

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re: : Chapter 11
: STARRY GROUP HOLDINGS, INC., *et al.*,¹ : Case No. 23-10219 (KBO)
: Debtors. : (Jointly Administered)
: :
----- X Re: Docket Nos. 6 & 74

**FINAL ORDER (I) ESTABLISHING NOTIFICATION
PROCEDURES AND APPROVING RESTRICTIONS ON CERTAIN
TRANSFERS OF, OR WORTHLESSNESS DEDUCTIONS WITH RESPECT
TO, STOCK OF THE DEBTORS AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)² of the above captioned debtors and debtors-in-possession (collectively, the “**Debtors**”) for entry of orders (a) establishing procedures to protect the potential value of net operating loss carryforwards and other tax benefits (collectively, the “**Tax Attributes**”) of one or more of the Debtors for U.S. federal income tax purposes in connection with a debt-for-stock recapitalization or asset sale transaction, and (b) granting related relief, all as more fully set forth in the Motion; and this Court having reviewed the Motion, the First Day Declaration, and the Interim Order, as approved by this Court; and this Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that this Court may enter a final order

¹ The debtors in these cases, along with the last four digits of each debtor’s federal tax identification number, are: Starry Group Holdings, Inc. (9355); Starry, Inc. (9616); Connect Everyone LLC (5896); Starry Installation Corp. (7000); Starry (MA), Inc. (2010); Starry Spectrum LLC (N/A); Testco LLC (5226); Starry Spectrum Holdings LLC (9444); Widmo Holdings LLC (9208); Vibrant Composites Inc. (8431); Starry Foreign Holdings Inc. (3025); and Starry PR Inc. (1214). The debtors’ address is 38 Chauncy Street, Suite 200, Boston, Massachusetts 02111.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Motion.



consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and this Court having determined that there is good and sufficient cause for the relief granted in this Final Order, therefore, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is granted on a final basis, as set forth herein.
2. All objections to the entry of this Final Order, to the extent not withdrawn or settled, are overruled.
3. The Stock Procedures and Worthless Stock Deduction Procedures are hereby approved on a final basis and shall apply to all trading and transfers of, and all worthlessness deductions with respect to, Starry Group Stock.
4. The as-approved Stock Procedures are as follows:
 - a. Notice of Substantial Stock Ownership. Any Person (as such term is defined in **Exhibit C** to the Motion) that Beneficially Owns, at any time on or after the Petition Date, at least 7,566,341 shares of Starry Group Stock (representing approximately 4.5 percent of all issued and outstanding shares of Starry Group Stock) (a “**Substantial Stockholder**”) must file with this Court and serve on (i) Starry Group Holdings, Inc. (Attn: Courtney Norton (Email: cnorton@starry.com)); (ii) proposed counsel to the Debtors, (1) Latham & Watkins LLP, (A) 355 South Grand Avenue, Suite 100, Los Angeles, California 90071 (Attn: Ted A. Dillman, Jeffrey T. Mispagel, and Nicholas J. Messana, Esq. (Emails: ted.dillman@lw.com, jeffrey.mispagel@lw.com, and nicholas.messana@lw.com)) and (B) 330 North Wabash Avenue, Suite 2800, Chicago, Illinois 60611 (Attn: Jason B. Gott, Esq. (Email: jason.gott@lw.com)), and (2) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801 (Attn: Kara Hammond Coyle, Joseph M. Mulvihill, and Timothy R. Powell (Emails: kcoyle@ycst.com, jmulvihill@ycst.com, and tpowell@ycst.com)); (iii) counsel to ArrowMark Agency Services LLP as DIP Agent and Prepetition Agent, (1) Sheppard, Mullin, Richter &

Hampton LLP, (A) 333 South Hope Street, 43rd Floor, Los Angeles, California 90071 (Attn: Kyle J. Mathews (KMathews@sheppardmullin.com)) and (B) 321 North Clark Street, 32nd Floor, Chicago, Illinois 60654 (Attn: Justin Bernbrock (JBernbrock@sheppardmullin.com), Bryan V. Uelk (BUelk@sheppardmullin.com), and Catherine Jun (CJun@sheppardmullin.com)), and (2) Potter Anderson & Corroon LLP, Hercules Plaza, 1313 North Market Street, 6th Floor, P.O. Box 951, Wilmington, Delaware 19801 (Attn: L. Katherine Good (Email: kgood@potteranderson.com)); (iv) proposed counsel to the official committee of unsecured creditors appointed in the Chapter 11 Cases (the “**Creditors’ Committee**”), McDermott Will & Emery LLP (1) The Nemours Building, 1007 North Orange Street, 10th Floor, Wilmington, DE 19801 (Attn: David Hurst (dhurst@mwe.com)) and (2) One Vanderbilt Avenue, New York, NY 10017 (Attn: Kristin Going (kgoing@mwe.com), Darren Azman (dazman@mwe.com), Stacy Lutkus (salutkus@mwe.com) and Natalie Rowles (nrowles@mwe.com)), if any; (v) counsel to any other Official Committee appointed in the Chapter 11 Cases; and (vi) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801 (Attn: Benjamin Hackman (Email: Benjamin.A.Hackman@usdoj.gov)) (the “**U.S. Trustee**” and, collectively, the “**Disclosure Parties**”) a notice of such Person’s Starry Group Stock ownership (a “**Substantial Stock Ownership Notice**”), in substantially the form attached to the Motion as Exhibit E, which describes specifically and in detail such Person’s ownership of Starry Group Stock, on or before the date that is the later of (x) twenty calendar days after the date the Interim Order was entered or (y) five calendar days after the date such Person qualifies as a Substantial Stockholder. At the election of the filing Person, the Substantial Stock Ownership Notice to be filed with this Court (but not the Substantial Stock Ownership Notice that is served on the Disclosure Parties) may be redacted to exclude the taxpayer identification number.

- b. Acquisition of Starry Group Stock. At least 20 calendar days before the proposed date of any transfer of Starry Group Stock, exercise of any Option to acquire Starry Group Stock, or other transaction that would result in an increase in the amount of Starry Group Stock Beneficially Owned, by any Person that currently is or, as a result of the proposed transaction, would be a Substantial Stockholder (a “**Proposed Stock Acquisition Transaction**”), such Person or Substantial Stockholder (a “**Proposed Stock Transferee**”) must file with this Court and serve on the Disclosure Parties a notice of such Proposed Stock Transferee’s intent to purchase, acquire, or otherwise accumulate Starry Group Stock (a “**Stock Acquisition Notice**”), in substantially the form attached to the Motion as **Exhibit F**, which describes specifically and in detail the Proposed Stock Acquisition Transaction. At the election of the filing Person, the Stock Acquisition Notice to be filed with this Court (but not the Stock Acquisition Notice that is served on the

Disclosure Parties) may be redacted to exclude the taxpayer identification number.

- c. Disposition of Starry Group Stock. At least 20 calendar days before the proposed date of any transfer of Starry Group Stock, or other transaction that would result in a decrease in the amount of Starry Group Stock Beneficially Owned by any Person that before such transfer is a Substantial Stockholder (a “**Proposed Stock Transfer**”), such Person or Substantial Stockholder (a “**Proposed Stock Transferor**”) must file with this Court and serve on the Disclosure Parties a notice of such Proposed Stock Transferor’s intent to transfer Starry Group Stock (a “**Stock Transfer Notice**”), in substantially the form attached to the Motion as **Exhibit G**, which describes specifically and in detail the Proposed Stock Transfer. At the election of the filing Person, the Stock Transfer Notice to be filed with this Court (but not the Stock Transfer Notice that is served on the Disclosure Parties) may be redacted to exclude the taxpayer identification number.
- d. Objection Procedures. The Debtors, the DIP Agent, the Creditors’ Committee, and any other Official Committee will have 20 calendar days after the receipt of a Stock Acquisition Notice or a Stock Transfer Notice (the “**Stock Procedure Objection Period**”) to file with this Court and serve on a Proposed Stock Transferee or Proposed Stock Transferor, as applicable, an objection (a “**Stock Procedure Objection**”) to any Proposed Stock Acquisition Transaction described in such Stock Acquisition Notice or any Proposed Stock Transfer described in such Stock Transfer Notice. If the Debtors, the DIP Agent, the Creditors’ Committee, or any other Official Committee files a Stock Transfer Objection by the expiration of the Stock Transfer Objection Period (the “**Stock Procedure Objection Deadline**”), then the applicable Proposed Stock Acquisition Transaction or Proposed Stock Transfer will not be effective unless approved by a final and non-appealable order of this Court or such Stock Procedure Objection is withdrawn. If none of the Debtors, the DIP Agent, the Creditors’ Committee, or any other Official Committee file a Stock Procedure Objection by the Stock Procedure Objection Deadline, or if the Debtors, the DIP Agent, the Creditors’ Committee, and any and all other Official Committees provide written authorization to the Proposed Stock Transferee or the Proposed Stock Transferor, as applicable, approving the Proposed Stock Acquisition Transaction or Proposed Stock Transfer, then such Proposed Stock Acquisition Transaction or Proposed Stock Transfer may proceed solely as specifically described in the relevant Stock Acquisition Notice or Stock Transfer Notice, as applicable. Any further or alternative Proposed Stock Acquisition Transaction or Proposed Stock Transfer must be the subject of an additional Stock Acquisition Notice or Stock Transfer Notice, as applicable, and Stock Procedure Objection Period.

5. The as-approved Worthless Stock Deduction Procedures are as follows:
- a. Notice of 50-percent Stock Ownership. Any person or entity that currently is or becomes a 50-percent Shareholder, at any time on or after the Petition Date, must file with this Court, and serve on the Disclosure Parties a notice of such person or entity's 50-percent stock ownership (a "**50-percent Stock Ownership Notice**"), in substantially the form attached to the Motion as **Exhibit H**, which describes specifically and in detail such person or entity's ownership of Starry Group Stock, on or before the date that is the later of (x) twenty calendar days after the date the Interim Order was entered or (y) five calendar days after the date such person or entity qualifies as a 50-percent Shareholder. At the election of the filing person or entity, the 50-percent Stock Ownership Notice to be filed with this Court (but not the 50-percent Stock Ownership Notice that is served upon the Disclosure Parties) may be redacted to exclude the taxpayer identification number.
 - b. Worthless Stock Deduction. At least 20 calendar days before filing any income tax return, or amendment to such a return, taking any worthlessness deduction with respect to Starry Group Stock for a tax year ending before the consummation of a debt-for-stock recapitalization (or, if applicable, a chapter 11 sale process), such 50-percent Shareholder must file with this Court, and serve on the Disclosure Parties, an advance written notice of the intended worthlessness deduction, in substantially the form attached to the Motion as **Exhibit I** (a "**Notice of Intent to Take a Worthless Stock Deduction**"). At the election of the filing person or entity, the Notice of Intent to Take a Worthless Stock Deduction to be filed with this Court (but not the Notice of Intent to Take a Worthless Stock Deduction that is served on the Disclosure Parties) may be redacted to exclude the taxpayer identification number.
 - c. Objection Procedures. The Debtors, the DIP Agent, the Creditors' Committee, and any other Official Committee will have 20 calendar days after the receipt of a Notice of Intent to Take a Worthless Stock Deduction (the "**Worthless Stock Objection Period**") to file with this Court and serve on such 50-percent Shareholder an objection (a "**Worthless Stock Objection**") to any proposed worthlessness deduction described in such Notice of Intent to Take a Worthless Stock Deduction. If the Debtors, the DIP Agent, the Creditors' Committee, or any other Official Committee files a Worthless Stock Objection by the expiration of the Worthless Stock Objection Period (the "**Worthless Stock Objection Deadline**"), then the filing of the income tax return with such deduction will not be permitted or effective unless approved by a final and non-appealable order of this Court or such objection is withdrawn. If none of the Debtors, the DIP Agent, the Creditors' Committee, or any other Official Committee file a Worthless Stock Objection by the Worthless Stock Objection Deadline, then such deduction will be permitted as set forth

in the Notice of Intent to Take a Worthless Stock Deduction. Any further income tax returns within the scope of the Worthless Stock Deduction Procedures must be the subject of an additional Notice of Intent to Take a Worthless Stock Deduction and Worthless Stock Objection Period.

6. Until further order of this Court to the contrary, any acquisition or trading of Starry Group Stock in violation of the Stock Procedures, or the taking of any worthlessness deduction with respect to Starry Group Stock in violation of the Worthless Stock Deduction Procedures shall be null and void *ab initio* as an act in violation of the automatic stay under section 362 of the Bankruptcy Code and/or pursuant to this Court's equitable powers under section 105(a) of the Bankruptcy Code.

7. Any Person that acquires or transfers Starry Group Stock, or any person or entity that takes any worthlessness deduction with respect to Starry Group Stock, in violation of this Final Order, the Stock Procedures, or the Worthless Stock Deduction Procedures or that otherwise fails to comply with their requirements, shall be (a) subject to such sanctions as this Court may consider appropriate pursuant to this Court's equitable power under section 105(a) of the Bankruptcy Code and (b) required to take remedial actions, which may include the actions specified in IRS Private Letter Ruling 201010009 (Mar. 12, 2010), necessary to appropriately reflect that such transfer or worthlessness deduction is null and void *ab initio*.

8. The notices substantially in the forms attached to the Motion as **Exhibit E**, **Exhibit F**, **Exhibit G**, **Exhibit H**, **Exhibit I**, and **Exhibit J** are hereby approved.

9. Nothing herein shall preclude any person desirous of acquiring or transferring any Starry Group Stock or taking a worthlessness deduction with respect to any Starry Group Stock from requesting relief from this Final Order from this Court, subject to the Debtors' and any other interested party's rights to oppose such relief.

10. The relief granted in this Final Order is intended solely to permit the Debtors to protect, preserve, and maximize the value of their Tax Attributes; accordingly, other than to the extent that this Final Order expressly conditions or restricts trading in Starry Group Stock or taking any worthlessness deduction with respect to Starry Group Stock, nothing in this Final Order or in the Motion shall, or shall be deemed to, prejudice, impair, or otherwise alter or affect the rights of any holders of Starry Group Stock, including in connection with the treatment of any such stock under any chapter 11 plan or any applicable bankruptcy court order.

11. Nothing in the Motion or this Final Order, nor any actions or payments made by the Debtors pursuant to this Final Order, shall be construed as: (a) an admission as to the validity of any claim against the Debtors or the existence of any lien against the Debtors' properties; (b) a waiver of the Debtors' or any other party in interest's respective rights to dispute any claim or lien on any grounds; (c) a promise to pay any claim; (d) an implication or admission that any particular claim would constitute an allowed claim; (e) an assumption or rejection of any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code; (f) a limitation on the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract with any party subject to this Final Order; or (g) a waiver of the Debtors' or any other party in interest's respective rights under the Bankruptcy Code, any other applicable non-bankruptcy law, or any order of this Court. Nothing contained in this Final Order shall be deemed to increase, reclassify, elevate to an administrative expense status, or otherwise affect any claim to the extent it is not paid.

12. Under the circumstances of the Chapter 11 Cases, notice of the Motion is adequate under Bankruptcy Rule 6004(a).

13. Notwithstanding Bankruptcy Rule 6004(h) or any other procedural rule, to the extent applicable, this Final Order shall be effective and enforceable immediately upon entry hereof.

14. The Debtors are hereby authorized to take such actions and to execute such documents as may be necessary to implement the relief granted by this Final Order.

15. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.

Dated: March 20th, 2023
Wilmington, Delaware


KAREN B. OWENS
UNITED STATES BANKRUPTCY JUDGE