

letter from the Committee with its recommendation regarding the Plan (the “Committee Letter”) being included with the solicitation materials in connection with voting on the Plan.

PLEASE TAKE FURTHER NOTICE THAT attached hereto as **Exhibit A** is the form of the Committee Letter.

Dated: March 30, 2023
Wilmington, Delaware

MCDERMOTT WILL & EMERY LLP

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*Proposed Counsel to the Official Committee
of Unsecured Creditors*

Exhibit A

Committee Letter

**The Official Committee of Unsecured Creditors of
Starry Group Holdings, Inc., et al.**

Chapter 11 Case No. 23-10219 (KBO) (Bankr. D. Del.)

c/o McDermott Will & Emery LLP
One Vanderbilt Avenue
New York, NY 10017

April [•], 2023

To: Holders of Class 4 General Unsecured Claims Under Amended Joint Chapter 11 Plan of Reorganization of Starry Group Holdings, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code

The Official Committee of Unsecured Creditors (the “**Committee**”) of Starry Group Holdings, Inc., et al. (the “**Debtors**”) submits this letter to all unsecured creditors concerning their consideration of whether to vote in favor of the Amended Joint Chapter 11 Plan of Reorganization of Starry Group Holdings, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code [Docket No. •] (the “**Plan**”), which is described in, and attached as an exhibit to, the Disclosure Statement for Amended Joint Chapter 11 Plan of Reorganization of Starry Group Holdings, Inc. and Its Debtor Affiliates Under Chapter 11 of the Bankruptcy Code [Docket No. •] (the “**Disclosure Statement**”). Capitalized terms used but not otherwise defined herein shall have the meanings assigned to them in the Disclosure Statement or the Plan.

THE COMMITTEE DOES NOT SUPPORT THE PLAN IN ITS CURRENT FORM AND URGES ALL UNSECURED CREDITORS TO DELAY VOTING ON THE PLAN UNTIL REVIEWING FURTHER COMMUNICATION FROM THE COMMITTEE.

THE CURRENT PLAN PROPOSES TO RELEASE POTENTIAL CLAIMS AGAINST THIRD PARTIES THAT COULD OTHERWISE INCREASE UNSECURED CREDITOR RECOVERIES.

THE COMMITTEE HOPES TO CONTINUE NEGOTIATIONS REGARDING THE PLAN WITH THE DEBTORS AND WILL UPDATE THE UNSECURED CREDITORS REGARDING ITS VIEWS ON PLAN VOTING BY POSTING ANOTHER LETTER ON THE DEBTORS’ WEBSITE AT [HTTPS://WWW.KCCLLC.NET/STARRY](https://www.kccllc.net/starry) AFTER THE DEBTORS FILE THEIR PLAN SUPPLEMENT (ON OR BEFORE MAY 12, 2023), BUT BEFORE THE MAY 15, 2023 VOTING DEADLINE.

Background

On February 20, 2023 (the “**Petition Date**”), the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). On March 3, 2023, the Office of the United States Trustee for Region 3 appointed a committee comprised of some

of Starry's largest unsecured creditors to represent the interests of all of the Debtors' general unsecured creditors. The Committee has selected, subject to court approval, (i) McDermott Will & Emery LLP as counsel, and (ii) M3 Partners, LP as financial advisor.

The Plan and Disclosure Statement

The Plan, which was initially filed on the Petition Date and amended on March 28, 2023, and March [30], 2023 was formulated prior to the Petition Date without any input from the Committee. The Plan provides that holders of Class 4 General Unsecured Claims who (i) vote in favor of the Plan and thereby provide broad releases to an unknown universe of third parties or (ii) do not vote on the Plan and do not opt-out of such releases will receive a pro rata share of the greater of (x) \$250,000 and (y) the difference between budgeted and actual Debtor and Committee professional fees. Holders of Class 4 General Unsecured Claims who vote to reject the plan and/or opt out of the releases will receive no recoveries whatsoever. At this time, the Committee has not received sufficient information to assess the value of the releases being requested.

On March 23, 2023, the Committee filed its *Objection of the Official Committee of Unsecured Creditors to the Motion of Debtors for Order (A) Approving the Disclosure Statement; (B) Establishing the Voting Record Date, Voting Deadline, and Other Dates; (C) Approving Procedures for Soliciting, Receiving, and Tabulating Votes on the Plan and for Filing Objections to the Plan; (D) Approving the Manner and Forms of Notice and Other Related Documents; and (E) Granting Related Relief* [Docket No. 197] (the "**Disclosure Statement Objection**"). In the Disclosure Statement Objection, the Committee detailed the specific reasons it believes the Plan as originally filed was not structured to maximize recoveries for unsecured creditors, some of which issues subsequently were addressed by the Debtors in Plan amendments. Below is one of the key remaining concerns of the Committee.

The Release Provisions in the Plan Are Inappropriate

The Committee believes that the Plan requires holders of Class 4 General Unsecured Claims to release causes of action that could otherwise provide an additional source of recovery for such creditors. The Plan proposes to release certain third parties, including all the Debtors' current and former directors and officers, without the Debtors first having completed an investigation into whether there are causes of action against these parties. Causes of action against directors and officers could be covered by a sizeable directors and officers insurance policy. As such, it is impossible to conclude whether the Plan (i) improperly releases valuable claims of the Debtors' estates; and/or (ii) provides for inadequate or no consideration to the Debtors' estates in return for releases in favor of certain parties. Importantly, the Plan also provides that unsecured creditors ***who (a) vote in favor of the Plan or (b) vote against the Plan and fail to check the box on their respective ballots indicating their intent to opt out of the release***, will be releasing any and all claims that could otherwise have been asserted against non-Debtor third parties, including the Debtors' current and former directors and officers, in connection with the Debtors' estates, their bankruptcy cases, the transactions or events giving rise to any claim that is treated in the Plan, and a host of other conduct. ***Creditors that do not vote for or against the Plan will not be releasing any potential causes of action and are still entitled to a recovery under the Plan.***

The Committee hopes to continue negotiations regarding the Plan structure with the Debtors and will update the unsecured creditors regarding its views on Plan voting by posting another letter on the Debtors' website at <https://www.kcellc.net/Starry> after the Debtors file their Plan Supplement (on or before May 12, 2023), but before the May 15, 2023 Voting Deadline.

The foregoing is not intended as a substitute for the Disclosure Statement, which has been approved by the Bankruptcy Court. Before you cast your ballot, you should review the enclosed Plan, the Disclosure Statement, and the exhibits to the Disclosure Statement in their entirety and make your own independent decision as to whether the Plan is acceptable. You may want to consult your own legal and financial professionals. This letter is not intended or offered as legal advice as to any specific claim or the treatment of such specific claim under the Plan and may not be relied upon for any purpose other than providing the Committee's views on the Plan that you have received. There is always a risk that further litigation and/or a later settlement could result in higher or lower recoveries for holders of unsecured claims than the Plan. The Committee does not guarantee any particular result in the Debtors' chapter 11 cases. This letter does not purport to reflect the views of the Bankruptcy Court and does not constitute findings of fact or conclusions of law endorsed by the Bankruptcy Court, nor does it necessarily reflect the views of any individual Committee member.

If you have any questions regarding voting procedures or otherwise, please contact counsel to the Committee, Kristin K. Going at (212) 547-5429 or Darren Azman at (212) 547-5444.

Very truly yours,

THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF
STARRY GROUP HOLDINGS, INC., *ET AL.*