

ATTACHMENT A

Bankruptcy Court's Order Approving the Proposed Transaction

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

In re :
: Chapter 11 Case Nos.
: **GLOBAL CROSSING LTD., et al.** : **02-40187 (REG) through**
: **02-40241 (REG),**
: **02-11982 (REG),**
: **02-13765 (REG)**
: **Debtors.** : **(Jointly Administered)**

**ORDER PURSUANT TO SECTIONS 105(a) AND 363 OF
THE BANKRUPTCY CODE AND RULES 2002 AND 6004 OF
THE FEDERAL RULES OF BANKRUPTCY
PROCEDURE APPROVING STOCK PURCHASE AGREEMENT**

A hearing having been held on August 9, 2002 (the "Hearing"), to consider the Motion dated February 4, 2002 (the "Motion") of Global Crossing Ltd. and its affiliated debtors, as debtors in possession (collectively, the "Debtors"), pursuant to sections 105(a) and 363 of title 11 of the United States Code (the "Bankruptcy Code") and Rules 2002 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for approval of that certain Letter of Intent among the Debtors, Hutchison Whampoa Limited ("Hutchison") and Singapore Technologies Telemedia Pte. Ltd. ("STI" and, with Hutchison, the "Investors") dated January 28, 2002 or a higher or better investment proposal received by the Debtors; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. § § 1408 and 1409; and due and proper notice of the Motion having been provided to the Office of the United States Trustee for the Southern District of New York, the attorneys for JP Morgan Chase Bank,

as Administrative Agent for the Debtors' prepetition lenders (the "Bank Group Agent"), the Joint Provisional Liquidators (the "JPLs") appointed by the Supreme Court of Bermuda in respect of certain of the Debtors herein and their attorneys, the attorneys for the Official Committee of Unsecured Creditors appointed in these chapter 11 cases (the "Creditors' Committee") and those parties entitled to notice pursuant to the Court's order dated January 28, 2002, establishing notice procedures in these chapter 11 cases (the "Master Service List"), and no other or further notice need be provided; and the relief requested in the Motion being in the best interests of the Debtors and their estates and creditors; and the Court having reviewed the Motion and having heard the statements and testimony in support of the relief requested therein at the Hearing before the Court; and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and the appearances of all interested parties and all responses and objections, if any, to the Motion having been duly noted in the record of the Hearing; and upon the record of the Hearing, and all other pleadings and proceedings in these cases, including the Motion, said responses and objections, and after due deliberation and sufficient cause appearing therefor, the Court hereby FINDS, DETERMINES, AND CONCLUDES THAT:

General Provisions

A. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Federal Rule of Civil Procedure 52, made applicable to this proceeding pursuant to Bankruptcy Rules 7052 and 9014.

B. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

C. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Motion.

D. The court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the Standing Order of Referral of Cases to Bankruptcy Court Judges of the District Court for the Southern District of New York, dated July 19, 1984 (Ward, Acting C.J.), and this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A)(N). Venue of these cases and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

The Investment Proposal Procedures

E. By Order dated March 25, 2002 (the "Investment Proposal Procedures Order"), the Debtors were authorized to implement certain procedures (the "Investment Proposal Procedures") for the submission, consideration, negotiation and acceptance of investment proposals (the "Investment Proposals") to sponsor a plan or plan(s) of reorganization and for proposals for all or some of the Debtors' assets (collectively, the "Investment Proposal Process").

F. The Investment Proposal Procedures Order provided that (i) the deadline for submitting Investment Proposals was June 30, 2002 (the "Investment Proposal Deadline"), (ii) if one or more Investment Proposals were received that were in accordance with the requirements of the Investment Proposal Procedures (each a

“Qualified Investment Proposal”) the Debtors could conduct an auction on July 8, 2002 (the “Auction”), and (iii) the Court would confirm the results of the Investment Proposal Process and the Auction, if any, at a hearing on July 11, 2002 (the “Approval Hearing”). The Investment Proposal Procedures Order reserved the Debtors’ right to adjourn the Investment Proposal Deadline, the Auction and the Approval Hearing as necessary.

G. The Investment Procedures Order authorized the Debtors to (a) determine, in their business judgment, which Qualified Investment Proposal is the highest or otherwise best offer, (b) consult with the Creditors’ Committee, the Bank Group Agent and the JPLs in connection with the implementation of the Investment Proposal Procedures and the Investment Proposal Process and (c) reject at any time any Investment Proposal that was (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code or the Investment Proposal Procedures, or (iii) contrary to the best interests of the Debtors, their estate and their creditors.

H. As evidenced by the affidavits of service and publication previously filed with the Court (i) proper, timely, adequate and sufficient notice of the Motion has been provided in accordance the Investment Proposal Procedures Order, (ii) such notice was good and sufficient, and appropriate under the particular circumstances, and (iii) no other or further notice of the Motion was or is required.

The Investment Proposal Process

I. The Debtors, through the Blackstone Group LP ("Blackstone"), their Court-authorized financial advisors, contacted over 100 parties to solicit interest in pursuing the sponsorship of a plan of reorganization for the Debtors or acquiring their assets. Of the over 100 parties contacted by Blackstone, approximately 60 executed confidentiality agreements as a precursor to conducting due diligence with respect to the Debtors' business and network.

J. On June 17, 2002, the Debtors filed with the Court and served on all likely bidders a notice adjourning the Investment Proposal Deadline to July 11, 2002, the Auction to July 24, 2002 and the Approval Hearing to July 30, 2002.

K. As of the Investment Proposal Deadline, the Debtors had received approximately 13 expressions of interest.

L. Seven of the 13 expressions of interest were for the Debtors' global business and network – either by way of sponsorship of a plan of reorganization or through a purchase of substantially all of the Debtors' assets pursuant to section 363 of the Bankruptcy Code. Only three of the seven expressions of interest relating to the Debtors' global business and network conformed to the requirement of the Investment Proposal Order that bidders provide satisfactory evidence of financial ability to consummate such bidder's Investment Proposal or were submitted by bidders otherwise known to Blackstone to be capable of consummating the proposed transaction.

M. Despite the fact that four of the Investment Proposals relating to the global business and network were not in compliance with the explicit terms of the Investment Proposal Order that require bidders to provide satisfactory evidence of financial ability to consummate such bidder's Investment Proposal and that such bidders had failed to conduct any meaningful due diligence, the Debtors and Blackstone responded to such bidder's additional information requests, consulted with each such bidder to, among other things, ascertain such bidder's financial ability to consummate the proposed transaction, and considered each such Investment Proposal.

N. Six of the 13 expressions of interest were only for certain parts of the Debtors' global business and network.

O. Subsequent to the Investment Proposal Deadline, the Debtors began discussions with two other parties with respect to the global business and network and two other parties in respect of certain parts of the Debtors' global business and network. While these discussions concerning the terms of a possible transaction for certain parts of the Debtors' global business and network departed from the strict letter of the Investment Proposal Order, the Debtors and Blackstone choose to treat these parties as bidders for the Debtors' purposes and provided information to and consulted with each such party and, for the Debtors' purposes, treated the substance of each such discussion concerning a possible transaction with the Debtors as an Investment Proposal and, subsequently, a Qualified Investment Proposal

P. On July 23, 2002, the Debtors filed with the Court and served on all likely bidders a notice that the Auction had been adjourned from July 24, 2002 to July 31, 2002.

Q. Consultations between the Debtors, Blackstone, the Creditors' Committee, the Bank Group Agent and the JPLs resulted in a total of six parties continuing discussions in pursuing a possible transaction. Four of these parties expressed a desire to pursue a transaction with respect to the global business and network and two expressed a desire to pursue a transaction for only specific parts of the global business and network. The Creditors' Committee and the Bank Group Agent separately met with five of the six parties.

R. After consultation with the Creditors' Committee and the Bank Group Agent, the Debtors determined to pursue further negotiation and documentation with two parties.

S. On July 30, 2002, the Debtors filed with the Court and served on all likely bidders a notice that the Auction had been adjourned to August 2, 2002.

T. On August 5, 2002, the Debtors filed with the Court and served on all likely bidders a notice that the Auction had been adjourned to August 8, 2002 and the Approval Hearing had been adjourned to August 8, 2002.

U. On August 7, 2002, the Debtors filed with the Court and served on all likely bidders a notice that the Auction had been adjourned to August 14, 2002.

V. On August 8, 2002, the Debtors announced in open Court, and filed with the Court and served on all likely bidders a notice, that the Approval Hearing had been adjourned to August 9, 2002.

W. After (i) further negotiations with the two parties treated by the Debtors as bidders for purposes of the Investment Proposal Process and (ii) consultations with the Creditors' Committee and the Bank Group Agent, and in the light of (i) the consideration to be provided by each parties' sponsorship of a plan of reorganization and (ii) the conditions imposed by each of the proposals, in particular the Investors' condition to entering into the Agreement that no Auction be held, the Debtors, after consultation with the Creditors' Committee and the Bank Group Agent, determined that the Investors' Agreement represented, in the Debtors' business judgment, the highest or otherwise best Qualified Investment Proposal made and received as a result of the Investment Proposal Process, and, after consultations with the Bank Group Agent and the Creditors' Committee, on August 9, 2002 the Debtors cancelled the Auction.

The Agreement

X. In accordance with the Investment Proposal Procedures, and in consideration of (i) the Debtors' exploration of possible transactions deemed as Investment Proposals and Qualified Investment Proposals for purposes of the Investment Proposal Procedures, (ii) the consultations had with the Creditors' Committee, the Bank Group Agent and the JPLs, (iii) the Stock Purchase Agreement summarized on Exhibit A annexed hereto and attached at length as Exhibit B hereto (the "Agreement"), and (iv) an exercise of their prudent, deliberate, and considered business judgement, on August 9, 2002 the Debtors declared the Investors to be the "Successful Investors" and the Agreement the "Successful Investment Proposal," within the meaning of the Investment Proposal Procedures.

Y. The Court finds that the Debtors have articulated good and sufficient business reasons justifying the determination that the Agreement was the highest or otherwise best Qualified Investment Proposal made and received as a result of the Investment Proposal Process.

Z. The Investment Proposal Process was conducted by the Debtors at arms'-length, without collusion or fraud, and in good faith. All parties were provided a fair and reasonable opportunity to (i) participate in the Investment Proposal Process, (ii) submit an Investment Proposal, (iii) conduct due diligence, (iv) refine their Investment Proposal, and (v) submit a Qualified Investment Proposal. The Agreement was negotiated in good faith and at arms' length.

AA. As set forth in the Agreement, each Debtor (i) has full corporate power and authority to execute the Agreement and all other documents contemplated thereby, (ii) has all of the corporate power and authority necessary to consummate the transactions contemplated by the Agreement, (iii) has taken all corporate action necessary to authorize and approve the Agreement and the consummation by such Debtors of the transactions contemplated thereby, and (iv) no consents or approvals, other than those expressly provided for in the Agreement, are required for the Debtors to consummate such transactions.

BB. A reasonable opportunity to object or be heard with respect to the Motion and the relief requested therein has been afforded to all interested persons and entities, including: (i) the Office of the United States Trustee; (ii) the attorneys for the Investors;

(iii) the attorneys for the Creditors' Committee; (iv) the attorneys for the Bank Group Agent; (v) the JPLs; and (vi) all entities on the Master Service List.

CC. The Purchaser is not an "insider" of any of the Debtors, as that term is defined in section 101 of the Bankruptcy Code. The Purchaser has acted in "good faith" within the meaning of section 363(m) of the Bankruptcy Code.

For all of the foregoing and after due deliberation, the Court ORDERS, ADJUDGES, AND DECREES THAT:

General Provisions

1. The Motion is granted, as further described herein.
2. All objections and responses concerning the Motion are resolved in accordance with the terms of this Order and as set forth in the record of the Hearing and to the extent any such objection or response was not otherwise withdrawn, waived, or settled, they are, and all reservations of rights or relief requested therein, are overruled and denied.

Approval of the Agreement

3. The Investment Proposal Process was conducted in accordance with the Investment Proposal Procedures approved and authorized by the Investment Proposal Procedures Order.
4. In accordance with the Investment Procedures Order, the Debtors provided a fair and reasonable opportunity for any party to make an Investment Proposal. Despite nonconformity with the Investment Proposal Procedures by the Investment

Proposal Deadline, the Debtors continued to work with all parties and provided such parties a fair and reasonable opportunity to revise or otherwise modify their Investment Proposal.

5. The Debtors' determination not to conduct an Auction was appropriate in the light of the structure of, conditions contained in, consideration proposed to be provided by and ability to consummate a transaction in accordance with the Qualified Investment Proposals received. The Debtors' determination not to conduct an Auction was made in consultation with significant parties in interest in these chapter 11 cases, including the Creditors' Committee and the Bank Group Agent.

6. At the conclusion of the Investment Procedures Process, in accordance with the Investment Procedures Order, the Agreement was declared the highest or otherwise best Qualified Investment Proposal.

7. The Debtors have articulated good and sufficient reasons for approving the Agreement.

8. The Agreement was the highest or otherwise best submission made pursuant to the Investment Procedures Order.

9. All amounts to be paid to the Investors pursuant to the Agreement, including, without limitation, all Liquidated Damages (as defined in the Agreement), shall constitute an allowed administrative expense claim with the same priority as all other administrative expenses of the kind specified in sections 503(b)(1)(a) and 507(a)(1) of the Bankruptcy Code, subject only to any claim arising under an order of the Court

pursuant to sections 507(b), 364 (c), or 364(d) of the Bankruptcy Code and shall be payable within ten business days of when such obligation arises under the Agreement.

10. Each and every federal, state, and local governmental agency or department is directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Agreement.

Retention of Jurisdiction

11. Except to the extent set forth in Article V of the Agreement relating to the JPLs, this Court retains jurisdiction to enforce and implement the terms and provisions of the Agreement, all amendments thereto, any waivers and consents thereunder, and of each of the agreements executed in connection therewith in all respects, including, but not limited to, retaining jurisdiction to (a) resolve any disputes arising under or related to the Agreement and (b) interpret, implement, and enforce the provisions of this Order; provided, however, that in the event the Court abstains from exercising or declines to exercise such jurisdiction or is without jurisdiction with respect to the Agreement or this Order, such abstention, refusal, or lack of jurisdiction shall have no effect upon, and shall not control, prohibit, or limit the exercise of jurisdiction of any other court having competent jurisdiction with respect to any such matter.

12. The provisions of this Order and the terms and conditions of the Agreement shall be binding upon, fully enforceable against and inure to the benefit of any trustee, responsible officer or other fiduciary appointed in any of these chapter 11

cases under any section of the Bankruptcy Code or any applicable law. Such binding effect is an integral part of this Order.

13. The failure specifically to include any particular provisions of the Agreement in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Agreement be authorized and approved in its entirety.

14. The provisions of this Order are nonseverable and mutually dependent.

Dated: August 2, 2002
New York, New York

/s/ Robert E. Gerber
UNITED STATES BANKRUPTCY JUDGE

ATTACHMENT B

FCC-Licensed Subsidiaries of Global Crossing Ltd. (Debtor-in-Possession)

1. International Section 214 Authorizations

| Holder | File No(s). |
|--|--|
| Budget Call Long Distance, Inc. (Debtor-in-Possession) | ITC-94-031 |
| Global Crossing Bandwidth, Inc. (Debtor-in-Possession) | ITC-91-193 |
| Global Crossing Government Markets USA, Inc. (Debtor-in-Possession) | ITC-214-20011106-00560 |
| Global Crossing Holdings USA, Inc. (Debtor-in-Possession) | ITC-214-19990412-00202 |
| Global Crossing North American Networks, Inc. (Debtor-in-Possession) | ITC-94-381; ITC-94-320; ITC-91-077; ITC-93-186 |
| Global Crossing Telecommunications, Inc. (Debtor-in-Possession) | ITC-85-126; ITC-87-179; ITC-88-152; ITC-88-013; ITC-87-113; ITC-95-295; ITC-214-19960530-00220; ITC-214-19960621-00265; ITC-214-19960715-00309; ITC-214-19960729-00351 |
| Racal Telecommunications Inc. | ITC-214-19970717-00410 |
| International Optical Networks, L.L.C. | ITC-214-19980520-00334 |

2. Domestic Section 214 Authorizations

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| Budget Call Long Distance, Inc. (Debtor-in-Possession) |
| Global Crossing Bandwidth, Inc. (Debtor-in-Possession) |
| Global Crossing Local Services, Inc. (Debtor-in-Possession) |
| Global Crossing North American Networks, Inc. (Debtor-in-Possession) |
| Global Crossing Telecommunications, Inc. (Debtor-in-Possession) |

3. Cable Landing Licenses

| Holder | File No(s). |
|--|--|
| GT Landing Corp. (Debtor-in-Possession) | SCL-LIC-19970506-00003 |
| Global Crossing Telecommunications, Inc. (Debtor-in-Possession) | SCL-LIC-19981117-00025 |
| MAC Landing Corp. (Debtor-in-Possession) | SCL-LIC-19981030-00023 |
| PAC Landing Corp. (Debtor-in-Possession) | SCL-LIC-19981103-00022 |
| PC Landing Corp. (Debtor-in-Possession) | SCL-LIC-19980807-00010 |
| Global Crossing Latin America & Caribbean Co. (Debtor-in-Possession) | SCL-LIC-19990823-00015 |
| GC Pacific Landing Corp. (Debtor-in-Possession) | SCL-ASG-19981204-00029; SCL-T/C-19981204-00030 ¹ |
| GT Landing II Corp. (Debtor-in-Possession) | SCL-MOD-20000511-00018 |

¹ Assignment/Transfer of control to GC Pacific Landing of cable landing licenses granted to various entities. Underlying File Numbers are SCL-95-013, SCL-95-005, SCL-95-006, SCL-95-004, SCL-94-003, SCL-95-010, and SCL-95-011.

4. **Common Carrier and Non-Common Carrier Radio Licenses Held by Global Crossing North American Networks, Inc. (Debtor-in-Possession)²**

| | | |
|--------|---------|--------|
| WHO323 | WHO324 | WHO325 |
| WHO326 | WHO327 | WHO328 |
| WHO329 | WHO330 | WHO331 |
| WHO332 | WHO333 | WHO337 |
| WHO335 | WHO336 | WHO341 |
| WHO339 | WHO340 | WHO345 |
| WHO346 | WHO344 | WHQ999 |
| WLA738 | WHO347 | WLT711 |
| WKL999 | WPMP453 | |

² On August 20, 2002, GCL filed an application for the *pro forma* assignment of WPRT617, a private land mobile license held in its name, to Global Crossing North American Networks, Inc. (Debtor-in-Possession). GCL also holds a non-transferable private aircraft radio license (100GX) in its name.

ATTACHMENT C

Material Documents for the Proposed Transaction

Purchase Agreement attached as separate file.