:** 03-03593-smb  
**Document Number:** 21

**Case Name:** Savage & Associates, P.C. as the Unsecured Claim E v. Associated Communications Deutschland GMBH et al  
**Case Number:** 03-03601-smb  
**Document Number:** 27

**Docket Text:**

Notice of Proposed Order /Notice of Application and Application filed Pursuant to FRBP 9019 in Support of Entry of the Stipulation and Agreed Order (I) Dismissing with Prejudice Complaints Filed Against Bank Releasees and (II) Enjoining the Unsecured Claims Estate Representative from Commencing or Prosecuting Actions Against Bank Releasees, with Exhibit A (the Stipulation and Agreed Order) with presentment to be held on 5/27/2004 at 10:00 AM at Courtroom 723(SMB). (Savage, Denise)

The following document(s) are associated with this transaction:

**Case Number: 03-02695-smb**

**Document description:**

**Original filename:**S:\Teligent2\Settlement Stipulations\Notice of Settlements\JP Morgan Chase\Notice of Motion, Application and Exhibit A.pdf

**Electronic document Stamp:**

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**Case Number: 03-02704-smb**

**Document description:**

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**Case Number: 03-03245-smb**

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**Case Number: 03-03593-smb**

**Document description:**

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**Case Number: 03-03601-smb**

**Document description:**

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