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Presentment Date: April 28, 2023 at 12:00 p.m.
Objections Due: April 27, 2023 at 4:00 p.m.

*Attorneys for Non-Debtors Robert H. Turner,
 Edward O'Donnell, Denis McCarthy, Victor
 Bozzo, Robert Mumby, and Yves Van Sante*

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

In re:)	
)	Chapter 11
PARETEUM CORPORATION,)	
<i>et al.</i> , ¹)	Case No. 22-10615 (LGB)
)	
Debtors.)	
)	

**NOTICE OF PRESENTMENT OF STIPULATION AND ORDER TO MODIFY THE
 AUTOMATIC STAY ON A LIMITED BASIS TO PERMIT PAYMENTS OF DEFENSE
 COSTS UNDER THE CRUM & FORSTER POLICY**

PLEASE TAKE NOTICE that non-debtors Robert H. Turner, Edward O'Donnell, Denis McCarthy, Victor Bozzo, Robert Mumby, and Yves Van Sante, by and through their undersigned counsel, will present for approval the Stipulation and Order to Modify the Automatic Stay On A Limited Basis To Permit Payments of Defense Costs Under The Crum & Forster Policy (the "**Stipulation**")² to the Honorable Lisa G. Beckerman, United States Bankruptcy Judge, in her Chambers, United States Bankruptcy Court for the Southern District 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.; Artium Group Ltd. (f/k/a Artium PLC); Pareteum Asia Pte. Ltd.; and Pareteum N.V. (f/k/a Artium 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 defined herein shall have the meanings ascribed to such terms in the Stipulation.



New York (the “Court”), One Bowling Green, Room 601, New York, New York 10004-1408, at **12:00 p.m. (prevailing Eastern Time) on April 28, 2023 (the “Presentment Date”)**, a copy of which is annexed hereto as Exhibit A.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the relief sought in the Stipulation must be made in writing and conform with the requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Local Bankruptcy Rules, and be filed with the Clerk of the Court at the address set forth above, with a copy delivered directly to Bankruptcy Judge Beckerman’s Chambers at: beckerman.chambers@nysb.uscourts.gov, and served upon (i) Baker & Hostetler LLP, 45 Rockefeller Plaza, New York, New York 10111, Attn: Michael A. Sabella (msabella@bakerlaw.com); (ii) 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) and Brian F. Moore, Esq. (bmoore@teamtogut.com); (iii) 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) and Annie Wells, Esq. (annie.wells@usdoj.gov); (iv) counsel to Anthony M. Saccullo, in his capacity as Liquidating Trustee, for the TEUM Liquidating Trust, Cole Schotz P.C., 1325 Avenue of the Americas, 19th Floor New York, NY 10019, Attn: Seth Van Aalten, Esq. (svanaalten@coleschotz.com); and 25 Main Street Court Plaza North, Hackensack, New Jersey 07602, Attn: Cameron Welch, Esq. (cwelch@coleschotz.com); and (d) any parties required to be served under any applicable Bankruptcy Rule or Local Rule, so as to be filed and actually received by all parties mentioned above **not later than 4:00 p.m. (prevailing Eastern Time) on April 27, 2023.**

PLEASE TAKE FURTHER NOTICE that if an objection is timely filed, which is not resolved and/or withdrawn, a hearing will be scheduled before the Court on notice to the parties.

PLEASE TAKE FURTHER NOTICE that if no timely, written objections are filed and received in accordance with the foregoing, the Stipulation may be so ordered by the Court.

Dated: April 20, 2023
New York, New York

Respectfully submitted,

/s/ Michael A. Sabella

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EXHIBIT A

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

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

**STIPULATION AND ORDER TO MODIFY THE AUTOMATIC
STAY ON A LIMITED BASIS TO PERMIT PAYMENTS OF DEFENSE
COSTS UNDER THE CRUM & FORSTER POLICY**

This stipulation and order (the “Stipulation and Order”) is entered into by and between Anthony M. Saccullo, in his capacity as Liquidating Trustee for TEUM Liquidating Trust (the “Trustee”), and Laura Thomas, Luis Jimenez-Tuñon, Robert Lippert, Robert H. Turner, Edward O’Donnell, Denis McCarthy, Victor Bozzo, Robert Mumby, Yves Van Sante and certain current and former executives of the Debtors represented by Jenner & Block LLP, Mandelbaum Barrett PC, Skadden, Arps, Slate, Meagher & Flom LLP, Perkins Coie, Nexsen Pruet, and McLaughlin & Stern, LLP (each an “Individual Insured” and collectively, the “Stipulating Insureds”). The Trustee and the Stipulating Insureds are collectively referred to as the “Parties”, or individually as a “Party.” This Stipulation and Order is based on the following facts and circumstances:

WHEREAS, on May 15, 2022 (the “Petition Date”), each of the above-captioned debtors (collectively, the “Debtors”) commenced a voluntary chapter 11 case by filing petitions for relief under chapter 11 of the Bankruptcy Code.

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.

WHEREAS, as of the Petition Date and continuing thereafter, there was and is an ongoing investigation by the United States Department of Justice (the “DOJ Investigation”), in which certain of the Stipulating Insureds and certain other individuals have incurred and will incur defense costs, including legal fees and expenses incurred in connection with the DOJ Investigation.

WHEREAS, Laura Thomas, Luis Jimenez-Tuñon, Robert Lippert, Robert H. Turner, Edward O’Donnell, Denis McCarthy, Victor Bozzo, Robert Mumby, Yves Van Sante, as well as debtor Pareteum Corporation (“Pareteum”), were named as defendants in various lawsuits: (i) *In re Pareteum Securities Litigation*, No. 1:19-cv-09767-AKH-GWG (S.D.N.Y.); (ii) *Douglas Loskot v. Pareteum Corp. et al.*, 20-CIV-02279 (Cal. Super. Ct., San Mateo Cnty.); (iii) *Sabby Volatility Warrant Master Fund, Ltd. v. Pareteum Corp., et al.*, No. 19-cv-10460-AKH (S.D.N.Y.), the settlement of which lawsuits was preliminarily approved by an order entered by the United States District Court for the Southern District of New York on December 20, 2022 (the “Preliminarily Settled Lawsuits”).

WHEREAS, on September 2, 2021, the U.S. Securities and Exchange Commission (the “SEC”) issued an Order Instituting Cease and Desist Proceedings against Pareteum, *In the Matter of Pareteum Corporation*, SEC Administrative Proceeding No. 3-20522 (Sep. 2, 2021), in connection with an ongoing investigation (the “SEC Investigation”) into Pareteum and certain of the Individual Insureds.

WHEREAS, the applicable limit of liability of the primary directors and officers liability insurance policy having been exhausted, as of the Petition Date, Pareteum maintained: (i) three excess directors’ and officers’ liability insurance policies, as defined below, the XL Specialty Policy, the Wesco Policy, and the Crum & Forster Policy (collectively, the “D&O Policies”); and

(ii) a Side A Policy each with the initial policy period July 12, 2019 to July 12, 2020. The D&O Policies and the Side A Policy (defined herein) are as follows:

Insurer and Policy No.	Policy Limit
XL Specialty Insurance Company Policy No. ELU162673-19 (the “ <u>XL Specialty Policy</u> ”)	\$5 million excess of \$5 million
Wesco Insurance Company Policy No. EUW1522653 01 (the “ <u>Wesco Policy</u> ”)	\$5 million excess of \$10 million
North River Insurance Company Policy No. 577-100419-2 (the “ <u>Crum & Forster Policy</u> ” issued by “ <u>Crum & Forster</u> ”)	\$5 million excess of \$15 million
XL Insurance Company Policy No. ELU162674-19 (the “ <u>Side A Policy</u> ”)	\$5 million

WHEREAS, defense costs have been advanced under certain of the D&O Policies concerning the DOJ Investigation, the SEC Investigation, and the Preliminarily Settled Lawsuits subject to a reservation of rights by the applicable insurer under the applicable D&O Policies (each an “Insurer” and together the “Insurers”) and a reservation of rights by the Individual Insureds.

WHEREAS, pursuant to the *Stipulation And Order To Modify The Automatic Stay On A Limited Basis To Permit Payment Of Defense Costs Under Certain Insurance Policies* [Dkt. 217] and the *Amended Stipulation And Order To Modify The Automatic Stay On A Limited Basis To Permit Payments Of Defense Costs Under Certain Insurance Policies* [Dkt. 377] (collectively, the “Pre-Effective Date Stipulations”), the automatic stay imposed by section 362(a) of the Bankruptcy Code was modified to the extent necessary to allow the Insurers under the D&O Policies to pay, reimburse, and/or advance insurance proceeds, and/or make payments from the

applicable D&O Policies for amounts provided by the Individual Insureds' counsel through October 31, 2022 subject to the terms and conditions of the Pre-Effective Date Stipulations.

WHEREAS, from and after October 31, 2022, the Individual Insureds have and continue to incur legal defense costs and related expenses in connection with the investigation and defense of the DOJ Investigation, the Preliminarily Settled Lawsuits, and the SEC Investigation (“Defense Costs”).

WHEREAS, on December 13, 2022, this Court entered an order finding that the proceeds of the D&O Policies are property of the estate but lifting the stay to permit the funding of the \$7.6 million settlement payment in the Preliminarily Settled Lawsuits.

WHEREAS, after application of the \$7.6 million settlement payment and other payments from the policies, as of the date of this Stipulation the XL Specialty Policy and the Wesco Policy have been exhausted and as of March 24, 2023, \$830,637.90 remains in the Crum & Forster Policy.

WHEREAS, in light of the Court's December 13, 2022, Order, Crum & Forster, by counsel, advised the Parties that it will not advance funds to satisfy Defense Costs incurred after the Effective Date without entry of an Order from this Court authorizing it to do so.

NOW, THEREFORE, subject to Court approval, in consideration of the mutual covenants, promises, and obligations set forth herein, the parties to the Amended Stipulation agree as follows:

1. Crum & Forster to pay, reimburse, and/or make the following payments from the Crum & Forster Policy for amounts provided by the Individual Insured's counsel for Defense Costs incurred prior to October 31, 2022 that were submitted to, but not paid by, Wesco Insurance Company:

Counsel	Party	Amount
Baker & Hostetler LLP	Robert H. Turner, Edward O'Donnell, Denis McCarthy, Victor Bozzo, Robert Mumby, and Yves Van Sante	\$110,423.48
Davis Wright Tremaine LLP	Laura Thomas, Luis Jimenez-Tuñon, and Robert Lippert	\$10,613.00
Berkley Research Group	Project Tack	\$2,106.00
Epiq	Document vendor - McGuire Woods	\$11,417.75
	<i>Total:</i>	\$134,560.23

2. The automatic stay imposed by section 362(a) of the Bankruptcy Code is hereby modified to the extent necessary to allow Crum & Forster to pay, reimburse, and/or advance insurance proceeds, and/or make the following payments from the Crum & Forster Policy for amounts provided by the Individual Insured's counsel for Defense Costs, calculated in accordance with the pro rate formula set forth in Paragraph 5 and, subject to Crum & Forster's reservation of rights in Paragraph 8, for the period from October 31, 2022 through and including January 31, 2023:

Counsel	Party	Approximate Amount
Baker & Hostetler LLP	Robert H. Turner, Edward O'Donnell, Denis McCarthy, Victor Bozzo, Robert Mumby, and Yves Van Sante	\$310,464.07
Davis Wright Tremaine LLP	Laura Thomas, Luis Jimenez-Tuñon, and Robert Lippert	\$58,978.10
Jenner & Block LLP	Certain Individual Insureds	\$137,940.47
Mandelbaum Barrett PC	Certain Individual Insureds	\$48,322.80
Skadden, Arps Slate Meagher & Flom LLP	Alexander Koff, an Individual Insured, and another Individual Insured	\$97,502.31
McLaughlin & Stern	Edward O'Donnell	\$24,787.80

Counsel	Party	Approximate Amount
Nexsen Pruet	Hal Turner	\$1,236.80
Perkins Coie	Robert Mumby	\$45,970.00
Berkeley Research Group	Document vendor	\$4,642.10
Epiq	Document vendor - McGuire Woods	\$14,340.39
Total:		\$744,184.84

3. The automatic stay imposed by section 362(a) of the Bankruptcy Code is hereby lifted to allow Crum & Forster to pay, reimburse, and/or advance insurance proceeds, and/or make payments from the Crum & Forster Policy for the amounts set forth in Paragraphs 1 and 2, above.

4. For the purpose of resolving the current requests for Defense Costs, the Parties hereby agree that any priority of payments provision in the Crum & Forster Policy that otherwise may prohibit or impair the advancement and/or payment of Defense Costs shall not apply to the advancement and/or payment of Defense Costs incurred or made within the Crum & Forster limit of liability (aggregate or otherwise), and to the extent the priority of payments provision (or any other provision of the Crum & Forster Policy addressing the priority of payments under the policy) would prohibit or impair the advancement and/or payment of Defense Costs, each of the Parties waive the right to object to the advancement and/or payment of Defense Costs based on such provision of the Crum & Forster Policy, but only to the extent specifically addressed in this paragraph 4. In the event any of the Insurers does not also agree to the waiver in this paragraph 4, the Parties reserve all rights.

5. The Parties do not object to Crum & Forster's advancement of Defense Costs subject to the terms of this Stipulation and Order. As the Defense Costs included within the invoices submitted by the Individual Insureds for the period covered by this Stipulation and Order exceed the amount of proceeds remaining under the Crum & Forster Policy, Crum &

Forster shall distribute the proceeds pro rata (the amount of each firm's Defense Costs approved by Crum & Forster divided by the total amount of all Defense Costs approved by Crum & Forster).

6. The Parties understand and agree that advancements by Crum & Forster to counsel for the Individual Insureds under the Crum & Forster Policy will reduce and exhaust the Crum & Forster limit of liability, and no advancements and/or payments made in accordance with this Stipulation and Order shall be deemed improper or a breach of the Crum & Forster Policy.

7. The Parties acknowledge and agree that advancements of Defense Costs under this Stipulation and Order are made pursuant to the Crum & Forster Policy and properly are credited by Crum & Forster against the Crum & Forster Policy limit (aggregate or otherwise) and shall be applied toward exhaustion of the Crum & Forster Policy's limit (aggregate or otherwise) unless and until any permitted repayment to Crum & Forster actually is made on account of any amount previously advanced.

8. Nothing in this Stipulation and Order shall constitute (i) a waiver, modification or limitation of Crum & Forster's reservation of its rights, remedies and defenses under the Crum & Forster Policy; and/or (ii) a finding that such sums are due and owing, or in what amount, under the Crum & Forster Policy.

9. Nothing in this Stipulation and Order shall constitute a waiver, modification or limitation of the Trustee's, any Individual Insured's, or any other insured individual's, reservation of all rights, remedies and defenses under the Crum & Forster Policy or applicable law, including in connection with any claim for indemnification, reimbursement or subrogation.

10. Nothing in this Stipulation and Order shall constitute a waiver, modification or limitation of the Trustee's reservation of all of its rights, remedies and defenses in connection with any claim for indemnification, reimbursement or subrogation.

11. Except as set forth herein, this Stipulation and Order shall not modify or change any of the terms and conditions of the Crum & Forster Policy.

12. This Stipulation and Order may be executed in any number of counterparts, and each such counterpart is to be deemed an original for all purposes, but all counterparts shall collectively constitute one agreement. Further, electronic signatures or transmissions of an originally signed document by facsimile or PDF shall be as fully binding on the parties as an original document.

13. The Parties represent and warrant that they have full and requisite power and authority to execute, deliver and perform their obligations under this Stipulation and Order.

14. This Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Stipulation, and all parties submit to the jurisdiction of this Court for purposes of implementing and enforcing this Stipulation.

15. This Stipulation and Order is immediately valid and fully effected upon its entry and the parties stipulate to the waiver of the 14-day stay pursuant to Fed. R. Bankr. Proc. 4001(a).

Dated: New York, NY
April 20, 2023

*ANTHONY M. SACCULLO, IN HIS CAPACITY
AS LIQUIDATING TRUSTEE FOR THE TEUM
LIQUIDATING TRUST*

By his Counsel

By: COLE SHOTZ P.C.

/s/ Seth Van Aalten

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*ROBERT H. TURNER, EDWARD O'DONNELL,
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By: BAKER & HOSTETLER LLP

/s/ Jorian L. Rose

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*ALEXANDER KORFF AND CERTAIN OTHER
FORMER EXECUTIVES OF THE DEBTORS*

By: SKADDEN, ARPS, SLATE, MEAGHER &
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*CERTAIN CURRENT AND FORMER
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By: PERKINS COIE

/s/ David Massey
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/s/ Mark C. Moore
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Date: New York, New York
May __, 2023

*CERTAIN FORMER EXECUTIVES OF THE
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By: MCLAUGHLIN & STERN

/s/ Steve Schuster
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THE HON. LISA G. BECKERMAN
UNITED STATES BANKRUPTCY JUDGE