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-and-

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*Proposed Special Counsel to the Debtors and
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**UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF NEW YORK**

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In re :
 : **Chapter 11**
PARETEUM CORPORATION, et al., : **Case No. 22-10615 (LGB)**
 :
Debtors.¹ : **(Jointly Administered)**
 -----X

**NOTICE OF SALE, BIDDING PROCEDURES,
AUCTION, AND SALE HEARING**

PLEASE TAKE NOTICE:

Pareteum Corporation and its chapter 11 affiliate debtors, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), filed with the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”) a motion (ECF No. 13) (the “**Motion**”) for the entry of (i) an order (the “**Bidding Procedures Order**”)² (a) approving bidding procedures in connection with the sale or disposition of

¹ The Debtors in the Chapter 11 Cases, along with the last four digits of each Debtor’s federal tax identification number, if applicable, are: Pareteum Corporation (7538); Pareteum North America Corp. (f/k/a Elephant Talk North America Corp.) (9623); Devicescape Holdings, Inc. (2909); iPass, Inc. (4598); iPass IP LLC (2550); Pareteum Europe B.V.; Artidium Group Ltd. (f/k/a Artidium PLC); Pareteum Asia Pte. Ltd.; and Pareteum N.V. (f/k/a Artidium N.V.). The Debtors’ corporate headquarters is located at 1185 Avenue of the Americas, 2nd Floor, New York, NY 10036.

² Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Bidding Procedures Order.



substantially all of the Debtors' assets (the "**Assets**"); (b) approving the Expense Reimbursement for the Stalking Horse Bidders (as hereinafter defined); (c) scheduling an auction (the "**Auction**") of the Assets and a hearing (the "**Sale Hearing**") to consider approval of proposed sale transactions; (d) approving the form and manner of notice of sales of the Assets, the Auction, and the Sale Hearing; (e) approving the form and manner of notice to each non-Debtor counterparty (each, a "**Counterparty**") to executory contracts and unexpired leases (collectively, the "**Contracts and Leases**") regarding the Debtors' potential assumption and assignment of their Contracts and Leases and of the Debtors' calculation of the amount necessary to cure all monetary defaults thereunder (collectively, the "**Cure Costs**"); (f) approving procedures for the assumption and assignment of Contracts (the "**Assumption and Assignment Procedures**"); and (g) granting related relief; and (ii) one or more orders (each, a "**Sale Order**") (a) authorizing the sale of the Assets free and clear of all liens, claims, interests, and encumbrances; (b) authorizing the proposed assumption and assignment of the Contracts and Leases listed on Exhibit A to the Assumption and Assignment Notice, which contains a list of all of the Debtors' Contracts and Leases (collectively, the "**Proposed Assumed Contracts**"); and (c) granting related relief.

On May 31, 2022, the Bankruptcy Court entered the Bidding Procedures Order (ECF No. 76), approving the relief requested in the Motion.

Stalking Horse Bid

A binding stalking horse bid (the "**Stalking Horse Bid**") has been submitted by Circles MVNE Pte. Ltd. and Channel Ventures Group, LLC (collectively, the "**Stalking Horse Bidders**"). The Stalking Horse Bidder has executed an asset purchase agreement (the "**Stalking Horse Agreement**")³ for the purchase of the Debtors' assets identified in the Stalking Horse Agreement hereto (the "**Stalking Horse Package**"). The Stalking Horse Bid is subject to higher or otherwise better offers submitted in accordance with the terms and provisions of the Bidding Procedures.

Notwithstanding anything to the contrary in this Sale Notice or the Bidding Procedures, the Official Committee of Unsecured Creditors (the "Committee") is analyzing the Stalking Horse Bid. To the extent that the Committee determines that an appropriate basis exists, the Committee may seek to disallow any portion of the credit bid amount of \$60,008,167 as indicated in the Stalking Horse Agreement (the "Credit Bid Amount"), challenge the right of the Stalking Horse Bidder to credit bid on any grounds, challenge any purported liens, object to the Stalking Horse Agreement, and object to the assets included in the Stalking Horse Package. Thus, prospective bidders may elect to submit a bid for an amount less than the amount of the Credit Bid Amount and/or for less than the full Stalking Horse Package and still be considered as a Qualified Bidder that can participate in the Auction pursuant to the Bidding Procedures. The Debtors, in consultation with the Consultation Parties, will review all of the bids that are received by the Bid Deadline and determine whether any Qualified Bids have been received, and whether an Auction will commence.

The Debtors are seeking to sell substantially all of their assets (the "**Assets**") including, but not limited to, inventory, intellectual property, prepaid expenses, and furniture, fixtures, and equipment.

³ The Stalking Horse Agreement is attached as Exhibit C to the Motion.

IMPORTANT DATES AND DEADLINES

- **Auction.** If there are two or more Qualified Bids, then an Auction for the Assets has been scheduled for (i) **June 15, 2022 at 8:00 a.m. (Eastern Time)**, virtually via videoconference and live, at the offices of King & Spalding LLP, 1185 Avenue of the Americas, 34th Floor, New York, New York 10036. The Debtors reserve the right to adjourn or continue the Auction to a later date.
- **Sale Objection Deadlines.** Objections to a proposed Sale Transaction to the Stalking Horse Bidder, including any objection to the sale of any Assets free and clear of liens, claims, interests, and encumbrances pursuant to section 363(f) of the Bankruptcy Code and/or entry of a Sale Order, must be (i) filed in accordance with the Bidding Procedures Order, (ii) filed with the Bankruptcy Court, and (iii) served on the Objection Notice Parties (as identified and defined in the Bidding Procedures) by no later than (i) **June 14, 2022 at 4:00 p.m. (Eastern Time)**, with respect to the proposed sale of the Stalking Horse Package to the Stalking Horse Bidders pursuant to the Stalking Horse Agreement, or (ii) **June 17, 2022 at 4:00 p.m. (Eastern Time)**], with respect to the sale of any Assets to a Successful Bidder (other than the Stalking Horse Bidders pursuant to the Stalking Horse Agreement), following an Auction.

Objections must be served on the following parties so as to be *received* by the above deadline:

- (i) proposed counsel to the Debtors, (a) King & Spalding LLP, 1180 Peachtree Street, 35th Floor, Atlanta, Georgia 30309 (Attn: Thaddeus D. Wilson, thadwilson@kslaw.com) and (b) Togut, Segal & Segal, LLP, One Penn Plaza, Suite 3335, New York, NY 10119 (Attn: Frank A. Oswald, frankoswald@teamtogut.com);
- (ii) proposed counsel to the Official Committee of Unsecured Creditors, Sidley Austin LLP, 787 Seventh Avenue, New York NY 10019 (Attn: Michael G. Burke, mgburke@sidley.com);
- (iii) counsel to Circles, DLA Piper, LLP (US), 1251 Avenue of the Americas, 27th Floor, New York, New York 10036 (Attn: Jamila Justine Willis, jamila.willis@us.dlapiper.com);
- (iv) counsel to CVG, Montgomery McCracken Walker & Rhoads LLP, 437 Madison Avenue, 24th Floor, New York, NY 10022 (Attn: David M. Banker, dbanker@mmwr.com and Maura I. Russell, mrussell@mmwr.com);
- (v) counsel to the United States Trustee, 201 Varick Street, Room 1006, New York, New York 10014 (Attn: Susan Arbeit, susan.arbeit@usdoj.gov); and
- (vi) FTI, 1345 6th Avenue, New York, NY 10105 (Attn: Glenn Tobias, glenn.tobias@fticapitaladvisors.com and Dheeraj Garg, Dheeraj.garg@fticapitaladvisors.com).

- ***Sale Hearing.*** The Sale Hearing shall be held before the Bankruptcy Court for the Southern District of New York, before the Honorable Lisa G. Beckerman, United States Bankruptcy Judge, One Bowling Green, Courtroom 601, New York, New York 10004 on (i) **June 23, 2022, at 9:00 a.m. (Eastern Time)** with respect to the sale of the Assets to the Stalking Horse bidder or the Successful Bidder, as applicable. In light of the COVID-19 pandemic and in accordance with the Court's General Order M-543, the Sale Hearing will only be conducted via Zoom for Government. Parties should not appear in person.

Additional Information

Any party interested in submitting a bid for the Assets should contact the Debtors' advisors, Glenn Tobias (glenn.tobias@fticapitaladvisors.com) and Dheeraj Garg (Dheeraj.garg@fticonsulting.com) of the Debtors' advisory professionals, FTI Capital Advisors, LLC. ("FTI").

Copies of the Motion, the Bidding Procedures Order, the Bidding Procedures, and the Stalking Horse Agreement may be obtained free of charge at the website dedicated to the Debtors' chapter 11 cases maintained by their claims and noticing agent and administrative advisor, Kurzman Carson Consultants, LLC, located at www.kccllc.net/pareteum.

Reservation of Rights

The Debtors reserve the right to, in their reasonable business judgment, in a manner consistent with their fiduciary duties and applicable law, and in consultation with the Consultation Parties, modify the Bidding Procedures; waive terms and conditions set forth therein; extend the deadlines set forth therein; announce at the Auction modified or additional procedures for conducting the Auction; and provide reasonable accommodations to the Stalking Horse Bidder with respect to such terms, conditions, and deadlines of the bidding and auction process to promote further bids by such bidder, in each case, to the extent not materially inconsistent with the Bidding Procedures and the Bidding Procedures Order. **Except as provided in the Stalking Horse Agreement, nothing shall obligate the Debtors to consummate or pursue any transaction with respect to any Asset with any bidder.**

THE FAILURE OF ANY PERSON OR ENTITY TO FILE AND SERVE AN OBJECTION IN ACCORDANCE WITH THE BIDDING PROCEDURES ORDER BY THE APPLICABLE SALE OBJECTION DEADLINE SHALL FOREVER BAR SUCH PERSON OR ENTITY FROM ASSERTING ANY OBJECTION TO THE MOTION, SALE ORDERS, THE PROPOSED SALE TRANSACTIONS, OR THE DEBTORS' CONSUMMATION OF THE STALKING HORSE AGREEMENT OR ANY OTHER ASSET PURCHASE AGREEMENT EXECUTED BY THE DEBTORS AND A SUCCESSFUL BIDDER AT THE AUCTION.

Dated: June 1, 2022
New York, New York

/s/ Frank A. Oswald
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