

**TOGUT, SEGAL & SEGAL LLP**

Frank A. Oswald  
Brian F. Moore  
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)

**NOTICE OF FILING OF MODIFIED GLOBAL NOTES AND  
STATEMENT OF LIMITATIONS, METHODOLOGY,  
AND DISCLAIMERS REGARDING THE DEBTORS' SCHEDULES OF  
ASSETS AND LIABILITIES AND STATEMENTS OF FINANCIAL AFFAIRS**

**PLEASE TAKE NOTICE** that on May 15, 2022 (the "Petition Date"), Pareteum Corporation and certain of its affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors"), each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") with the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court").

**PLEASE TAKE FURTHER NOTICE** that on June 28, 2022, the Debtors filed their respective Schedules of Assets and Liabilities and Statement of Financial Affairs.

**PLEASE TAKE FURTHER NOTICE** that a copy of the *Modified Global Notes And Statement Of Limitations, Methodology, And Disclaimers Regarding The Debtors'*

<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 Debtors' corporate headquarters is located at 1185 Avenue of the Americas, 2nd Floor, New York, NY 10036.



*Schedules Of Assets And Liabilities And Statements Of Financial Affairs* (the “Global Notes”) is attached hereto as Exhibit “A,” and a redlined copy showing the modifications made to the *Global Notes And Statement Of Limitations, Methodology, And Disclaimers Regarding The Debtors’ Schedules Of Assets And Liabilities And Statements Of Financial Affairs* that were annexed the Schedules of Assets and Liabilities and Statement of Financial Affairs is attached hereto as Exhibit “B”; and

**PLEASE TAKE FURTHER NOTICE** that a copy of the Debtors’ respective Schedules of Assets and Liabilities and Statement of Financial Affairs 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) by 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: July 6, 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  
One Penn Plaza, Suite 3335  
New York, New York 10119  
Tel: (212) 594-5000  
Facsimile: (212) 967-4258  
Email: [frankoswald@teamtogut.com](mailto:frankoswald@teamtogut.com)  
[bmoore@teamtogut.com](mailto:bmoore@teamtogut.com)

## **EXHIBIT "A"**

**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)

**MODIFIED GLOBAL NOTES AND  
STATEMENT OF LIMITATIONS, METHODOLOGY,  
AND DISCLAIMERS REGARDING THE DEBTORS' SCHEDULES OF  
ASSETS AND LIABILITIES AND STATEMENTS OF FINANCIAL AFFAIRS**

On May 15, 2022 (the "Petition Date"), Pareteum Corporation ("Pareteum") and eight of its affiliated debtors and debtors in possession in the above-captioned Chapter 11 cases (each a "Debtor" and, collectively, the "Debtors") commenced voluntary cases (the "Chapter 11 Cases") under chapter 11 of title 11, United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court").

The Debtors continue to operate their businesses and manage their properties as debtors and debtors in possession, pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Chapter 11 Cases have been consolidated for procedural purposes only and are being jointly administered under case number 22-10615 (LGB).

The Schedules of Assets and Liabilities (the "Schedules") and Statements of Financial Affairs (the "Statements") were prepared pursuant to Bankruptcy Code section 521 and Rule 1007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") by management of the Debtors with unaudited information available as of the Petition Date.

<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.; Artiliium Group Ltd. (f/k/a Artiliium PLC); Pareteum Asia Pte. Ltd.; and Pareteum N.V. (f/k/a Artiliium N.V.). The Debtors' corporate headquarters is located at 1185 Avenue of the Americas, 2nd Floor, New York, NY 10036.

These *Global Notes and Statement of Limitations, Methodology, and Disclaimers Regarding the Debtors' Schedules of Assets and Liabilities and Statements of Financial Affairs* (the "Global Notes") are incorporated by reference in, and comprise an integral part of, each of the Debtors' Schedules, sub-Schedules, Statements, sub-Statements, exhibits, and continuation sheets, and should be referred to in connection with any review of the Schedules and Statements. Disclosure of information in one Schedule, sub-Schedule, Statement, sub-Statement, exhibit, or continuation sheet, even if incorrectly placed, shall be deemed to be disclosed in the correct Schedule, Statement, exhibit, or continuation sheet.

**Reservation of Rights.** The Debtors' Chapter 11 Cases are large and complex. The Debtors' management has made every reasonable effort to ensure that the Schedules and Statements are as accurate and complete as possible, based on the information that was available to them at the time of preparation.

The Debtors have made reasonable efforts to schedule the assets and liabilities, required financial information, and cash disbursements according to the appropriate Debtor entity. However, because the Debtors' accounting systems and practices are disparate reporting systems that had never been fully integrated through the historical acquisitions, it is possible that not all scheduled information is attributed or recorded with the correct Debtor entity on these Schedules and Statements.

Subsequent information or discovery may result in material changes to these Schedules and Statements, and inadvertent errors or omissions may have occurred. Accordingly, the Debtors reserve all rights to supplement and amend the Schedules and Statements.

The Debtors have made reasonable efforts to characterize, classify, categorize or designate the claims, assets, executory contracts, unexpired leases, and other items reported in the Schedules and Statements correctly. Due to the complexity and size of the Debtors' businesses, however, the Debtors may have improperly characterized, classified, categorized, or designated certain items. In addition, certain items reported in the Schedules and Statements could be included in more than one category. In those instances, one category has been chosen to avoid duplication. Further, the designation of a category is not meant to be wholly inclusive or descriptive of the rights or obligations represented by such item.

Nothing contained in the Schedules and Statements or these Global Notes shall constitute an admission or a waiver of rights with respect to these Chapter 11 Cases, including, but not limited to, any issues involving substantive consolidation for plan purposes, subordination, and/or causes of action arising under the provisions of Chapter 5 of the Bankruptcy Code and other relevant non-bankruptcy laws to recover assets or avoid transfers. For the avoidance of doubt, listing a claim on Schedule D as "secured," on Schedule E as "priority," on Schedule F as "unsecured priority," or listing a contract or lease on Schedule G as "executory" or "unexpired," does not constitute an admission by the Debtors of the legal rights of the claimant and/or contractual counterparty, or a waiver of a Debtor's right to recharacterize or reclassify such claim or contract. Failure to designate a claim on a given Debtor's Schedules as "disputed," "contingent," or "unliquidated" does not constitute an admission by the Debtors that such amount is not "disputed," "contingent," or "unliquidated" or that such claim is not subject to objection. The Debtors reserve their

respective rights to dispute, or assert offsets, setoffs, or defenses to, any claim reflected on the Schedules as to the nature, amount, liability, or status or to otherwise subsequently designate any claim as disputed, contingent, and/or unliquidated.

**1. Basis of Presentation.** The Debtors historically prepared consolidated quarterly and annual consolidated financial statements that were audited annually (The last full year SEC-filed audit was for calendar year 2020. There was a subsequent 10-Q filed for Q1 2021) and included all of the Debtors, as well as affiliated non-Debtor entities. Unlike the consolidated financial statements, the Schedules and Statements generally reflect the assets and liabilities of each Debtor on a non-consolidated basis. Accordingly, the amounts listed in the Schedules and Statements will likely differ, at times materially, from the consolidated financial reports prepared historically by the Debtors.

Although the Schedules and Statements may, at times, incorporate information prepared in accordance with GAAP (General Accepted Accounting Principles), the Schedules and Statements neither purport to represent nor reconcile to financial statements otherwise prepared and/or distributed by the Debtors in accordance with GAAP.

**2. Reporting Date.** Each Debtor operates on a fiscal year ending on December 31<sup>st</sup> annually. All asset and liability information, except where otherwise noted, is provided as of April 30, 2022.

**3. Currency.** All amounts are reflected in U.S. dollars, which the Debtors use as their reporting currency. The Debtors conduct business in many foreign jurisdictions and foreign currencies. The amounts in U.S. dollars reflect the Debtors' internal currency translation reporting systems except for Debtor Pareteum N.V. Pareteum N.V.'s books are reported in EUR only. The Debtors have assumed a \$1.04 USD/EUR rate for all of Pareteum N.V.'s amounts.

**4. Estimates and Assumptions.** The preparation of the Schedules and Statements required the Debtors to make estimates and assumptions that affected the reported amounts of certain assets and liabilities, the disclosure of certain contingent assets and liabilities, and the reported amounts of revenue and expense. Actual results could differ materially from these estimates. The Debtors reserve the right to amend the reported amounts of assets, liabilities, revenues, and expenses to reflect changes in those estimates or assumptions.

**5. Totals.** All totals that are included in the Schedules and Statements represent totals of all known amounts. To the extent there are unknown or undetermined values or, conversely, claims listed as unliquidated, contingent and/ or disputed, the actual totals may be different than the listed totals.

**6. Undetermined, To be Determined or Unknown Amounts.** The description of an amount as "undetermined," "to be determined," or "unknown" is not intended to reflect upon the materiality of such amount. Certain amounts may be clarified during the course of the Chapter 11 Cases.

**7. Asset Presentation and Valuation.** The Debtors' assets presented are based on values consistent with their books and records. These values do not purport to represent the ultimate

value that would be received in the event of a sale, and may not represent economic value as determined by an appraisal or other valuation technique. As it would be prohibitively expensive and an inefficient use of estate assets for the Debtors to obtain current economic valuations for all of their assets, unless otherwise noted, the carrying value on the Debtors' books (e.g., net book value), rather than current economic values, is reflected on the Schedules and Statements.

**8. Cash Management.** The Debtors use an integrated, centralized cash management system to facilitate the collection, concentration and disbursement of the various Debtors' funds in over twenty countries around the world. As a result, certain payments in the Schedules and Statements may have been made prepetition by one entity on behalf of another entity through the operation of the consolidated cash management system. A description of the Debtors' prepetition cash management system is contained in the *Debtors' Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Continue to Operate their Cash Management System, Including Existing Bank Accounts, (B) Honor Certain Prepetition Obligations Related Thereto, (C) Maintain Existing Bank Accounts and Utilize Existing Business Forms, and (D) Continue to Perform Intercompany Transactions, and (II) Granting Related Relief* [Docket No. 9].

**9. Contingent Assets and Causes of Action.** Despite their reasonable efforts to identify all known assets, the Debtors may not have listed all of their causes of action or potential causes of action against third parties as assets in their Schedules and Statements, including, but not limited to, avoidance actions arising under Chapter 5 of the Bankruptcy Code and actions under other relevant non-bankruptcy laws to recover assets. The Debtors reserve all of their rights with respect to any causes of action, avoidance actions, controversy, right of set-off, cross claim, counterclaim, or recoupment, and any claim in connection with any contract, breach of duty imposed by law or in equity, demand, right, action, lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, power, privilege, license, and franchise of any kind or character whatsoever, known, unknown, fixed or contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertible directly or derivatively, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law they may have, and neither these Global Notes nor the Schedules and Statements shall be deemed a waiver of any such claims, causes of actions, or avoidance actions or in any way prejudice or impair the assertion of such claims.

The Debtors may also possess contingent and unliquidated claims against affiliated entities (both Debtor and non-Debtor) for various financial accommodations and similar benefits they have extended from time to time, including, but not limited to, contingent and unliquidated claims for contribution, reimbursement, and/or indemnification arising from various (i) guarantees, (ii) indemnities, (iii) intercompany loans, (iv) tax-sharing agreements, (v) warranties, (vi) operational and servicing agreements, (vii) shared service agreements, and (viii) other arrangements.

**10. Guarantees and Other Secondary Liability Claims.** The Debtors have used their reasonable best efforts to locate and identify guarantees and other secondary liability claims (collectively, "Guarantees") in each of their executory contracts, unexpired leases, secured financings, debt instruments, and other similar agreements. Where such Guarantees have been identified, they have been included in the relevant Schedules of the Debtor or Debtors affected by

such Guarantees. Where a Guarantee exists, co-obligors are listed on a Debtor's Schedule H to the extent the Debtor is either the primary obligor or the guarantor of the relevant obligation. To the extent that a Debtor is a guarantor, such Guarantees are also listed on its Schedule D or E/F, as appropriate, and listed as "contingent" and "unliquidated" unless otherwise specified. Further, it is possible that certain Guarantees embedded in the Debtors' executory contracts, unexpired leases, secured financings, debt instruments and other such agreements may have been inadvertently omitted. Thus, the Debtors reserve their rights to amend the Schedules and Statements to the extent that additional Guarantees are identified. In addition, the Debtors reserve the right to amend the Schedules and Statements to recharacterize, reclassify, add, or remove any such contract or claim.

**11. Pledged Assets.** A significant amount of the assets listed on the Debtors' Schedule A/B have been pledged as collateral by the Debtors. Assets pledged as collateral include, among other things, cash, accounts receivable, securities, inventories, intellectual property/trademarks, equipment, equity interests in subsidiaries, contract rights, and other related assets.

In certain instances, Pareteum or another Debtor may be a co-obligor or guarantor with respect to the obligations of another Debtor or non-Debtor, which obligation or guarantee is secured by property pledged by the Debtor.

**12. Leases and Executory Contracts.** Certain contracts or leases of the Debtors are reflected twice in a Debtor's Schedules – once in the Debtor's Schedule G as an executory contract and again in the in its Schedule D or F, as appropriate, based on the value of open A/P due to the contract counterparty. Nothing herein or in the Schedules or Statements shall be construed as a concession, admission or evidence as to the determination of the legal status of any leases identified in the Schedules or Statements, including whether such leases: (i) constitute an executory contract within the meaning of section 365 of the Bankruptcy Code or other applicable law; or (ii) have not expired or been terminated or otherwise are not current in full force and effect, and the Debtors reserve all of their rights.

**13. Intercompany Transactions.** The Debtors are nine entities of a corporate organization with forty-seven entities. As such, there are a large number of intercompany transactions both between Debtor entities and between Debtor and non-Debtor entities. For the avoidance of doubt, all intercompany balances, whether between Debtors or between Debtors and non-Debtors are presented herein. The financial statements of certain Debtor and non-Debtor entities are denominated in currency values other than USD on a standalone reporting basis. As such, the intercompany balances of these certain Debtor and non-Debtor entities denominated in foreign currencies have been translated into USD pursuant to Note 3 above. The Debtors do not present these intercompany balances on a net basis as a result of currency translation. Certain intercompany balances between counterparties may present reconciling differences due to changes in exchange rates over time. As such, receivables and payables are presented at their full value both as part of Schedule A/B 77 and Schedule E/F, Part 2.

**14. Liabilities.** Some of the scheduled liabilities are unknown, contingent, and/or unliquidated at this time. In such cases, the amounts are listed as "unknown." Further, liabilities such as certain deferred liabilities, accruals, or general reserves are included as "unknown" and do not represent

specific claims as of the Petition Date for each Debtor. Due to the nature of the Debtors' use of network and software services, the Debtors recognize additional accrued pre-petition liabilities for amounts that have yet to be invoiced, however they are unable to accurately state the amount used pursuant to their various service agreements. Accordingly, the total amounts listed for some categories of liabilities in the Schedules and the Statements may not be equal to the aggregate amount of the Debtors' total liabilities as noted on any financial statements issued prior to the Petition Date.

The liabilities listed on the Schedules and Statements do not reflect any analysis of claims under section 503(b)(9) of the Bankruptcy Code. Accordingly, the Debtors reserve all rights to dispute or challenge the validity of any asserted claims under section 503(b)(9) of the Bankruptcy Code or the characterization of the structure of any such transaction or any document or instrument related to any creditor's claim.

**15. Creditor Facilities.** Although there may be multiple parties that hold a portion of the debt comprising the Debtors' prepetition credit facilities and notes, only the administrative agents, as applicable, have been listed for purposes of Schedule D, E/F, and H.

**16. Confidentiality.** The home addresses and personally identifiable information of most of the Debtors' current employees (including directors and officers) have been redacted to ensure confidentiality.

**17. First Day Orders.** The Bankruptcy Court has authorized (each, a "First Day Order") the Debtors to pay, in whole or in part, various outstanding prepetition claims, including but not limited to, payments relating to the Debtors' employee wages and compensation, severance, benefits, and reimbursable business expenses; goods and services ordered prepetition but received post-petition; insurance obligations; and pre-petition taxes and fees. Certain of these claims have been paid in accordance with the First Day Orders. Any claims that may have been paid as part of these orders have been listed as contingent and unliquidated as they may no longer have any associated liability.

In addition, the Bankruptcy Court has authorized the Debtors to pay certain prepetition foreign vendors and lienholders. Accordingly, any claims that may have been paid as part of these orders have been listed as contingent and unliquidated as they may no longer have any associated liability.

The Debtors reserve their rights to object to any listed claims on the grounds that, among other things, such claims have already been satisfied pursuant to a First Day Order. The estimate of claims set forth in the Schedules may not reflect assertions by the Debtors' creditors of a right to have such claims paid or reclassified under the Bankruptcy Code or orders of the Bankruptcy Court.

**18. Excluded Assets and Liabilities.** The Debtors believe that they have identified, but did not necessarily value, all material categories of assets and liabilities in the Schedules. The Debtors have excluded the following items which may be included in their GAAP financial statements from the Schedules: accrued salaries, employee benefit accruals, and certain other accruals, capitalized interest, debt acquisition costs, goodwill, financial instruments, certain other assets, and gains. The Debtors also have excluded rejection damage claims of counterparties to executory

contracts and unexpired leases that may be rejected, to the extent such damage claims exist. Other immaterial assets and liabilities may also have been excluded.

**19. Intellectual Property Rights.** Exclusion of certain intellectual property shall not be construed to be an admission that those intellectual property rights have been sold, abandoned, terminated, assigned or otherwise transferred pursuant to a sale, acquisition, or other transaction, or otherwise have expired by their terms. Conversely, inclusion of certain intellectual property shall not be construed to be an admission that those intellectual property rights have not been sold, abandoned, terminated, assigned or otherwise transferred pursuant to a sale, acquisition, or other transaction, or otherwise have not expired by their terms. Accordingly, the Debtors reserve all of their rights as to the legal status of all intellectual property rights.

**20. Liens.** The inclusion on Schedule D of creditors is not an acknowledgement of the validity, extent, or priority of any liens, and the Debtors reserve their right to challenge such liens and the underlying claims on any ground whatsoever. A careful review of the applicable agreements and other relevant documents is necessary for a complete description of the collateral and the nature, extent and priority of any liens. Nothing in these Global Notes or the Schedules and Statements shall be deemed a modification or interpretation of the terms of such agreements or an acknowledgment of same. Certain liens may have been inadvertently marked as disputed but had previously been acknowledged in an order of the Court as not being disputed by the Debtors. It is not the Debtors' intent that Schedules be construed to supersede any orders entered by the Bankruptcy Court.

**21. Insiders.** For the purposes of their responses to Statement Question 28, the Debtors have listed the current officers and directors for each individual Debtor entity to the extent available based on current records. For the purposes of Statement Question 29, the officers and directors who have left the Company all did so prior to the lookback period. For purposes of Statement Question 4 and 30, the Debtors have only included the following as "insiders," consistent with the Debtors financial reporting obligations to the U.S. Security Exchange Commission: all members of the board of directors of Debtors and Debtors' principal officers (members of management who are responsible for determining the Company's operating policies and financial undertakings, including Vice-Presidents, Chief Executives and Senior Directors).

Persons listed as "insiders" have been included for informational purposes only and do not constitute an admission that any such individuals are insiders for purposes of the Bankruptcy Code or otherwise. The Debtors do not take any position with respect to: (a) such person's influence over the control of the Debtors; (b) the management responsibilities or functions of such individual; (c) the decision-making or corporate authority of such individual; or (d) whether such individual could successfully argue that he or she is not an "insider" under applicable law, including the federal securities laws, or with respect to any theories of liability or for any other purpose.

**22. Signatory.** The Schedules and Statements have been signed by Laura Thomas in her capacity as Interim Chief Financial Officer of Pareteum. In reviewing and signing the Schedules and Statements, she has necessarily relied upon the efforts, statements and representations of various of the Debtors' personnel and professionals. She has not (and could not have) personally

verified the accuracy of each such statement and representation, including statements and representations concerning amounts owed to creditors and their addresses.

**23. COVID-19.** The Debtors have filed these Schedules and Statements amidst the unprecedented circumstances arising from the global COVID-19 pandemic. Such circumstances have complicated the preparation of these Schedules and Statements and Global Notes in as much as the Debtors' management and outside professionals have been limited to working remotely and have been unable to meet in person.

### **Schedules of Assets and Liabilities**

#### **Schedule A/B Notes.**

- General. Each Debtors' assets in Schedule A/B are listed at net book value as of the Petition Date, unless otherwise noted, and may not necessarily reflect the market or recoverable value of these assets as of the Petition Date.
- Cash and Cash Equivalents (AB1 through AB5). The reported bank balances include cash held in various currencies, converted into U.S. dollars per the Debtors' accounting policies as of the Petition Date. The Debtors excluded accounts with no current balances that may be seldomly used or inactive or were closed shortly after the filing of the Petition.
- Deposits (AB7). The Debtors have made reasonable efforts to identify all deposits. However, the Schedules may not reflect an exhaustive list of deposits.
- Prepayments (AB8). The Debtors have made reasonable efforts to identify all prepayments. The majority of prepayments are related to software subscriptions or access fees. In addition, there was a prepayment to an insider for additional incurred expenses. This insider, on a prepetition basis, historically used his personal credit card to cover various operating expenses of the business.
- Accounts Receivable (AB11). Accounts receivable include ordinary course receivables, revenues that were unbilled as of the Petition Date and may also include any net credits in favor of the Debtors with respect to their trade payables.

Non-publicly traded stock (AB15). Ownership interests in subsidiaries and other affiliates have been identified in AB15 in an unknown value, as the fair market value of such ownership interest would be difficult to ascertain. Each Debtor's Schedule A/B reflects only those subsidiaries, trusts, and other Debtor entities in which the Debtor has a direct ownership interest. The Debtors have attempted to disclose all entity addresses, however, if no address has been readily available, those fields have been left blank. Additionally, many of the entities do not have EIN data because they are foreign domiciled. Finally, the Debtors are disclosing equity interests in two entities that are not subsidiaries of the Debtors but are separate investments in similarly situated businesses to that of the Debtors.

- Inventory (AB19 through AB26). The Debtors' only inventory is that of SIM cards that are stored at third party warehouses. The SIMs are finished goods that can be deployed as part of the Debtors' services. SIM cards have a rapid rate of obsolescence. Many of them

are obsolete and have been fully written off. As such, the net book value reflects a large reserve against their original cost value.

- Office Furniture, Fixtures and Equipment (AB38 through AB45). Items listed in AB38-45 are scheduled according to their net book value. The Debtors have made reasonable efforts to identify all assets; however, it is possible that inadvertent errors, misclassifications, or omissions may have occurred, or that property of *de minimis* value is not included in response to this question.

The Debtors are a cloud-based business and are not capital/fixed asset intensive. In fact, the Debtors have not reconciled their fixed asset registers since their last audit year of 2020. Many of the fixed assets in their records were acquired as part of the various business acquisitions over the history of the Debtors. Since their asset values were fully depreciated, they did not meet materiality thresholds for auditor adjustments and the Debtors never performed a physical inventory of these items. As such, the Debtors, in review of the assets on their fixed asset ledgers, do not believe them to be accurate.

Since the last audit date, the Debtors have managed their fixed assets pursuant to their stated process and accounting procedures. That is to say, the vast majority of the Debtors' owned assets are computer equipment that are not capitalized nor captured on the balance sheet, but are expensed due to the low cost of their acquisitions. The Debtors do not have formal lists of all the current computer equipment in use by each employee or the specific owned servers within the leased colocation centers. Furthermore, the Debtors have, on a prepetition basis, been moving substantially all their physical servers into the cloud through Amazon Web Services. The numbers presented here reflect, in aggregate, the estimated net book value, by Debtor entity, based upon the Debtors' April 30 balance sheets.

- Machinery, Equipment, and Vehicles (AB46 through AB53). The Debtors do not own any vehicles, machinery or equipment. The Debtors are party to long standing car lease agreements for employee use. In Belgium, it is standard practice for companies to lease cars for certain employees as part of their total compensation package. See Schedules D and G for more information.
- Real Property (AB55 through AB59). The Debtors do not own any real property. Disclosed on this list are their interests in leased office space and data colocation centers.
- Intangibles and Intellectual Property (AB60 through AB65). The Debtors have listed all their intangibles and intellectual property on these schedules. The Debtors do not allocate value to each individual asset, but report intangible assets on a gross basis, subject to amortization on their balance sheet.

In addition, the Debtors have a royalty stream from Brother Industries Limited for the usage of their software in Brother printers and other types of equipment. The Debtors do not have this asset valued on their Balance Sheet, however recent quarterly revenues (included in Statement Question 1) have been decreasing as they ranged from \$70,000 down to \$45,000.

The Debtors have not listed or assigned any value for their goodwill. The Debtors do have goodwill of approximately \$9.5 million on a consolidated basis across the corporate organization as a result of the various acquisitions, mostly related to the Artilium entity acquisitions. However, they are unable to allocate the value of that goodwill on a Debtor-by-Debtor basis. The Debtors last performed a goodwill impairment test for the audit year 2020.

- Notes Receivable (AB71). The Debtors have a note receivable balance with third party SetRoc Mobile Group SAS. The value reported here reflects accrued interest and outstanding principal through the Petition Date. On a post-petition basis, the Debtors have written off the full value of this receivable.
- Tax Refunds and Unused Net Operating Losses (“NOL”) (AB72). The Debtors have yet to file their 2021 tax return. As such, all NOL data is presented based upon their latest filed 2020 tax return. Loss carryforward expiration periods have been considered such that these amounts represent the pre-2021 utilizable NOLs as of 2022. The Debtors listed tax years where the information was known and estimated the dates for certain of the entities. For the avoidance of doubt, the NOLs at the foreign entities are the equivalent of a federal return NOL in their respective countries.
- Interests in Insurance Policies (AB73). The Debtors maintain a variety of insurance policies including property, general liability, and workers’ compensation policies and other employee related policies. A list of the Debtors insurance policies and related information is available in the *Debtors’ Motion for Entry of Interim and Final Orders (I) Authorizing, but Not Directing the Debtors to (A) Continue Their Insurance Policies and Pay All Obligations Thereof, (B) Renew, Supplement, Modify, or Purchase New Insurance Coverage, (C) Maintain Surety Bonds, (D) Honor the Terms of the Financing Agreement and Pay Premiums Thereunder, (II) Authorizing Applicable Banks and Other Financial Institutions to Honor and Process Related Checks and Transfers and (III) Granting Related Relief* [Docket 10].
- Causes of Action (AB74-75). The Debtors have listed a cause of action they believe they have against a vendor and customer, Deutsche Telekom AG (“DTAG”). DTAG commenced an action against debtor iPass, Inc., as a customer, for non-payment of certain contractual obligations owed by iPass, Inc. to DTAG. Separately, iPass, Inc., was owed approximately \$890,000 in receivables by DTAG, and had wanted to set off those debt obligations. iPass, Inc. believes it still has the right to assert counterclaims against DTAG for its nonpayment of receivables due to iPass.

In addition, the Debtors believe they may have meritorious causes of action against certain advisors, professional firms and former members of the Debtors’ executive team that were involved with the misreporting of revenue.

- Other Property Not Already Listed (AB77). Disclosed here are the Debtors’ intercompany receivables, both from other Debtors and non-Debtor entities. The Debtors do not provide net intercompany receivables/payables due to reconciling differences as a result of

currency translation. See Note 13 above for more information. These amounts reflect receivables that have grown over the course of the Debtors' corporate life and reflect amounts that are due for shared services and other transfer pricing arrangements. They are eliminated as part of the financial reporting on a consolidated basis.

#### **Schedule D Notes.**

- Creditors' claims on Schedule D arose, or were incurred, on various dates. In certain instances, the date on which such claim arose may be an open issue of fact.
- Except as otherwise agreed in accordance with a stipulation and order entered by the Bankruptcy Court, the Debtors reserve their rights to dispute or challenge the validity, perfection, or immunity from avoidance of any lien listed on Schedule D purported to be granted to a secured creditor or perfected in any specific asset.
- Except as specifically stated herein, lessors of real property and equipment, utility companies, and any other parties which may hold security deposits or other security interests, have not been listed on Schedule D. The Debtors have also not listed on Schedule D any parties whose claims may be secured through rights of setoff, deposits, or advance payments.
- Certain claims are listed on Schedule D as "unliquidated" because the value of the collateral securing such potential claims is unknown. Moreover, although the Debtors may have scheduled claims of various creditors as secured claims, the Debtors reserve all rights to dispute or challenge the secured nature of any creditor's claim or the characterization of the structure of any transaction or any document or instrument (including, without limitation, any intercompany agreement) related to such creditor's claim.
- The Debtors have not included on Schedule D the claims of any parties that may believe their claims are secured through setoff rights or inchoate statutory lien rights. The amounts outstanding under the Debtors' prepetition secured credit facilities and secured notes reflect the approximate principal amounts and accrued interest as of the Petition Date.
- The descriptions provided on Schedule D are intended only as a summary. Reference to the applicable loan agreements and related documents is necessary for a complete description of the collateral and the nature, extent and priority of any liens. Nothing in these Global Notes or in the Schedules and Statements shall be deemed a modification, interpretation or an acknowledgment of the terms of such agreements or related documents.

#### **Schedule E/F Notes.**

- The Debtors have made reasonable efforts to report all priority and general unsecured claims against the Debtors on Schedule E/F based on the Debtors' books and records as of the Petition Date. However, the actual value of claims against the Debtors may vary significantly from the represented liabilities. Moreover, because the Debtors have scheduled all claims in U.S. dollars, foreign creditors asserting claims in local currencies

may disagree with the scheduled amounts due to differences in applied conversion rate. Although the Debtors and their professionals have generated financial information and data the Debtors believe to be reasonable, actual liabilities (and assets) may deviate significantly from the Schedules due to certain events that occur throughout these Chapter 11 Cases. Parties in interest should consult their own professionals and advisors with respect to pursuing a claim.

- The claims listed on Schedule E/F arose or were incurred on various dates. In certain instances, the date on which a claim arose may be unknown or subject to dispute. Although reasonable efforts have been made to determine the date upon which claims listed in Schedule E/F was incurred or arose, fixing that date for each claim in Schedule E/F would be unduly burdensome and cost-prohibitive and, therefore, the Debtors have not listed a date for each claim listed on Schedule E/F.
- On Schedule E/F, Part 2, each Debtor has disclosed that Debtor's intercompany payables, with all other Debtor and non-Debtor entities. The intercompany payables reflect amounts owed pursuant to various ordinary course transactions between Debtor and non-Debtor entities. The Debtors have made all reasonable efforts to schedule all outstanding obligations between each Debtor and other non-Debtor entities. Nonetheless, the list may be incomplete.
- The Bankruptcy Court has authorized the Debtors to pay, in whole or in part, prepetition claims relating to the Debtors' employee wages and compensation, benefits, and reimbursable business expenses. Accordingly, a Debtor's Schedule E/F reflects those employee related claims due and owing as of the Petition Date whether or not they been ultimately satisfied by the First Day Motions.
- Schedule E/F also contains information regarding certain litigation creditors involving the Debtors. However, certain omissions may have occurred. The inclusion of any judgement value in the Schedules and Statements does not constitute an admission by the Debtors of any liability.
- Certain litigations reflected as claims for or against one Debtor may relate to one or more of the other Debtors. The Debtors have made commercially reasonable efforts to record these actions in the Schedules and Statements of each Debtor that is party to the action. Moreover, given the number of litigations involving Debtors, the Schedules do not contain specific details of every litigation, such as the names and addresses of each party to a given litigation.
- In the ordinary course of business, the Debtors generally receive invoices for goods and services after the delivery of such goods or services. As of the filing of the Schedules and Statements, the Debtors had not received all invoices for payables, expenses, or liabilities that may have accrued before the Petition Date. Furthermore, payments to foreign vendors and lienholders made subsequent to the filing of these Schedules will not reflected in these Schedules. The Debtors reserve the right, but are not required, to amend Schedules E/F if they receive such invoices and/ or make such payments. The claims of individual creditors

are generally listed at the amounts recorded on the Debtors' books and records and may not reflect all credits or allowances due from the creditor. The Debtors reserve all of their rights concerning credits or allowances.

**Schedule G Notes.**

- The Debtors hereby reserve all rights to dispute the validity, status, or enforceability of any contracts, agreements or leases set forth in Schedule G and to amend or supplement Schedule G as necessary. Additionally, the placing of a contract or lease onto Schedule G shall not be deemed an admission that such contract is an executory contract or unexpired lease, or that it is necessarily a binding, valid, and enforceable contract. Any and all of the Debtors' rights, claims and causes of action with respect to the contracts and agreements listed on Schedule G are hereby reserved and preserved. In addition, the Debtors are continuing their review of all relevant documents and expressly reserve their right to amend all Schedules at a later time as necessary and/or to challenge the classification of any agreement as an executory contract or unexpired lease in any appropriate filing.
- In some cases, the same contract counterparty appears multiple times in a Debtor's Schedule G. This multiple listing is generally intended to reflect distinct agreements between the applicable Debtor and such counterparty, however, due to the magnitude of data, it is possible that a multiple listing may be the result of duplicates. As part of Schedule G, the Debtors made best efforts to include executory contracts and all supporting documents (e.g., amendments) to executory contracts listing.
- Omission of a contract or agreement from Schedule G does not constitute an admission that such omitted contract or agreement is not an executory contract or unexpired lease. The Debtors' rights under the Bankruptcy Code with respect to any such omitted contracts or agreements are not impaired by the omission. A Debtor's Schedule G may be amended at any time to add or remove, as the case may be, any omitted contract, agreement or lease.
- The contracts, agreements, and leases listed on Schedule G may have expired or may have been rejected, terminated, assigned, modified, amended, and/or supplemented from time to time by various amendments, change orders, restatements, waivers, estoppel certificates, letters, and other documents, instruments, and agreements that may not be listed therein or that may be listed as a single entry. The Debtors expressly reserve their rights to challenge whether such related materials constitute an executory contract, a single contract or agreement, or multiple, severable, or separate contracts.
- Certain of the leases listed on Schedule G may contain renewal options, options to purchase, rights of first refusal, and other miscellaneous rights. Such rights, powers, duties, and obligations are not set forth on Schedule G. Certain of the agreements listed on Schedule G may also be in the nature of conditional sales agreements or secured financings, and their inclusion on Schedule G is not an admission that the agreement is an executory contract, financing agreement, or otherwise.

- Certain of the contracts, agreements, and leases listed on Schedule G may have been entered into by more than one of the Debtors. Further, in certain instances, the specific Debtor obligor to certain of the executory contracts could not be specifically ascertained. In such cases, the Debtors have made their best efforts to determine the correct Debtor's Schedule G on which to list such executory contract.

#### **Schedule H Notes.**

- In the ordinary course of their businesses, the Debtors may be involved in pending or threatened litigation and claims. These matters may involve multiple plaintiffs and defendants, some or all of whom may assert cross-claims and counterclaims against other parties. Not all claims may have been set forth individually on Schedule H.

#### **Statement of Financial Affairs**

**Statement Question 1 and 2 – Revenue.** Revenues are based on the allocable revenue to each of the Debtor entities. The interest income reported as non-business revenue is related largely to interest earned on the Debtors' deposit accounts.

**Statement Question 3 – 90 Day Payments.** Due to the complex nature of the Debtors' global operations, the listed 90-day payments likely do not constitute an exhaustive list. The Statements do not include payments that were made by non-Debtor affiliates of the Debtors where part, or all, of the payment benefitted one or more of the Debtors. Likewise, some disbursements made by one or more of the Debtors within the 90-day period may have benefitted non-Debtor affiliates. Payments by Debtors to vendors through intermediaries may not reflect the ultimate beneficiary of these payments; however, the Debtors have worked to reclassify these payments where possible. Specifically, one insider, Matias Felix, has utilized his personal credit card to cover operating expenses of the Debtors. Where applicable, payments to Mr. Felix have been broken out between those that reimburse him for travel and other related business expenses and those in which he has personally paid for an operating expense (categorized as vendor under his name on the responses herein).

**Statement Question 4 – Payments to Insiders.** The response to Question 4 contains the full list of payments made to insiders by the Debtor entities during the one year preceding the Petition Date. Certain insiders may have received payments from non-Debtor Pareteum entities. Due to privacy and security concerns associated with the public disclosure of the names and income of the Debtors' officers and employees in their home countries, the Debtors have redacted the names of the transferees listed in response to Statement Question 4, and have instead identified the transferees by "Individual 1," "Individual 2," etc. Additionally, because certain insiders would otherwise be easily identifiable based on their respective incomes, in the interest of their privacy and security, the Debtors have also redacted the amounts of the payments for these individuals. Refer to Global Note "Insiders" for further information.

**Statement Question 6 – Setoffs.** The Debtors are routinely subject to setoffs from third parties in the ordinary course of business. Setoffs in the ordinary course result from routine transactions, including but not limited to, intercompany transactions, counterparty settlements pricing discrepancies, setoffs with credit card processing companies, and other disputes between Debtors

and third parties. These normal setoffs are consistent with the ordinary course of business in the Debtors' industry and are not listed in the Debtors' responses to Statement Question 6. Furthermore, the Debtors engage in certain customer programs, including credits and refunds. Such transactions were also not included in responding to Statement Question 6, although the Debtors reserve all rights with respect thereto and make no admission of waiver thereby. The Debtors reserve all rights to enforce or challenge any setoffs that have been or may be asserted.

**Statement Question 7 – Legal Actions.** The Debtors have made reasonable best efforts to identify all current pending litigation involving the Debtors; however, to the extent there have been omissions the Debtors will update accordingly.

**Statement Question 9 – Certain Gifts and Charitable Contributions.** The Debtors do not have any charitable contributions or gifts to disclose in the time frame of a material value. There may have been some gifts of lesser values, of which the Debtors do not keep any records.

**Statement Question 11 – Bankruptcy Related Payments.** Certain of the Debtors' advisors performed services in addition to restructuring services. The Debtors' pre-petition legal counsel, McGuireWoods LLP provided restructuring services as well as transactional services, securities law services and other general corporate legal services. The breaking out of the bankruptcy-specific services on those invoices would cause an undue burden to the Debtors. As such, the full amounts of payments to McGuireWoods LLP are presented herein.

**Statement Question 13 – Transfers of Other Property.** In August 2020, the Debtors sold certain equipment assets and software licenses related to a Mobile Virtual Network Enabler solution to a customer. In addition to the cash purchase price disclosed here, the Debtors recognized a gain of \$10.8 million for the difference between that consideration received and the carrying value of the property, equipment and software licenses sold.

**Statement Question 14 – Previous Addresses.** Due to the consolidated nature of the Debtors' operations, the same address may be listed on the schedules of multiple Debtors.

**Statement Question 16 – Personally Identifiable Information.** The Debtors do collect personally identifiable information related to authentication information (email address, password, etc.), device information (computer unique ids), session data (usage statistics, access point information) and optional data that may include names for billing and advertising. The Debtors use the data solely for the purpose of providing their services to end users/customers including the monitoring of behavior, the customization of services and compliance with applicable legal requirements. The Debtors company privacy policies are disclosed on its public website.

**Statement Question 17 – ERISA Plan as an Employee Benefit.** iPass, Inc. and Pareteum North America Corp sponsor 401(k) plans for their U.S.-based employees. The plans, while historically separate, were merged within the last year and are administered by a third party. Debtor Pareteum N.V. sponsors a group pension plan in Belgium that is disclosed in the exhibit to Statement 32.

**Statement Question 20 – Off-Premises Storage.** In response to Statement Question 20, the iPass, Inc. Debtors listed off-premises storage of archived documents. The appropriate employees are provided with access to that facility as per the Company’s policies. In addition, the Debtors have disclosed two warehouses that store SIM card inventory used in the Debtors’ business. No Pareteum employees currently have access to these warehouses. The warehouses are automated and used for the drop-shipping of SIM card inventory.

**Statement Question 25 – Businesses in Which the Debtors Have an Interest.** The Debtors have listed the direct subsidiaries of each Debtor entity. In addition, the Debtors are disclosing equity interests in two entities that are not subsidiaries of the Debtors but are separate investments in similarly situated businesses to that of the Debtors.

**Statement Question 26b - Firms or Individuals Who Have Audited, Compiled, Or Reviewed Debtors’ Books.** Due to the global nature of their business and the necessity of country-specific statutory guidance, the Debtors utilize multiple audit and advisory firms. Generally, these firms have provided the Debtors services for years, renewing engagement letters annually as appropriate and providing ad hoc services on an as needed basis. Given the nature of these long-tenured relationships, the Debtors are utilizing their historical payment dates to estimate the dates of service. Other third parties may have audited, compiled, or reviewed the Debtors’ books but are not included in the Debtors’ responses to Statement Question 26b.

**Statement Question 26c – Firms or Individuals in Possession of Debtors’ Books of Account and Records.** Other third parties besides those listed may possess a subset of the Debtors’ books and records but are not included in the Debtors’ responses to Statement Question 26c.

**Statement Question 26d – Recipients of Financial Statements.** Pareteum was a publicly traded company with publicly available financial statements. Any number of parties may have received Debtors’ financial statements for the purposes of Statement Question 26d. Additionally, many parties who performed diligence under the sale process received financial statements. The Debtors’ disclosure is for only those parties who either are still in possession of the books/records per disclosures in 26b and 26c or are parties-in-interest (and advisors to parties in interest) to the sales process.

**Statement Question 27 – Inventories.** The Debtors’ only inventory is that of the SIM cards as disclosed in Schedule A/B. Those SIM cards are held in the warehouses as disclosed in Statement Question 20. The warehouse operators provide virtual inventory reports to the Debtors periodically and upon request. The Debtors do not perform physical inventories.

**Statement Question 28 and 29 – Current and Former Officer and Directors.** While the Debtors have made reasonable best efforts to list all current officers, directors and beneficial owners, and their interest in the applicable Debtor, for each Debtor in response to Statement Questions 28 and 29, some may have been omitted. The exercise of obtaining contact information for all prior officers and directors of all Debtors, especially for the smaller subsidiary Debtors, would incur a significant burden on the Debtors’ management without providing much corresponding benefit in terms of useful information to creditors and parties in interest. Specifically with respect to Question 29, no officers or directors have left the Debtors within the last year. See Global Note “Insiders” for further information.

**Statement Question 30 – Payments, Distributions, or Withdrawals to Insiders.** Refer to Statement Question 4 for this item.

**Statement Question 31 – Consolidated Group for Tax Purposes.** The U.S.-based Debtors all file their taxes as a consolidated group under the Pareteum Corp Debtor entity. All the foreign Debtors file taxes in their local jurisdictions and attach an IRS Form 5471 to the same Pareteum Corp tax return in the U.S.

**Statement Question 32 – Contributions to Pension Funds.** The Debtors sponsor one group pension plan in Belgium under the Pareteum N.V. entity.

## **EXHIBIT "B"**

**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

~~Proposed~~ 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)

**MODIFIED GLOBAL NOTES AND  
STATEMENT OF LIMITATIONS, METHODOLOGY,  
AND DISCLAIMERS REGARDING THE DEBTORS' SCHEDULES OF  
ASSETS AND LIABILITIES AND STATEMENTS OF FINANCIAL AFFAIRS**

On May 15, 2022 (the "Petition Date"), Pareteum Corporation ("Pareteum") and eight of its affiliated debtors and debtors in possession in the above-captioned Chapter 11 cases (each a "Debtor" and, collectively, the "Debtors") commenced voluntary cases (the "Chapter 11 Cases") under chapter 11 of title 11, United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court").

The Debtors continue to operate their businesses and manage their properties as debtors and debtors in possession, pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Chapter 11 Cases have been consolidated for procedural purposes only and are being jointly administered under case number 22-10615 (LGB).

The Schedules of Assets and Liabilities (the "Schedules") and Statements of Financial Affairs (the "Statements") were prepared pursuant to Bankruptcy Code section 521 and Rule 1007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") by management of the Debtors with unaudited information available as of the Petition Date.

<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.; Artiliium Group Ltd. (f/k/a Artiliium PLC); Pareteum Asia Pte. Ltd.; and Pareteum N.V. (f/k/a Artiliium N.V.). The Debtors' corporate headquarters is located at 1185 Avenue of the Americas, 2nd Floor, New York, NY 10036.

These *Global Notes and Statement of Limitations, Methodology, and Disclaimers Regarding the Debtors' Schedules of Assets and Liabilities and Statements of Financial Affairs* (the "Global Notes") are incorporated by reference in, and comprise an integral part of, each of the Debtors' Schedules, sub-Schedules, Statements, sub-Statements, exhibits, and continuation sheets, and should be referred to in connection with any review of the Schedules and Statements. Disclosure of information in one Schedule, sub-Schedule, Statement, sub-Statement, exhibit, or continuation sheet, even if incorrectly placed, shall be deemed to be disclosed in the correct Schedule, Statement, exhibit, or continuation sheet.

~~The Schedules and Statements and these Global Notes should not be relied upon by any persons for information relating to current or future financial conditions, events, or performance of any of the Debtors.~~

**Reservation of Rights.** The Debtors' Chapter 11 Cases are large and complex. The Debtors' management has made every reasonable effort to ensure that the Schedules and Statements are as accurate and complete as possible, based on the information that was available to them at the time of preparation.

The Debtors have made reasonable efforts to schedule the assets and liabilities, required financial information, and cash disbursements according to the appropriate Debtor entity. However, because the Debtors' accounting systems and practices are disparate reporting systems that had never been fully integrated through the historical acquisitions, it is possible that not all scheduled information is attributed or recorded with the correct Debtor entity on these Schedules and Statements.

Subsequent information or discovery may result in material changes to these Schedules and Statements, and inadvertent errors or omissions may have occurred.—~~As the Schedules and Statements contain unaudited information, which is subject to further review, verification, and potential adjustment, there can be no assurance that these Schedules and Statements are accurate and/or complete.~~ Accordingly, the Debtors reserve all rights to supplement and amend the Schedules and Statements.

The Debtors have made reasonable efforts to characterize, classify, categorize or designate the claims, assets, executory contracts, unexpired leases, and other items reported in the Schedules and Statements correctly. Due to the complexity and size of the Debtors' businesses, however, the Debtors may have improperly characterized, classified, categorized, or designated certain items. In addition, certain items reported in the Schedules and Statements could be included in more than one category. In those instances, one category has been chosen to avoid duplication. Further, the designation of a category is not meant to be wholly inclusive or descriptive of the rights or obligations represented by such item.

Nothing contained in the Schedules and Statements or these Global Notes shall constitute an admission or a waiver of rights with respect to these Chapter 11 Cases, including, but not limited to, any issues involving substantive consolidation for plan purposes, subordination, and/or causes of action arising under the provisions of Chapter 5 of the Bankruptcy Code and other relevant non-bankruptcy laws to recover assets or avoid transfers. For the avoidance of doubt, listing a claim

on Schedule D as “secured,” on Schedule E as “priority,” on Schedule F as “unsecured priority,” or listing a contract or lease on Schedule G as “executory” or “unexpired,” does not constitute an admission by the Debtors of the legal rights of the claimant and/or contractual counterparty, or a waiver of a Debtor’s right to recharacterize or reclassify such claim or contract. Failure to designate a claim on a given Debtor’s Schedules as “disputed,” “contingent,” or “unliquidated” does not constitute an admission by the Debtors that such amount is not “disputed,” “contingent,” or “unliquidated” or that such claim is not subject to objection. The Debtors reserve their respective rights to dispute, or assert offsets, setoffs, or defenses to, any claim reflected on the Schedules as to the nature, amount, liability, or status or to otherwise subsequently designate any claim as disputed, contingent, and/or unliquidated.

**1. Basis of Presentation.** The Debtors historically prepared consolidated quarterly and annual consolidated financial statements that were audited annually (The last full year SEC-filed audit was for calendar year 2020. There was a subsequent 10-Q filed for Q1 2021) and included all of the Debtors, as well as affiliated non-Debtor entities. Unlike the consolidated financial statements, the Schedules and Statements generally reflect the assets and liabilities of each Debtor on a non-consolidated basis. Accordingly, the amounts listed in the Schedules and Statements will likely differ, at times materially, from the consolidated financial reports prepared historically by the Debtors.

Although the Schedules and Statements may, at times, incorporate information prepared in accordance with GAAP (General Accepted Accounting Principles), the Schedules and Statements neither purport to represent nor reconcile to financial statements otherwise prepared and/or distributed by the Debtors in accordance with GAAP.

**2. Reporting Date.** Each Debtor operates on a fiscal year ending on December 31<sup>st</sup> annually. All asset and liability information, except where otherwise noted, is provided as of April 30, 2022.

**3. Currency.** All amounts are reflected in U.S. dollars, which the Debtors use as their reporting currency. The Debtors conduct business in many foreign jurisdictions and foreign currencies. The amounts in U.S. dollars reflect the Debtors’ internal currency translation reporting systems except for Debtor Pareteum N.V. Pareteum N.V.’s books are reported in EUR only. The Debtors have assumed a \$1.04 USD/EUR rate for all of Pareteum N.V.’s amounts.

**4. Estimates and Assumptions.** The preparation of the Schedules and Statements required the Debtors to make estimates and assumptions that affected the reported amounts of certain assets and liabilities, the disclosure of certain contingent assets and liabilities, and the reported amounts of revenue and expense. Actual results could differ materially from these estimates. The Debtors reserve the right to amend the reported amounts of assets, liabilities, revenues, and expenses to reflect changes in those estimates or assumptions.

**5. Totals.** All totals that are included in the Schedules and Statements represent totals of all known amounts. To the extent there are unknown or undetermined values or, conversely, claims listed as unliquidated, contingent and/ or disputed, the actual totals may be different than the listed totals.

6. **Undetermined, To be Determined or Unknown Amounts.** The description of an amount as “undetermined,” “to be determined,” or “unknown” is not intended to reflect upon the materiality of such amount. Certain amounts may be clarified during the course of the Chapter 11 Cases.

7. **Asset Presentation and Valuation.** The Debtors’ assets presented are based on values consistent with their books and records. These values do not purport to represent the ultimate value that would be received in the event of a sale, and may not represent economic value as determined by an appraisal or other valuation technique. As it would be prohibitively expensive and an inefficient use of estate assets for the Debtors to obtain current economic valuations for all of their assets, unless otherwise noted, the carrying value on the Debtors’ books (*e.g.*, net book value), rather than current economic values, is reflected on the Schedules and Statements.

8. **Cash Management.** The Debtors use an integrated, centralized cash management system to facilitate the collection, concentration and disbursement of the various Debtors’ funds in over twenty countries around the world. As a result, certain payments in the Schedules and Statements may have been made prepetition by one entity on behalf of another entity through the operation of the consolidated cash management system. A description of the Debtors’ prepetition cash management system is contained in the *Debtors’ Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Continue to Operate their Cash Management System, Including Existing Bank Accounts, (B) Honor Certain Prepetition Obligations Related Thereto, (C) Maintain Existing Bank Accounts and Utilize Existing Business Forms, and (D) Continue to Perform Intercompany Transactions, and (II) Granting Related Relief* [Docket No. 9].

9. **Contingent Assets and Causes of Action.** Despite their reasonable efforts to identify all known assets, the Debtors may not have listed all of their causes of action or potential causes of action against third parties as assets in their Schedules and Statements, including, but not limited to, avoidance actions arising under Chapter 5 of the Bankruptcy Code and actions under other relevant non-bankruptcy laws to recover assets. The Debtors reserve all of their rights with respect to any causes of action, avoidance actions, controversy, right of set-off, cross claim, counterclaim, or recoupment, and any claim in connection with any contract, breach of duty imposed by law or in equity, demand, right, action, lien, indemnity, guaranty, suit, obligation, liability, damage, judgment, account, defense, power, privilege, license, and franchise of any kind or character whatsoever, known, unknown, fixed or contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertible directly or derivatively, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law they may have, and neither these Global Notes nor the Schedules and Statements shall be deemed a waiver of any such claims, causes of actions, or avoidance actions or in any way prejudice or impair the assertion of such claims.

The Debtors may also possess contingent and unliquidated claims against affiliated entities (both Debtor and non-Debtor) for various financial accommodations and similar benefits they have extended from time to time, including, but not limited to, contingent and unliquidated claims for contribution, reimbursement, and/or indemnification arising from various (i) guarantees, (ii) indemnities, (iii) intercompany loans, (iv) tax-sharing agreements, (v) warranties,

(vi) operational and servicing agreements, (vii) shared service agreements, and (viii) other arrangements.

**10. Guarantees and Other Secondary Liability Claims.** The Debtors have used their reasonable best efforts to locate and identify guarantees and other secondary liability claims (collectively, “Guarantees”) in each of their executory contracts, unexpired leases, secured financings, debt instruments, and other similar agreements. Where such Guarantees have been identified, they have been included in the relevant Schedules of the Debtor or Debtors affected by such Guarantees. Where a Guarantee exists, co-obligors are listed on a Debtor’s Schedule H to the extent the Debtor is either the primary obligor or the guarantor of the relevant obligation. To the extent that a Debtor is a guarantor, such Guarantees are also listed on its Schedule D or E/F, as appropriate, and listed as “contingent” and “unliquidated” unless otherwise specified. Further, it is possible that certain Guarantees embedded in the Debtors’ executory contracts, unexpired leases, secured financings, debt instruments and other such agreements may have been inadvertently omitted. Thus, the Debtors reserve their rights to amend the Schedules and Statements to the extent that additional Guarantees are identified. In addition, the Debtors reserve the right to amend the Schedules and Statements to recharacterize, reclassify, add, or remove any such contract or claim.

**11. Pledged Assets.** A significant amount of the assets listed on the Debtors’ Schedule A/B have been pledged as collateral by the Debtors. Assets pledged as collateral include, among other things, cash, accounts receivable, securities, inventories, intellectual property/trademarks, equipment, equity interests in subsidiaries, contract rights, and other related assets.

In certain instances, Pareteum or another Debtor may be a co-obligor or guarantor with respect to the obligations of another Debtor or non-Debtor, which obligation or guarantee is secured by property pledged by the Debtor.

**12. Leases and Executory Contracts.** Certain contracts or leases of the Debtors are reflected twice in a Debtor’s Schedules – once in the Debtor’s Schedule G as an executory contract and again in the in its Schedule D or F, as appropriate, based on the value of open A/P due to the contract counterparty. Nothing herein or in the Schedules or Statements shall be construed as a concession, admission or evidence as to the determination of the legal status of any leases identified in the Schedules or Statements, including whether such leases: (i) constitute an executory contract within the meaning of section 365 of the Bankruptcy Code or other applicable law; or (ii) have not expired or been terminated or otherwise are not current in full force and effect, and the Debtors reserve all of their rights.

**13. Intercompany Transactions.** The Debtors are nine entities of a corporate organization with forty-seven entities. As such, there are a large number of intercompany transactions both between Debtor entities and between Debtor and non-Debtor entities. For the avoidance of doubt, all intercompany balances, whether between Debtors or between Debtors and non-Debtors are presented herein. The financial statements of certain Debtor and non-Debtor entities are denominated in currency values other than USD on a standalone reporting basis. As such, the intercompany balances of these certain Debtor and non-Debtor entities denominated in foreign currencies have been translated into USD pursuant to Note 3 above. The Debtors do not present

these intercompany balances on a net basis as a result of currency translation. Certain intercompany balances between counterparties may present reconciling differences due to changes in exchange rates over time. As such, receivables and payables are presented at their full value both as part of Schedule A/B 77 and Schedule E/F, Part 2.

**14. Liabilities.** Some of the scheduled liabilities are unknown, contingent, and/or unliquidated at this time. In such cases, the amounts are listed as “unknown.” Further, liabilities such as certain deferred liabilities, accruals, or general reserves are included as “unknown” and do not represent specific claims as of the Petition Date for each Debtor. Due to the nature of the Debtors’ use of network and software services, the Debtors recognize additional accrued pre-petition liabilities for amounts that have yet to be invoiced, however they are unable to accurately state the amount used pursuant to their various service agreements. Accordingly, the total amounts listed for some categories of liabilities in the Schedules and the Statements may not be equal to the aggregate amount of the Debtors’ total liabilities as noted on any financial statements issued prior to the Petition Date.

The liabilities listed on the Schedules and Statements do not reflect any analysis of claims under section 503(b)(9) of the Bankruptcy Code. Accordingly, the Debtors reserve all rights to dispute or challenge the validity of any asserted claims under section 503(b)(9) of the Bankruptcy Code or the characterization of the structure of any such transaction or any document or instrument related to any creditor’s claim.

**15. Creditor Facilities.** Although there may be multiple parties that hold a portion of the debt comprising the Debtors’ prepetition credit facilities and notes, only the administrative agents, as applicable, have been listed for purposes of Schedule D, E/F, and H.

**16. Confidentiality.** The home addresses and personally identifiable information of most of the Debtors’ current employees (including directors and officers) have been redacted to ensure confidentiality.

**17. First Day Orders.** The Bankruptcy Court has authorized (each, a “First Day Order”) the Debtors to pay, in whole or in part, various outstanding prepetition claims, including but not limited to, payments relating to the Debtors’ employee wages and compensation, severance, benefits, and reimbursable business expenses; goods and services ordered prepetition but received post-petition; insurance obligations; and pre-petition taxes and fees. Certain of these claims have been paid in accordance with the First Day Orders. Any claims that may have been paid as part of these orders have been listed as contingent and unliquidated as they may no longer have any associated liability.

In addition, the Bankruptcy Court has authorized the Debtors to pay certain prepetition foreign vendors and lienholders. Accordingly, any claims that may have been paid as part of these orders have been listed as contingent and unliquidated as they may no longer have any associated liability.

The Debtors reserve their rights to object to any listed claims on the grounds that, among other things, such claims have already been satisfied pursuant to a First Day Order. The estimate of claims set forth in the Schedules may not reflect assertions by the Debtors’ creditors of a right to

have such claims paid or reclassified under the Bankruptcy Code or orders of the Bankruptcy Court.

**18. Excluded Assets and Liabilities.** The Debtors believe that they have identified, but did not necessarily value, all material categories of assets and liabilities in the Schedules. The Debtors have excluded the following items which may be included in their GAAP financial statements from the Schedules: accrued salaries, employee benefit accruals, and certain other accruals, capitalized interest, debt acquisition costs, goodwill, financial instruments, certain other assets, and gains. The Debtors also have excluded rejection damage claims of counterparties to executory contracts and unexpired leases that may be rejected, to the extent such damage claims exist. Other immaterial assets and liabilities may also have been excluded.

**19. Intellectual Property Rights.** Exclusion of certain intellectual property shall not be construed to be an admission that those intellectual property rights have been sold, abandoned, terminated, assigned or otherwise transferred pursuant to a sale, acquisition, or other transaction, or otherwise have expired by their terms. Conversely, inclusion of certain intellectual property shall not be construed to be an admission that those intellectual property rights have not been sold, abandoned, terminated, assigned or otherwise transferred pursuant to a sale, acquisition, or other transaction, or otherwise have not expired by their terms. Accordingly, the Debtors reserve all of their rights as to the legal status of all intellectual property rights.

**20. Liens.** The inclusion on Schedule D of creditors is not an acknowledgement of the validity, extent, or priority of any liens, and the Debtors reserve their right to challenge such liens and the underlying claims on any ground whatsoever. A careful review of the applicable agreements and other relevant documents is necessary for a complete description of the collateral and the nature, extent and priority of any liens. Nothing in these Global Notes or the Schedules and Statements shall be deemed a modification or interpretation of the terms of such agreements or an acknowledgment of same. Certain liens may have been inadvertently marked as disputed but had previously been acknowledged in an order of the Court as not being disputed by the Debtors. It is not the Debtors' intent that Schedules be construed to supersede any orders entered by the Bankruptcy Court.

**21. Insiders.** For the purposes of their responses to Statement Question 28, the Debtors have listed the current officers and directors for each individual Debtor entity to the extent available based on current records. For the purposes of Statement Question 29, the officers and directors who have left the Company all did so prior to the lookback period. For purposes of Statement Question 4 and 30, the Debtors have only included the following as "insiders," consistent with the Debtors financial reporting obligations to the U.S. Security Exchange Commission: all members of the board of directors of Debtors and Debtors' principal officers (members of management who are responsible for determining the Company's operating policies and financial undertakings, including Vice-Presidents, Chief Executives and Senior Directors).

Persons listed as "insiders" have been included for informational purposes only and do not constitute an admission that any such individuals are insiders for purposes of the Bankruptcy Code or otherwise. The Debtors do not take any position with respect to: (a) such person's influence over the control of the Debtors; (b) the management responsibilities or functions of

such individual; (c) the decision-making or corporate authority of such individual; or (d) whether such individual could successfully argue that he or she is not an “insider” under applicable law, including the federal securities laws, or with respect to any theories of liability or for any other purpose.

**22. Signatory.** The Schedules and Statements have been signed by Laura Thomas in her capacity as Interim Chief Financial Officer of Pareteum. In reviewing and signing the Schedules and Statements, she has necessarily relied upon the efforts, statements and representations of various of the Debtors’ personnel and professionals. She has not (and could not have) personally verified the accuracy of each such statement and representation, including statements and representations concerning amounts owed to creditors and their addresses.

**23. COVID-19.** The Debtors have filed these Schedules and Statements amidst the unprecedented circumstances arising from the global COVID-19 pandemic. Such circumstances have complicated the preparation of these Schedules and Statements and Global Notes in as much as the Debtors’ management and outside professionals have been limited to working remotely and have been unable to meet in person.

~~**24. Limitation of Liability.** The Debtors and their officers, employees, agents, attorneys, and financial advisors do not guarantee or warrant the accuracy, completeness, or correctness of the data that is provided herein and shall not be liable for any loss or injury arising out of or caused, in whole or in part, by the acts, errors, or omissions, whether negligent or otherwise, in procuring, compiling, collecting, interpreting, reporting, communicating, or delivering the information contained herein. The Debtors and their officers, employees, agents, attorneys, and financial advisors expressly do not undertake any obligation to update, modify, revise, or re-categorize the information provided herein or, except to the extent required by applicable law or an order of the Bankruptcy Court, to notify any third party should the information be updated, modified, revised, or re-categorized. In no event shall the Debtors or their officers, employees, agents, attorneys, and financial advisors be liable to any third party for any direct, indirect, incidental, consequential, or special damages (including, but not limited to, damages arising from the disallowance of a potential claim against the Debtors or damages to business reputation, lost business, or lost profits), whether foreseeable or not and however caused.~~

## Schedules of Assets and Liabilities

### Schedule A/B Notes.

- **General.** Each Debtors’ assets in Schedule A/B are listed at net book value as of the Petition Date, unless otherwise noted, and may not necessarily reflect the market or recoverable value of these assets as of the Petition Date.
- **Cash and Cash Equivalents (AB1 through AB5).** The reported bank balances include cash held in various currencies, converted into U.S. dollars per the Debtors’ accounting policies as of the Petition Date. The Debtors excluded accounts with no current balances that may be seldomly used or inactive or were closed shortly after the filing of the Petition.

- Deposits (AB7). The Debtors have made reasonable efforts to identify all deposits. However, the Schedules may not reflect an exhaustive list of deposits.
- Prepayments (AB8). The Debtors have made reasonable efforts to identify all prepayments. The majority of prepayments are related to software subscriptions or access fees. In addition, there was a prepayment to an insider for additional incurred expenses. This insider, on a prepetition basis, historically used his personal credit card to cover various operating expenses of the business.
- Accounts Receivable (AB11). Accounts receivable include ordinary course receivables, revenues that were unbilled as of the Petition Date and may also include any net credits in favor of the Debtors with respect to their trade payables.

Non-publicly traded stock (AB15). Ownership interests in subsidiaries and other affiliates have been identified in AB15 in an unknown value, as the fair market value of such ownership interest would be difficult to ascertain. Each Debtor's Schedule A/B reflects only those subsidiaries, trusts, and other Debtor entities in which the Debtor has a direct ownership interest. The Debtors have attempted to disclose all entity addresses, however, if no address has been readily available, those fields have been left blank. Additionally, many of the entities do not have EIN data because they are foreign domiciled. Finally, the Debtors are disclosing equity interests in two entities that are not subsidiaries of the Debtors but are separate investments in similarly situated businesses to that of the Debtors.

- Inventory (AB19 through AB26). The Debtors' only inventory is that of SIM cards that are stored at third party warehouses. The SIMs are finished goods that can be deployed as part of the Debtors' services. SIM cards have a rapid rate of obsolescence. Many of them are obsolete and have been fully written off. As such, the net book value reflects a large reserve against their original cost value.
- Office Furniture, Fixtures and Equipment (AB38 through AB45). Items listed in AB38-45 are scheduled according to their net book value. The Debtors have made reasonable efforts to identify all assets; however, it is possible that inadvertent errors, misclassifications, or omissions may have occurred, or that property of *de minimis* value is not included in response to this question.

The Debtors are a cloud-based business and are not capital/fixed asset intensive. In fact, the Debtors have not reconciled their fixed asset registers since their last audit year of 2020. Many of the fixed assets in their records were acquired as part of the various business acquisitions over the history of the Debtors. Since their asset values were fully depreciated, they did not meet materiality thresholds for auditor adjustments and the Debtors never performed a physical inventory of these items. As such, the Debtors, in review of the assets on their fixed asset ledgers, do not believe them to be accurate.

Since the last audit date, the Debtors have managed their fixed assets pursuant to their stated process and accounting procedures. That is to say, the vast majority of the Debtors' owned assets are computer equipment that are not capitalized nor captured on the balance sheet, but are expensed due to the low cost of their acquisitions. The Debtors do not have

formal lists of all the current computer equipment in use by each employee or the specific owned servers within the leased colocation centers. Furthermore, the Debtors have, on a prepetition basis, been moving substantially all their physical servers into the cloud through Amazon Web Services. The numbers presented here reflect, in aggregate, the estimated net book value, by Debtor entity, based upon the Debtors' April 30 balance sheets.

- Machinery, Equipment, and Vehicles (AB46 through AB53). The Debtors do not own any vehicles, machinery or equipment. The Debtors are party to long standing car lease agreements for employee use. In Belgium, it is standard practice for companies to lease cars for certain employees as part of their total compensation package. See Schedules D and G for more information.
- Real Property (AB55 through AB59). The Debtors do not own any real property. Disclosed on this list are their interests in leased office space and data colocation centers.
- Intangibles and Intellectual Property (AB60 through AB65). The Debtors have listed all their intangibles and intellectual property on these schedules. The Debtors do not allocate value to each individual asset, but report intangible assets on a gross basis, subject to amortization on their balance sheet.

In addition, the Debtors have a royalty stream from Brother Industries Limited for the usage of their software in Brother printers and other types of equipment. The Debtors do not have this asset valued on their Balance Sheet, however recent quarterly revenues (included in Statement Question 1) have been decreasing as they ranged from \$70,000 down to \$45,000.

The Debtors have not listed or assigned any value for their goodwill. The Debtors do have goodwill of approximately \$9.5 million on a consolidated basis across the corporate organization as a result of the various acquisitions, mostly related to the Artium entity acquisitions. However, they are unable to allocate the value of that goodwill on a Debtor-by-Debtor basis. The Debtors last performed a goodwill impairment test for the audit year 2020.

- Notes Receivable (AB71). The Debtors have a note receivable balance with third party SetRoc Mobile Group SAS. The value reported here reflects accrued interest and outstanding principal through the Petition Date. On a post-petition basis, the Debtors have written off the full value of this receivable.
- Tax Refunds and Unused Net Operating Losses ("NOL") (AB72). The Debtors have yet to file their 2021 tax return. As such, all NOL data is presented based upon their latest filed 2020 tax return. Loss carryforward expiration periods have been considered such that these amounts represent the pre-2021 utilizable NOLs as of 2022. The Debtors listed tax years where the information was known and estimated the dates for certain of the entities. For the avoidance of doubt, the NOLs at the foreign entities are the equivalent of a federal return NOL in their respective countries.

- Interests in Insurance Policies (AB73). The Debtors maintain a variety of insurance policies including property, general liability, and workers' compensation policies and other employee related policies. A list of the Debtors insurance policies and related information is available in the *Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing, but Not Directing the Debtors to (A) Continue Their Insurance Policies and Pay All Obligations Thereof, (B) Renew, Supplement, Modify, or Purchase New Insurance Coverage, (C) Maintain Surety Bonds, (D) Honor the Terms of the Financing Agreement and Pay Premiums Thereunder, (II) Authorizing Applicable Banks and Other Financial Institutions to Honor and Process Related Checks and Transfers and (III) Granting Related Relief* [Docket 10].
- Causes of Action (AB74-75). The Debtors have listed a cause of action they believe they have against a vendor and customer, Deutsche Telekom AG ("DTAG"). DTAG commenced an action against debtor iPass, Inc., as a customer, for non-payment of certain contractual obligations owed by iPass, Inc. to DTAG. Separately, iPass, Inc., was owed approximately \$890,000 in receivables by DTAG, and had wanted to set off those debt obligations. iPass, Inc. believes it still has the right to assert counterclaims against DTAG for its nonpayment of receivables due to iPass.

In addition, the Debtors believe they may have meritorious causes of action against certain advisors, professional firms and former members of the Debtors' executive team that were involved with the misreporting of revenue.

- Other Property Not Already Listed (AB77). Disclosed here are the Debtors' intercompany receivables, both from other Debtors and non-Debtor entities. The Debtors do not provide net intercompany receivables/payables due to reconciling differences as a result of currency translation. See Note 13 above for more information. These amounts reflect receivables that have grown over the course of the Debtors' corporate life and reflect amounts that are due for shared services and other transfer pricing arrangements. They are eliminated as part of the financial reporting on a consolidated basis.

#### **Schedule D Notes.**

- Creditors' claims on Schedule D arose, or were incurred, on various dates. In certain instances, the date on which such claim arose may be an open issue of fact.
- Except as otherwise agreed in accordance with a stipulation and order entered by the Bankruptcy Court, the Debtors reserve their rights to dispute or challenge the validity, perfection, or immunity from avoidance of any lien listed on Schedule D purported to be granted to a secured creditor or perfected in any specific asset.
- Except as specifically stated herein, lessors of real property and equipment, utility companies, and any other parties which may hold security deposits or other security interests, have not been listed on Schedule D. The Debtors have also not listed on Schedule D any parties whose claims may be secured through rights of setoff, deposits, or advance payments.

- Certain claims are listed on Schedule D as “unliquidated” because the value of the collateral securing such potential claims is unknown. Moreover, although the Debtors may have scheduled claims of various creditors as secured claims, the Debtors reserve all rights to dispute or challenge the secured nature of any creditor’s claim or the characterization of the structure of any transaction or any document or instrument (including, without limitation, any intercompany agreement) related to such creditor’s claim.
- The Debtors have not included on Schedule D the claims of any parties that may believe their claims are secured through setoff rights or inchoate statutory lien rights. The amounts outstanding under the Debtors’ prepetition secured credit facilities and secured notes reflect the approximate principal amounts and accrued interest as of the Petition Date.
- The descriptions provided on Schedule D are intended only as a summary. Reference to the applicable loan agreements and related documents is necessary for a complete description of the collateral and the nature, extent and priority of any liens. Nothing in these Global Notes or in the Schedules and Statements shall be deemed a modification, interpretation or an acknowledgment of the terms of such agreements or related documents.

#### **Schedule E/F Notes.**

- The Debtors have made reasonable efforts to report all priority and general unsecured claims against the Debtors on Schedule E/F based on the Debtors’ books and records as of the Petition Date. However, the actual value of claims against the Debtors may vary significantly from the represented liabilities. Moreover, because the Debtors have scheduled all claims in U.S. dollars, foreign creditors asserting claims in local currencies may disagree with the scheduled amounts due to differences in applied conversion rate. ~~Parties in interest should not accept that the listed liabilities necessarily reflect the correct amount of any unsecured creditor’s allowed claims or the correct amount of all unsecured claims. Similarly, parties in interest should not anticipate that recoveries in these cases will reflect the relationship of the aggregate asset values and aggregate liabilities set forth in the Schedules. Parties in interest should consult their own professionals and advisors with respect to pursuing a claim.~~ Although the Debtors and their professionals have generated financial information and data the Debtors believe to be reasonable, actual liabilities (and assets) may deviate significantly from the Schedules due to certain events that occur throughout these Chapter 11 Cases. Parties in interest should consult their own professionals and advisors with respect to pursuing a claim.
- The claims listed on Schedule E/F arose or were incurred on various dates. In certain instances, the date on which a claim arose may be unknown or subject to dispute. Although reasonable efforts have been made to determine the date upon which claims listed in Schedule E/F was incurred or arose, fixing that date for each claim in Schedule E/F would be unduly burdensome and cost-prohibitive and, therefore, the Debtors have not listed a date for each claim listed on Schedule E/F.
- On Schedule E/F, Part 2, each Debtor has disclosed that Debtor’s intercompany payables, with all other Debtor and non-Debtor entities. The intercompany payables reflect amounts

owed pursuant to various ordinary course transactions between Debtor and non-Debtor entities. The Debtors have made all reasonable efforts to schedule all outstanding obligations between each Debtor and other non-Debtor entities. Nonetheless, the list may be incomplete.

- The Bankruptcy Court has authorized the Debtors to pay, in whole or in part, prepetition claims relating to the Debtors' employee wages and compensation, benefits, and reimbursable business expenses. Accordingly, a Debtor's Schedule E/F reflects those employee related claims due and owing as of the Petition Date whether or not ~~they've~~they been ultimately satisfied by the First Day Motions.
- Schedule E/F also contains information regarding certain litigation creditors involving the Debtors. However, certain omissions may have occurred. The inclusion of any judgement value in the Schedules and Statements does not constitute an admission by the Debtors of any liability.
- Certain litigations reflected as claims for or against one Debtor may relate to one or more of the other Debtors. The Debtors have made commercially reasonable efforts to record these actions in the Schedules and Statements of each Debtor that is party to the action. Moreover, given the number of litigations involving Debtors, the Schedules do not contain specific details of every litigation, such as the names and addresses of each party to a given litigation.
- In the ordinary course of business, the Debtors generally receive invoices for goods and services after the delivery of such goods or services. As of the filing of the Schedules and Statements, the Debtors had not received all invoices for payables, expenses, or liabilities that may have accrued before the Petition Date. Furthermore, payments to foreign vendors and lienholders made subsequent to the filing of these Schedules will not be reflected in these Schedules. The Debtors reserve the right, but are not required, to amend Schedules E/F if they receive such invoices and/ or make such payments. The claims of individual creditors are generally listed at the amounts recorded on the Debtors' books and records and may not reflect all credits or allowances due from the creditor. The Debtors reserve all of their rights concerning credits or allowances.

#### **Schedule G Notes.**

- The Debtors hereby reserve all rights to dispute the validity, status, or enforceability of any contracts, agreements or leases set forth in Schedule G and to amend or supplement Schedule G as necessary. Additionally, the placing of a contract or lease onto Schedule G shall not be deemed an admission that such contract is an executory contract or unexpired lease, or that it is necessarily a binding, valid, and enforceable contract. Any and all of the Debtors' rights, claims and causes of action with respect to the contracts and agreements listed on Schedule G are hereby reserved and preserved. In addition, the Debtors are continuing their review of all relevant documents and expressly reserve their right to amend all Schedules at a later time as necessary and/or to challenge the classification of any agreement as an executory contract or unexpired lease in any appropriate filing.

- In some cases, the same contract counterparty appears multiple times in a Debtor's Schedule G. This multiple listing is generally intended to reflect distinct agreements between the applicable Debtor and such counterparty, however, due to the magnitude of data, it is possible that a multiple listing may be the result of duplicates. As part of Schedule G, the Debtors made best efforts to include executory contracts and all supporting documents (e.g., amendments) to executory contracts listing.
- Omission of a contract or agreement from Schedule G does not constitute an admission that such omitted contract or agreement is not an executory contract or unexpired lease. The Debtors' rights under the Bankruptcy Code with respect to any such omitted contracts or agreements are not impaired by the omission. A Debtor's Schedule G may be amended at any time to add or remove, as the case may be, any omitted contract, agreement or lease.
- The contracts, agreements, and leases listed on Schedule G may have expired or may have been rejected, terminated, assigned, modified, amended, and/or supplemented from time to time by various amendments, change orders, restatements, waivers, estoppel certificates, letters, and other documents, instruments, and agreements that may not be listed therein or that may be listed as a single entry. The Debtors expressly reserve their rights to challenge whether such related materials constitute an executory contract, a single contract or agreement, or multiple, severable, or separate contracts.
- Certain of the leases listed on Schedule G may contain renewal options, options to purchase, rights of first refusal, and other miscellaneous rights. Such rights, powers, duties, and obligations are not set forth on Schedule G. Certain of the agreements listed on Schedule G may also be in the nature of conditional sales agreements or secured financings, and their inclusion on Schedule G is not an admission that the agreement is an executory contract, financing agreement, or otherwise.
- Certain of the contracts, agreements, and leases listed on Schedule G may have been entered into by more than one of the Debtors. Further, in certain instances, the specific Debtor obligor to certain of the executory contracts could not be specifically ascertained. In such cases, the Debtors have made their best efforts to determine the correct Debtor's Schedule G on which to list such executory contract.

#### **Schedule H Notes.**

- In the ordinary course of their businesses, the Debtors may be involved in pending or threatened litigation and claims. These matters may involve multiple plaintiffs and defendants, some or all of whom may assert cross-claims and counterclaims against other parties. Not all claims may have been set forth individually on Schedule H.

#### **Statement of Financial Affairs**

**Statement Question 1 and 2 – Revenue.** Revenues are based on the allocable revenue to each of the Debtor entities. The interest income reported as non-business revenue is related largely to interest earned on the Debtors' deposit accounts.

**Statement Question 3 – 90 Day Payments.** Due to the complex nature of the Debtors' global operations, the listed 90-day payments likely do not constitute an exhaustive list. The Statements do not include payments that were made by non-Debtor affiliates of the Debtors where part, or all, of the payment benefitted one or more of the Debtors. Likewise, some disbursements made by one or more of the Debtors within the 90-day period may have benefitted non-Debtor affiliates. Payments by Debtors to vendors through intermediaries may not reflect the ultimate beneficiary of these payments; however, the Debtors have worked to reclassify these payments where possible. Specifically, one insider, Matias Felix, has utilized his personal credit card to cover operating expenses of the Debtors. Where applicable, payments to Mr. Felix have been broken out between those that reimburse him for travel and other related business expenses and those in which he has personally paid for an operating expense (categorized as vendor under his name on the responses herein).

**Statement Question 4 – Payments to Insiders.** The response to Question 4 contains the full list of payments made to insiders by the Debtor entities during the one year preceding the Petition Date. Certain insiders may have received payments from non-Debtor Pareteum entities. Due to privacy and security concerns associated with the public disclosure of the names and income of the Debtors' officers and employees in their home countries, the Debtors have redacted the names of the transferees listed in response to Statement Question 4, and have instead identified the transferees by "Individual 1," "Individual 2," etc. Additionally, because certain insiders would otherwise be easily identifiable based on their respective incomes, in the interest of their privacy and security, the Debtors have also redacted the amounts of the payments for these individuals. Refer to Global Note "Insiders" for further information.

**Statement Question 6 – Setoffs.** The Debtors are routinely subject to setoffs from third parties in the ordinary course of business. Setoffs in the ordinary course result from routine transactions, including but not limited to, intercompany transactions, counterparty settlements pricing discrepancies, setoffs with credit card processing companies, and other disputes between Debtors and third parties. These normal setoffs are consistent with the ordinary course of business in the Debtors' industry and are not listed in the Debtors' responses to Statement Question 6. Furthermore, the Debtors engage in certain customer programs, including credits and refunds. Such transactions were also not included in responding to Statement Question 6, although the Debtors reserve all rights with respect thereto and make no admission of waiver thereby. The Debtors reserve all rights to enforce or challenge any setoffs that have been or may be asserted.

**Statement Question 7 – Legal Actions.** The Debtors have made reasonable best efforts to identify all current pending litigation involving the Debtors; however, to the extent there have been omissions the Debtors will update accordingly.

**Statement Question 9 – Certain Gifts and Charitable Contributions.** The Debtors do not have any charitable contributions or gifts to disclose in the time frame of a material value. There may have been some gifts of lesser values, of which the Debtors do not keep any records.

**Statement Question 11 – Bankruptcy Related Payments.** Certain of the Debtors' advisors performed services in addition to restructuring services. The Debtors' pre-petition legal counsel, McGuireWoods LLP provided restructuring services as well as transactional services, securities law services and other general corporate legal services. The breaking out of the bankruptcy-

specific services on those invoices would cause an undue burden to the Debtors. As such, the full amounts of payments to McGuireWoods LLP are presented herein.

**Statement Question 13 – Transfers of Other Property.** In August 2020, the Debtors sold certain equipment assets and software licenses related to a Mobile Virtual Network Enabler solution to a customer. In addition to the cash purchase price disclosed here, the Debtors recognized a gain of \$10.8 million for the difference between that consideration received and the carrying value of the property, equipment and software licenses sold.

**Statement Question 14 – Previous Addresses.** Due to the consolidated nature of the Debtors' operations, the same address may be listed on the schedules of multiple Debtors.

**Statement Question 16 – Personally Identifiable Information.** The Debtors do collect personally identifiable information related to authentication information (email address, password, etc.), device information (computer unique ids), session data (usage statistics, access point information) and optional data that may include names for billing and advertising. The Debtors use the data solely for the purpose of providing their services to end users/customers including the monitoring of behavior, the customization of services and compliance with applicable legal requirements. The Debtors company privacy policies are disclosed on its public website.

**Statement Question 17 – ERISA Plan as an Employee Benefit.** iPass, Inc. and Pareteum North America Corp sponsor 401(k) plans for their U.S.-based employees. The plans, while historically separate, were merged within the last year and are administered by a third party. Debtor Pareteum N.V. sponsors a group pension plan in Belgium that is disclosed in the exhibit to Statement 32.

**Statement Question 20 – Off-Premises Storage.** In response to Statement Question 20, the iPass, Inc. Debtors listed off-premises storage of archived documents. The appropriate employees are provided with access to that facility as per the Company's policies. In addition, the Debtors have disclosed two warehouses that store SIM card inventory used in the Debtors' business. No Pareteum employees currently have access to these warehouses. The warehouses are automated and used for the drop-shipping of SIM card inventory.

**Statement Question 25 – Businesses in Which the Debtors Have an Interest.** The Debtors have listed the direct subsidiaries of each Debtor entity. In addition, the Debtors are disclosing equity interests in two entities that are not subsidiaries of the Debtors but are separate investments in similarly situated businesses to that of the Debtors.

**Statement Question 26b - Firms or Individuals Who Have Audited, Compiled, Or Reviewed Debtors' Books.** Due to the global nature of their business and the necessity of country-specific statutory guidance, the Debtors utilize multiple audit and advisory firms. Generally, these firms have provided the Debtors services for years, renewing engagement letters annually as appropriate and providing ad hoc services on an as needed basis. Given the nature of these long-tenured relationships, the Debtors are utilizing their historical payment dates to estimate the dates of

service. Other third parties may have audited, compiled, or reviewed the Debtors' books but are not included in the Debtors' responses to Statement Question 26b.

**Statement Question 26c – Firms or Individuals in Possession of Debtors' Books of Account and Records.** Other third parties besides those listed may possess a subset of the Debtors' books and records but are not included in the Debtors' responses to Statement Question 26c.

**Statement Question 26d – Recipients of Financial Statements.** Pareteum was a publicly traded company with publicly available financial statements. Any number of parties may have received Debtors' financial statements for the purposes of Statement Question 26d. Additionally, many parties who performed diligence under the sale process received financial statements. The Debtors' disclosure is for only those parties who either are still in possession of the books/records per disclosures in 26b and 26c or are parties-in-interest (and advisors to parties in interest) to the sales process.

**Statement Question 27 – Inventories.** The Debtors' only inventory is that of the SIM cards as disclosed in Schedule A/B. Those SIM cards are held in the warehouses as disclosed in Statement Question 20. The warehouse operators provide virtual inventory reports to the Debtors periodically and upon request. The Debtors do not perform physical inventories.

**Statement Question 28 and 29 – Current and Former Officer and Directors.** While the Debtors have made reasonable best efforts to list all current officers, directors and beneficial owners, and their interest in the applicable Debtor, for each Debtor in response to Statement Questions 28 and 29, some may have been omitted. The exercise of obtaining contact information for all prior officers and directors of all Debtors, especially for the smaller subsidiary Debtors, would incur a significant burden on the Debtors' management without providing much corresponding benefit in terms of useful information to creditors and parties in interest. Specifically with respect to Question 29, no officers or directors have left the Debtors within the last year. See Global Note "Insiders" for further information.

**Statement Question 30 – Payments, Distributions, or Withdrawals to Insiders.** Refer to Statement Question 4 for this item.

**Statement Question 31 – Consolidated Group for Tax Purposes.** The U.S.-based Debtors all file their taxes as a consolidated group under the Pareteum Corp Debtor entity. All the foreign Debtors file taxes in their local jurisdictions and attach an IRS Form 5471 to the same Pareteum Corp tax return in the U.S.

**Statement Question 32 – Contributions to Pension Funds.** The Debtors sponsor one group pension plan in Belgium under the Pareteum N.V. entity.