

Hearing Date: 10/27/2022 at 10:00 a.m. (Prevailing Eastern Time)  
Objection Deadline: 10/20/2022 at 4:00 p.m. (Prevailing Eastern Time)

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*Counsel to the Debtors  
and Debtors in Possession*

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

In re:

PARETEUM CORPORATION, *et al.*,  
  
Debtors.<sup>1</sup>

Chapter 11

Case No.: 22-10615 (LGB)

(Jointly Administered)

**NOTICE OF HEARING OF DEBTORS' FIRST OMNIBUS OBJECTION  
TO CLAIMS OF CERTAIN EQUITY SECURITIES HOLDERS**

**[Claim Nos.: 26, 72, 77, 91, 112, 127, 128, 131, 133 and 135]**

**PLEASE TAKE NOTICE** that on May 15, 2022 (the "Petition Date"), the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). On May 18, 2022, the Bankruptcy Court entered an order authorizing the joint administration and procedural consolidation of the Chapter 11 Cases [Docket No. 37].

**PLEASE TAKE FURTHER NOTICE** that on the date hereof, the Debtors, by and through their undersigned counsel, filed the annexed *Debtors' First Omnibus Objection to Claims of Certain Equity Holders* (the "First Omnibus Claims Objection").

<sup>1</sup> 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 mailing address of the Debtors, solely for the purposes of notices and communications, is c/o Saccullo Business Consulting, LLC, Crimson King Drive, 2nd Floor, Bear, DE 19701.



**PLEASE TAKE FURTHER NOTICE** that a hearing to consider the First Omnibus Claims Objection has been scheduled for a hearing on **October 27, 2022 at 10:00 a.m. (Prevailing Eastern Time)** (the "Hearing"), or as soon as counsel may be heard.

**PLEASE TAKE FURTHER NOTICE** that objections, if any, to the First Omnibus Claims Objection must be in writing, must conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court for the Southern District of New York, must set forth the name of the objecting party, the nature and amount of claims or interests held or asserted by the objecting party against the Debtors' estate or property, the basis for the objection and the specific grounds therefor, and must be filed with the Bankruptcy Court electronically in accordance with General Order M-399 (General Order M-399 and the User's Manual for the Electronic Case Filing System may be found at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov), the official website for the Bankruptcy Court) by registered users of the Bankruptcy Court's case filing system, and by all other parties in interest on a disk, preferably in Portable Document Format (PDF), or any other Windows-based word processing format (with a copy e-mailed directly to Chambers at: [beckerman.chambers@nysb.uscourts.gov](mailto:beckerman.chambers@nysb.uscourts.gov)), and in accordance with General Order M-399, and any objection must further be served upon: (a) *counsel to the Debtors*, Togut, Segal & Segal LLP, One Penn Plaza, Suite 3335, New York, New York 10119, Attn: Frank A. Oswald Esq. ([frankoswald@teamtogut.com](mailto:frankoswald@teamtogut.com)) and Brian F. Moore, Esq. ([bmoore@teamtogut.com](mailto:bmoore@teamtogut.com)); (b) *Office of the U.S. Trustee, Region II*, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, NY 10014, Attn: Susan Arbeit, Esq. ([susan.arbeit@usdoj.gov](mailto:susan.arbeit@usdoj.gov)) and Annie Wells, Esq. ([annie.wells@usdoj.gov](mailto:annie.wells@usdoj.gov)), (c) *counsel for the Official Committee of Unsecured Creditors*, Sidley Austin LLP, 787 Seventh Avenue, New York, New York 10019, Attn: Michael G. Burke, Esq. ([mgburke@sidley.com](mailto:mgburke@sidley.com)); and (d) any parties required to be served under any applicable Bankruptcy Rule or Local Rule, so as to be received no later than **October 20, 2022 at 4:00 p.m. (prevailing Eastern Time)** (the "Objection Deadline").

**PLEASE TAKE FURTHER NOTICE** that in light of the COVID-19 pandemic, the Hearing on the First Omnibus Claims Objection shall take place via CourtSolutions LLC at [www.court-solutions.com](http://www.court-solutions.com). Parties wishing to participate in the Hearing must make arrangements through CourtSolutions LLC no later than **October 26, 2022 at 4:00 p.m. (Prevailing Eastern Time)**. Instructions to register for CourtSolutions LLC are attached to the Bankruptcy Court's General Order M-543.

**PLEASE TAKE FURTHER NOTICE** that Gen. Ord. M-543, along with other temporary procedures implemented by the Bankruptcy Court in connection with the COVID-19 pandemic (including electronic filing procedures for *pro se* parties) can be found by visiting [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov) (the "Bankruptcy Court's Website") and clicking on the "Coronavirus COVID-19 Protocol" banner.

[Continues on following page]

**PLEASE TAKE FURTHER NOTICE** that a copy of the First Omnibus Claims Objection can be viewed and/or obtained by (i) accessing the Bankruptcy Court's Website for a fee, (ii) visiting the website for the Debtors' chapter 11 cases at <http://www.kccllc.net/pareteum>, or (iii) contacting the Office of the Clerk of the United States Bankruptcy Court, Southern District of New York. Please note that a PACER password is required to access documents on the Bankruptcy Court's Website.

Dated: New York, New York  
September 16, 2022

PARETEUM CORPORATION, *et al.*  
*Debtors and Debtors in Possession*  
*By their Counsel*  
TOGUT, SEGAL & SEGAL LLP,  
By:

/s/ Frank A. Oswald  
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Hearing Date: October 27, 2022 at 12:00 a.m. (Prevailing Eastern Time)  
Objection Deadline: October 20, 2022 at 4:00 p.m. (Prevailing Eastern Time)

TOGUT, SEGAL & SEGAL LLP  
Frank A. Oswald  
Brian F. Moore  
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One Penn Plaza, Suite 3335  
New York, New York 10119  
(212) 594-5000

*Counsel to the Debtors  
and Debtors in Possession*

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

In re:

PARETEUM CORPORATION, *et al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No.: 22-10615 (LGB)

(Jointly Administered)

**DEBTORS' FIRST OMNIBUS OBJECTION TO  
CLAIMS OF CERTAIN EQUITY SECURITIES HOLDERS**

**[Claim Nos.: 26, 72, 77, 91, 112, 127, 128, 131, 133 and 135]**

TO THE HONORABLE JUDGE LISA G. BECKERMAN  
UNITED STATES BANKRUPTCY JUDGE:

**THIS OBJECTION SEEKS TO RECLASSIFY CERTAIN CLAIMS. CLAIMANTS  
RECEIVING THIS OBJECTION SHOULD LOCATE THEIR NAMES AND  
CLAIMS ON EXHIBIT 1 TO THE DECLARATION OF ANTHONY M.  
SACCULLO ANNEXED HERETO.**

Pareteum Corporation ("Pareteum") and certain of its affiliates, as debtors and debtors in possession (collectively, the "Debtors") in the above-captioned Chapter 11 cases (the "Chapter 11 Cases"), by and through their undersigned counsel, Togut, Segal & Segal LLP, hereby submit this omnibus claims objection (the "First

<sup>1</sup> 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 mailing address of the Debtors, solely for the purposes of notices and communications, is c/o Saccullo Business Consulting, LLC, Crimson King Drive, 2nd Floor, Bear, DE 19701.

Omnibus Claims Objection”), pursuant to sections 105(a), 502, and 510(b) of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 3007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), for entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”), subordinating and reclassifying certain claims (the “Claims”) filed by holders of equity securities of the Debtors (the “Claimants”) as equity interests, so that such Claims are properly classified as Class 5 – Interests under the Plan (as defined below). In further support of this First Omnibus Claims Objection, the Debtors rely on the declaration of Anthony M. Saccullo, Esq., annexed hereto as **Exhibit B** (the “Saccullo Declaration”), and by and through their undersigned counsel, respectfully represent that:

#### **JURISDICTION AND VENUE**

1. The United States Bankruptcy Court for the Southern District of New York (the “Court”) has jurisdiction to consider this First Omnibus Claims Objection and the relief requested herein pursuant to 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference M-431, dated January 31, 2012 (Preska, C.J.). This is a core proceeding under 28 U.S.C. § 157(b).

2. Venue of the Chapter 11 Cases and this First Omnibus Claims Objection is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The legal predicates for the relief requested herein are sections 105(a), 502, 510(b) of the Bankruptcy Code and Bankruptcy Rule 3007.

#### **BACKGROUND**

4. On May 15, 2022 (the “Petition Date”), the Debtors each commenced a voluntary Chapter 11 case by filing a petition for relief under Chapter 11 of the Bankruptcy Code in this Court. On May 18, 2022, the Court entered an order

authorizing the joint administration and procedural consolidation of the Chapter 11 Cases pursuant to Bankruptcy Rule 1015(b) [Docket No. 37].

5. The Debtors continue to manage their post-Sale affairs as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. On May 24, 2022, the United States Trustee for the Southern District of New York (the "U.S. Trustee") appointed an Official Committee of Unsecured Creditors (the "Committee") pursuant to section 1102(a) of the Bankruptcy Code [Docket No. 52]. No trustee or examiner has been appointed in these Chapter 11 Cases.

6. On June 28, 2022, each of the Debtors timely filed their respective schedules of assets and liabilities and statement of financial affairs (collectively, the "Schedules").

7. On August 4, 2022, the Debtors filed the *Chapter 11 Plan of Liquidation for Pareteum Corporation and Certain of its Affiliates* [Docket No. 268] (as may be amended, modified, and/or supplemented from time to time, the "Plan") and related *Disclosure Statement for the Chapter 11 Plan of Liquidation for Pareteum Corporation and Certain of its Affiliates* [Docket No. 269] (as may be amended, modified, and/or supplemented from time to time, the "Disclosure Statement"). On August 17, 2022, the Debtors filed modified versions of the Plan and Disclosure Statement [Docket Nos. 285, 286].

8. On August 22, 2022, the Court entered the *Order (I) Approving Certain Key Dates Relating to Confirmation of the Debtors' Plan, Including Scheduling a Combined Hearing to Consider Approval of Debtors' Disclosure Statement and Plan; (II) Approving the Form and Manner of Combined Hearing Notice; (III) Approving the Debtors' Disclosure Statement on a Provisional Basis; (IV) Approving (A) Procedures for Solicitation; (B) Forms of Ballots; (C) Procedures for Tabulation of Votes; and (D) Procedures for*

*Objections; and (V) Establishing a Bar Date for Filing Administrative Claims Arising From the Petition Date Through and Including August 31, 2022 [Docket No. 296] (the “Solicitation Procedures Order”), which, among other things, established procedures for the Debtors’ solicitation of votes on the Plan and approved the Disclosure Statement on a provisional basis pending final approval at a hearing scheduled to take place on October 6, 2022 during which the Court will also consider confirmation of the Plan.*

9. In accordance with the Solicitation Procedures Order, the Debtors commenced solicitation of votes on the Plan on August 30, 2022. *See Certificate of Service [Docket No. 326].* The deadline to submit votes on the Plan is September 27, 2022 at 5:00 p.m. (prevailing Eastern Time) (the “Voting Deadline”).

10. The Claims, which are set forth in the schedule annexed to the Saccullo Declaration as **Exhibit 1**, are claims against the Debtors on account of the purchase or sale of equity securities of the Debtors by the Claimants. Most of the Claims (*i.e.*, Claim Nos. 72, 77, 112, 127, 128, 131, 133, and 135) relate to the shareholder derivative lawsuits pending against certain of the Debtors and the Debtors’ former management and members of the Board arising from Pareteum’s October 21, 2019 announcement regarding its improper revenue recognition and resulting collapse of its stock value (the “Securities Litigation”). The remaining Claims relate to the purchase of preferred shares in the Debtors (*i.e.*, Claim No. 26), and compensation and stock allegedly due to the respective Claimant (*i.e.*, Claim No. 91).

11. Additional factual background information regarding the Debtors, including their business operations, their corporate and capital structure, the events leading to these Chapter 11 Cases, the Securities Litigation and the Plan is set forth in the Disclosure Statement.

**RELIEF REQUESTED**

12. By this First Omnibus Claims Objection, the Debtors respectfully request entry the Proposed Order, substantially in the form attached hereto as **Exhibit A**, pursuant to sections 105(a), 502 and 510(b) of the Bankruptcy Code and Bankruptcy Rule 3007, subordinating and reclassifying the Claims as equity interests, so that such Claims are properly classified as Class 5 – Interests under the Plan.

**BASIS FOR RELIEF**

13. Section 502 of the Bankruptcy Code provides, in pertinent part:

(a) A claim or interest, proof of which is filed under section 501 of this title, is deemed allowed, unless a party in interest, including a creditor of a general partner in a partnership that is a debtor in a case under chapter 7 of this title, objects.

11 U.S.C. § 502(a).

14. Bankruptcy Rule 3007, provides, in relevant part:

(a) An objection to the allowance of a claim shall be in writing and filed. A copy of the objection with notice of the hearing thereon shall be mailed or otherwise delivered to the claimant, the debtor or debtor in possession and the trustee at least 30 days prior to the hearing.

...

(d) Subject to subdivision (e), objections to more than one claim may be joined in an omnibus objection if all the claims were filed by the same entity, or the objections are based solely on the grounds that the claims should be disallowed, in whole or in part, because:

...

(7) they are interests, rather than claims[.]

Fed. R. Bankr. P. 3007

15. As set forth in Bankruptcy Rule 3001(f), a properly executed and filed proof of claim constitutes *prima facie* evidence of the validity and the amount of the claim



under Bankruptcy Code section 502(a). See *In re Marian T. Vanegas*, 290 B.R. 190, 193 (Bankr. D. Conn. 2003); *In re Rockefeller Ctr. Props.*, 272 B.R. 524, 539 n.13 (Bankr. S.D.N.Y. 2000). To receive the benefit of *prima facie* validity, however, “the proof of claim must ‘set forth facts necessary to support the claim.’” *In re Marino*, 90 B.R. 25, 28 (Bankr. D. Conn. 1988).

16. A party objecting to the proof of claim must only provide evidence sufficient to negate the *prima facie* validity of the claim by refuting one or more of the facts in the filed claim. See *In re Waterman Steamship Corp.*, 200 B.R. 770 (Bankr. S.D.N.Y. 1996). Once this occurs, “the burden reverts to the claimant to prove the validity of the claim by preponderance of the evidence.” *In re WorldCom, Inc.*, No. 02-13533, 2005 WL 3832065 at \*4 (Bankr. S.D.N.Y. 2005) (quoting *In re Allegheny Int’l, Inc.*, 954 F.2d 167, 173-74 (3d Cir. 1992)); see also *In re St. Johnsbury Trucking Co.*, 206 B.R. 318, 323 (Bankr. S.D.N.Y. 1997). The claimant must prove the claim, not sit back while the objector attempts to disprove it. See *In re Bennett*, 83 B.R. 248, 252 (Bankr. S.D.N.Y. 1988).

#### **OMNIBUS CLAIMS OBJECTION**

17. The Debtors respectfully submit that the ten (10) Claims identified on **Exhibit 1** to the Saccullo Declaration should be subordinated and reclassified as Class 5 – Interests under the Plan because the Claims arise on account of the purchase or sale of equity securities of the Debtors by the Claimants.

18. Section 510(b) of the Bankruptcy Code subordinates all claims “for damages arising from the purchase or sale of . . . a security.” 11 U.S.C. § 510(b). Generally, section 510(b) subordinates three types of claims: (a) an actual attempt to rescind the purchase or sale of a security of the debtor or an affiliate of the debtor, (b) a claim for damages arising from a purchase or sale of a security of the debtor or an affiliate of the debtor, and (c) a claim for reimbursement or contribution on account of

one of the foregoing claims. See *In re Bayou Grp., LLC*, 439 B.R. 284 (S.D.N.Y. 2010); *SeaQuest Diving, LP v. S&J Diving Inc. (In re SeaQuest Diving, LP)*, 579 F.3d 411 (5th Cir. 2009).

19. It is well settled, however, that the purpose of section 510(b) of the Bankruptcy Code is to prevent equity holders from using the courts to convert an equity interest into a creditor claim, thereby improving their priority. See *Baroda Hill Invs., Ltd. v. Telegroup, Inc. (In re Telegroup, Inc.)*, 281 F.3d 133, 142 (3d Cir. 2002) (“Congress enacted § 510(b) to prevent disappointed shareholders from recovering their investment loss by using fraud and other securities claims to bootstrap their way to parity with general unsecured creditors in a bankruptcy proceeding”); *In re Granite Partners, L.P.*, 208 B.R. 332, 341 (Bankr. S.D.N.Y. 1997) (“Section 510(b) prevents a shareholder from converting his interest into a claim and sharing *pari passu* with other unsecured creditors.”).

20. In short, section 510(b) of the Bankruptcy Code precludes attempts by equity holders to elevate subordinated interests to the level of debt claims, and thereby improve the priority of their subordinated interests, irrespective of how such claims are characterized or packaged. See *Allen v. Geneva Steel Co. (In re Geneva Steel Co.)*, 281 F.3d 1173, 1177 (10th Cir. 2002). (“Put simply, creditors stand ahead of the investors on the receiving line.”) (internal quotations omitted). In that regard, courts have interpreted section 510(b) of the Bankruptcy Code broadly to require subordination for more than just equity securities claims. See, e.g., *In re Granite Partners*, 208 B.R. at 337 (cautioning against an overly restrictive interpretation of section 510(b) because Congress was concerned with all investor claims against a stock issuer for loss of investment, not just fraudulent issuance claims); see also *In re NAL Fin. Grp., Inc.*, 237 B.R. 225, 234 (Bankr. S.D. Fla. 1999); *In re Public Serv. Co. of New Hampshire*, 129 B.R. 3, 5

(Bankr. D.N.H. 1991) (“[T]he language of 510(b) is broad enough to include breach of contract and related actions as well.”). Thus, the purpose of section 510(b) of the Bankruptcy Code is to ensure that claims arising out of equity interests are treated on the same level – or lower – of the underlying interest.

21. In the Second Circuit, claims should be subordinated if the claimant (a) took on the risk and return expectations of a shareholder, rather than a creditor, or (b) seeks to recover a contribution to the equity pool presumably relied upon by creditors in deciding whether to extend credit to the debtor. See *In re Med Diversified*, 461 F.3d at 256. Generally, courts apply section 510(b) of the Bankruptcy Code expansively to a wide range of actions, including claims for general torts and breaches of fiduciary duty and contracts. *In re Mid-Am. Waste Sys., Inc.*, 228 B.R. 816, 825 n.5 (Bankr. D. Del. 1999) (“[A]lthough the reported decisions and most of the literature on § 510(b) speak in terms of securities law claims by purchasers and sellers, the claims contemplated by section 510(b) can also be based on other case law and statutory law dealing with fraudulent conduct generally, breach of fiduciary duty and similar types of misconduct.”); *Am. Broad. Sys., Inc. v. Nugent (In re Betacom of Phoenix, Inc.)*, 240 F.3d 823, 829 (9th Cir. 2001) (subordinating damages for failure to issue stock pursuant to a contract).

22. Here, the Claims are subject to subordination under section 510(b) of the Bankruptcy Code and reclassification as Class 5 - Interests because such claims seek damages arising from the purchase or sale of equity securities of the Debtors. The Claims are, in essence, attempts by the Claimants to recover from the Debtors’ estates on account of the Claimants’ equity security interests, despite the Claimants having assumed the risk and return expectations of a shareholder. Moreover, even if the Claims relate in one form or another to misstatements or misconduct by the Debtors,

which the Debtors dispute, the Claims should be subordinated because even claims alleging fraud in connection with the purchase of an equity interest can be subordinated. *See generally, Spirnak v. Motors Liquidation Co. (In re Motor Liquidation Co.)*, No. 11 Civ. 7893 (DLC), 2012 WL 398640 (S.D.N.Y. Feb. 7, 2012); *see also In re Granite Partners, L.P.*, 208 B.R. 332 (finding no difference between fraud in the purchase of a security and post-investment fraud for purposes of section 510(b) in subordinating fraudulent retention claims alleging independent torts).

23. Based on the foregoing, the Claims should be subordinated pursuant to section 510(b) of the Bankruptcy Code and reclassified as Class 5 – Interests under the Plan.

#### **RESERVATION OF RIGHTS**

24. Without limiting the generality of the foregoing, the Debtors specifically reserve the right to amend this First Omnibus Claims Objection, file additional papers in support of this First Omnibus Claims Objection or take other appropriate actions, including to: (a) object to any of the Claims that are not subordinated and reclassified in their entirety for any reason; (b) object on any basis to any of the Claims that are subordinated or reclassified as equity interests; (c) respond to any allegation or defense that may be raised in a response filed by or on behalf of any of the Claimants or other interested parties; (d) object further to any Claim for which a Claimant provides (or attempts to provide) additional documentation or substantiation; (e) object further to any of the Claims addressed herein based on additional information that may be discovered upon further review by the Debtors or through discovery pursuant to the Bankruptcy Rules; and (f) object further on these bases or on any basis to any Claim.

**NOTICE**

25. Notice of this Motion and the Proposed Order has been given to (a) the U.S. Trustee; (b) counsel for the Committee; (c) the Claimants; and (d) any other party which has filed a request for notice in these Chapter 11 Cases. The Debtors submit that no other or further notice need be provided.

**NO PRIOR REQUEST**

26. No prior application for the relief requested herein has been made to this or any other court.

**CONCLUSION**

**WHEREFORE**, the Debtors respectfully request entry of the Proposed Order, substantially in the form attached hereto as **Exhibit A**, subordinating and reclassifying the Claims filed by the Claimants as equity interests, so that such Claims are properly classified as Class 5 – Interests under the Plan

Dated: September 16, 2022  
New York, New York

PARETEUM CORPORATION, *ET AL.*  
*Debtors and Debtors in Possession*  
*By their Counsel*  
TOGUT, SEGAL & SEGAL LLP,  
By:

/s/ Frank A. Oswald  
FRANK A. OSWALD  
BRIAN F. MOORE  
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**EXHIBIT A**

**Proposed Order**

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

In re:

PARETEUM CORPORATION, *et al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No.: 22-10615 (LGB)

(Jointly Administered)

**ORDER GRANTING DEBTORS' FIRST OMNIBUS OBJECTION TO  
CLAIMS OF CERTAIN EQUITY SECURITIES HOLDERS**

**[Claim Nos.: 26, 72, 77, 91, 112, 127, 128, 131, 133, and 135]**

Upon the first omnibus claim objection (the "First Omnibus Claims Objection")<sup>2</sup> of the Debtors for entry of an order (this "Order"), pursuant to sections 105(a), 502 and 510(b) of the Bankruptcy Code and Bankruptcy Rule 3007, subordinating and reclassifying certain claims (the "Claims") filed by holders of equity securities of the Debtors (the "Claimants") as equity interests, so that such Claims are classified as Class 5 – Interests under the Plan, all as more fully set forth in the First Omnibus Claims Objection; and upon the declaration of Anthony M. Saccullo, Esq. (the "Saccullo Declaration") submitted in support of the First Omnibus Claims Objection; and this Court having reviewed the First Omnibus Claims Objection, the Saccullo Declaration and having heard the statements of counsel at the hearing held before the Court on October 27, 2022 (the "Hearing") to consider the First Omnibus Claims Objection; and this Court having jurisdiction to consider the First Omnibus

<sup>1</sup> 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.; Artilium Group Ltd. (f/k/a Artilium PLC); Pareteum Asia Pte. Ltd.; and Pareteum N.V. (f/k/a Artilium N.V.). The mailing address of the Debtors, solely for the purposes of notices and communications, is c/o Saccullo Business Consulting, LLC, Crimson King Drive, 2nd Floor, Bear, DE 19701.

<sup>2</sup> Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the First Omnibus Claims Objection.

Claims Objection and the relief requested therein; and it appearing that venue of these Chapter 11 Cases and this First Omnibus Claims Objection in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and good and sufficient notice of the First Omnibus Claims Objection having been provided; and no other or further notice need be given; and upon the record of the Hearing and of all of the proceedings held before the Court; and this Court having determined that the relief requested in the First Omnibus Claims Objection is in the best interests of the Debtors, their estates, their creditors, and other parties-in-interest; and after due deliberation thereon and good and sufficient cause appearing therefor, it is hereby

**ORDERED, ADJUDGED, AND DECREED THAT:**

1. The First Omnibus Claims Objection is GRANTED as provided herein.
2. The Claims identified in **Exhibit 1** annexed to the Saccullo Declaration are reclassified in their entirety so as to be included in Class 5 – Interests under the Plan.
3. Each Claim and the objection by the Debtors to each Claim as stated in the First Omnibus Claims Objection, and as set forth in **Exhibit 1** to the Saccullo Declaration, constitutes a separate contested matter as contemplated by Bankruptcy Rule 9014. This Order shall be deemed a separate order with respect to each claim. Any stay of this Order shall apply only to the contested matter which involves such creditor and shall not act to stay the applicability or finality of this Order with respect to the contested matters covered hereby.



4. The claims agent retained by the Debtors in these Chapter 11 Cases is authorized to reflect the reclassified Claims on the official claims register maintained for the Debtors' cases.

5. Nothing herein shall prejudice the Debtors' right to amend the First Omnibus Claims Objection, file additional papers in support thereof or take other appropriate actions, including to: (a) object to any of the Claims that are not subordinated and reclassified in their entirety for any reason; (b) object on any basis to any of the Claims that are subordinated or reclassified as equity interests; (c) respond to any allegation or defense that may be raised in a response filed by or on behalf of any of the Claimants or other interested parties; (d) object further to any Claim for which a Claimant provides (or attempts to provide) additional documentation or substantiation; (e) object further to any of the Claims addressed herein based on additional information that may be discovered upon further review by the Debtors or through discovery pursuant to the Bankruptcy Rules; and (f) object further on these bases or on any basis to any Claim.

6. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the First Omnibus Claims Objection.

7. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation and/or enforcement of this Order.

Dated: New York, New York  
October \_\_, 2022

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HONORABLE LISA G. BECKERMAN  
UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT B**

**Saccullo Declaration**

TOGUT, SEGAL & SEGAL LLP  
Frank A. Oswald  
Brian F. Moore  
Amy M. Oden  
One Penn Plaza, Suite 3335  
New York, New York 10119  
(212) 594-5000

*Counsel to the Debtors  
and Debtors in Possession*

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

In re:

PARETEUM CORPORATION, *et al.*,  
  
Debtors.<sup>1</sup>

Chapter 11

Case No.: 22-10615 (LGB)

(Jointly Administered)

**DECLARATION OF ANTHONY M. SACCULLO  
IN SUPPORT OF DEBTORS' FIRST OMNIBUS  
OBJECTION TO CLAIMS OF CERTAIN EQUITY SECURITIES HOLDERS**

**[Claim Nos.: 26, 72, 77, 91, 112, 127, 128, 131, 133 and 135]**

**THIS OBJECTION SEEKS TO RECLASSIFY CERTAIN CLAIMS. CLAIMANTS  
RECEIVING THIS OBJECTION SHOULD LOCATE THEIR NAMES AND  
CLAIMS ON EXHIBIT 1 ANNEXED HERETO.**

I, Anthony M. Saccullo, make this declaration (the "Declaration")  
pursuant to 28 U.S.C. § 1746 and state that:

1. I am a member of Saccullo Business Consulting, LLC ("SBC"), a  
business consulting firm that offers non-legal bankruptcy services to companies and  
commercial bankruptcy estates. Pursuant to the *Order Authorizing the Retention of*

<sup>1</sup> 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 mailing address of the Debtors, solely for the purposes of notices and communications, is c/o Saccullo Business Consulting, LLC, Crimson King Drive, 2nd Floor, Bear, DE 19701.

*Saccullo Business Consulting, LLC to Provide Anthony M. Saccullo as Wind-Down Officer and Additional Personnel Nunc Pro Tunc to July 5, 2022, and Granting Related Relief* [Docket No. 235], I have served as the Wind-Down Officer of the Debtors since July 5, 2022.

2. I am in all respects competent to make this Declaration in support of the *Debtors' First Omnibus Objection to Claims of Certain Equity Securities Holders* (the "First Omnibus Claims Objection").<sup>2</sup> Unless otherwise stated in this Declaration, I have personal knowledge of the facts set forth herein.

3. Except as otherwise set forth herein, all statements in this Declaration are based on my personal knowledge, familiarity with the Debtors and these Chapter 11 Cases, discussions with the Debtors' other retained advisors and review of the Claims. If I were called upon to testify, I could and would testify competently to the facts set forth in the First Omnibus Claims Objection and herein.

4. The Claims, which are set forth in the schedule annexed hereto as **Exhibit 1**, are claims against the Debtors on account of the purchase or sale of equity securities of the Debtors by the Claimants. I am aware that most of the Claims (*i.e.*, Claim Nos. 72, 77, 112, 127, 128, 131, 133, and 135) relate to the pending Securities Litigation and that the remaining Claims relate to the purchase of preferred shares in the Debtors (*i.e.*, Claim No. 26), and compensation and stock allegedly due to the respective Claimants (*i.e.*, Claim No. 91).

5. I understand that the Plan classifies equity interests in Class – 5 Interests.

6. I believe that the Claims are, in essence, attempts by the Claimants to recover from the Debtors' estates on account of the Claimants' equity security

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<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the First Omnibus Claims Objection.

interests, despite the Claimants having assumed the risk and return expectations of a shareholder. Accordingly, I believe that the Claims should be reclassified so the Claims are properly classified as Class – 5 Claims under the Plan.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

DATED: Bear, Delaware  
September 16, 2022

/s/Anthony M. Saccullo  
Anthony M. Saccullo

**EXHIBIT 1**

**SCHEDULE OF CLAIMS TO BE RECLASSIFIED  
PURSUANT TO SECTION 510(b) OF THE BANKRUPTCY CODE**

<u>Claim No.</u>	<u>Debtor</u>	<u>Claimant</u>	<u>Claim Amount</u>	<u>Treatment</u>
26	Pareteum Corporation	Bernard Moncarey	\$350,000.00	Reclassified as Class 5 - Interest
72	Pareteum Corporation	William Miller	\$132.00	Reclassified as Class 5 - Interest
77	Pareteum Corporation	Sabby Volatility Warrant Master Fund, Ltd.	Unliquidated	Reclassified as Class 5 - Interest
91	Pareteum Corporation	Dane Gasió	\$3,460,000.00	Reclassified as Class 5 - Interest
112	Pareteum Corporation	Lead Plaintiff, on behalf of itself and the Proposed Class in the <i>In re Pareteum Securities Litigation</i> , Case No. 19-cv-09767 (AKH) (GWG) (S.D.N.Y.)	Unliquidated	Reclassified as Class 5 - Interest
127	Pareteum Corporation	Kevin Ivkovich	Unliquidated	Reclassified as Class 5 - Interest
128	Pareteum Corporation	Stephen Jones	Unliquidated	Reclassified as Class 5 - Interest
131	Pareteum Corporation	Robert Whitley	Unliquidated	Reclassified as Class 5 - Interest
133	Pareteum Corporation	Keith Moore	Unliquidated	Reclassified as Class 5 - Interest
135	Pareteum Corporation	Nicholas Steffey	Unliquidated	Reclassified as Class 5 - Interest