NII HOLDINGS, INC.

CONSOLIDATED FINANCIAL STATEMENT
(IN LIQUIDATION)

As of December 31, 2019 (in liquidation)

And Report of Independent Auditor

NII HOLDINGS, INC.

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Report of Independent Auditor

To the Board of Directors
NII Holdings, Inc.
Reston, Virginia

We have audited the accompanying consolidated financial statement of NII Holdings, Inc., which is comprised of the statement of net assets in liquidation as of December 31, 2019, and the related notes to the consolidated financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this consolidated financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this consolidated financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statement.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statement referred to above presents fairly, in all material respects, the net assets in liquidation of NII Holdings, Inc. as of December 31, 2019, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the consolidated financial statement, as a result of the closing of the sale of Nextel Brazil on December 18, 2019 and the previous approval of a plan of dissolution by the Company's stockholders, the Company determined that liquidation was imminent. As a result, the Company has changed its basis of accounting as of December 31, 2019, from the going-concern basis to the liquidation basis. Our opinion is not modified with respect to this matter.

Cherry Bekaert LLP

Tysons Corner, Virginia
May 11, 2020

NII Holdings, Inc.
Consolidated Statement of Net Assets in Liquidation
December 31, 2019
(in thousands, except per share amount)

Cash and cash equivalents	$	181,971
Restricted cash		268,287
Insurance and other receivables		1,307
Debt		(126,324)
Accounts payable and accrued expenses		(42,617)
Accrued liquidation costs, net		(7,231)
Net assets in liquidation	$	275,393
Number of Common Shares outstanding		104,483
Net assets in liquidation per share	$	2.64

Note 1 – Basis of Presentation

Overview

Unless the context requires otherwise, "NII Holdings, Inc.," "NII Holdings," "NII," "we," "our," "us" and "the Company" refer to the combined businesses of NII Holdings, Inc. and its consolidated subsidiaries. Prior to the sale of our Brazilian operating company, NII Holdings was a provider of wireless communication services under the Nextel brand in Brazil. Our corporate headquarters are located in Reston, Virginia.

Sale of Nextel Brazil

On June 27, 2019, NII Holdings' stockholders approved the sale of its wireless operations in Brazil ("Nextel Brazil" and such sale, the "Transaction") to America Movil, S.A.B. de C.V. ("AMX"), pursuant to which NII Holdings and AI Brazil Holdings B.V. ("AI Brazil"), would sell their jointly-owned wireless operations in Brazil. In addition, on June 27, 2019, NII Holdings' stockholders approved a plan of dissolution, whereby NII Holdings and all of its subsidiaries will be wound up and fully dissolved.

On December 18, 2019, NII completed the sale of Nextel Brazil in accordance with the terms of the Purchase Agreement, dated March 18, 2019, by and among AMX, NII International Holdings S.à r.l. ("NIIH"), AI Brazil and NII (the "Purchase Agreement"), as amended from time to time.

At the closing of the Transaction, AI Brazil sold all of its interests in Nextel Holdings S.à r.l. ("Nextel Holdings") to NII Brazil Holdings S.à r.l. ("NIIBH"), and NIIH sold all of the issued and outstanding shares of NIIBH to AMX, resulting in AMX acquiring direct ownership of NIIBH and indirect ownership of all of the issued and outstanding shares of Nextel Brazil. The aggregate purchase price was $948.5 million, after making adjustments pursuant to the Purchase Agreement to add a $30.3 million reimbursement of capital expenditures and a $16.9 million working capital adjustment and to deduct a $3.7 million selling and marketing spending shortfall compared to budget. After deducting $491.6 million of net debt, the net purchase price at closing was $456.9 million.

In consideration for the sale of its 27.55% ownership interest in Nextel Brazil, AI Brazil received a $2.5 million preferred return and its $125.2 million pro rata share of the net purchase price. After deducting these amounts, NII's share of the net purchase price was $329.2 million.

Pursuant to the terms of the Purchase Agreement, $30.0 million of the net proceeds due to NII was placed into an 18-month escrow account to secure NII's indemnification obligations under the Purchase Agreement with AMX, with Citibank, N.A. as escrow agent (the "Transaction Escrow Agreement").

Also, on December 18, 2019, in connection with the Transaction, NII entered into a supplemental indenture related to its convertible notes. In addition, NII entered into an escrow agreement, whereby NII agreed to fund an escrow account in the amount of $134.8 million from the net proceeds of the Transaction (the "Notes Escrow Agreement") in order to satisfy NII's obligations related to the convertible notes. Refer to Note 4 for additional information.

After taking into account the amounts placed into escrow pursuant to the Transaction Escrow Agreement and the Notes Escrow Agreement and accounting for a $1.9 million upward adjustment for a decrease in estimated accrued tax contingencies pursuant to the Purchase Agreement, the net proceeds to NII were $166.3 million.

Under the terms of the Purchase Agreement, AMX was entitled to a 45-day period to review the purchase price and related purchase price adjustments. AMX notified NII of certain potential differences between its calculation of the purchase price as compared to the estimated calculations performed by NII. On March 31, 2020, NII, AMX, and AI Brazil entered into a letter agreement whereby the parties agreed that AMX would make an additional payment of approximately $128 thousand to NII. Upon the making of the payment, as well as a final payment from AMX to AI Brazil, the purchase price is final and not subject to further dispute.

NII Holdings has also agreed to indemnify AI Brazil for damages that may arise from certain tax contingencies, transaction expenses, transaction-related litigation and other matters in connection with its participation in the Transaction.

Plan of Dissolution

On January 13, 2020 we filed a certificate of dissolution (the "Certificate of Dissolution") with the Secretary of State of the State of Delaware, as contemplated by the Plan of Complete Liquidation and Dissolution (the "Plan") previously approved by NII's Board of Directors and our stockholders. The Certificate of Dissolution became effective at 4:00 p.m. Eastern Time on January 13, 2020 (the "Effective Time"), and thus the Company has been dissolved under the General Corporation Law of the State of Delaware (the "DGCL") and the period for winding up the Company's affairs has begun. NII intends to follow the safe harbor procedures provided under Section 280 of the DGCL.

In connection with the filing of the Certificate of Dissolution, effective as of the Effective Time, the Company closed its stock transfer books and discontinued recording transfers of its common stock, par value $0.001 (the "Common Stock"). Holders of the Common Stock are no longer able to transfer record or beneficial ownership of the Common Stock, other than transfers by will, intestate succession or operation of law.

The Company provided notice to all persons who may have a claim against the Company pursuant to Sections 280(a)(1) and 280(b)(1) of the DGCL, and the notice period for claims to be received by the Company expired on April 3, 2020.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

This consolidated financial statement has been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Liquidation Basis of Accounting

The Company adopted the liquidation basis of accounting, effective December 31, 2019. This basis of accounting is required when, among other things, liquidation of the Company is imminent, as defined in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") No. 205 "Presentation of Financial Statements – Liquidation Basis of Accounting". As a result of the closing of the Transaction and the previous approval of the Plan by NII's stockholders, liquidation became imminent on December 18, 2019. The consolidated statement of net assets and the consolidated statement of changes in net assets are the principal financial statements presented under the liquidation basis of accounting. Although liquidation became imminent on December 18, 2019, the Company is applying the liquidation basis of accounting effective December 31, 2019 as a convenience date. The activity between December 18, 2019 and December 31, 2019 was not material and consisted almost exclusively of payroll and related costs. As such, the consolidated statement of changes in net assets has been omitted.

Under the liquidation basis of accounting, all of the Company's assets are stated at their estimated net realizable value. All liabilities of the Company have been stated at contractual amounts and estimated liabilities are stated at their estimated settlement amounts, including estimated costs associated with completing the Plan. These amounts are presented in the accompanying consolidated statement of net assets. These estimates are periodically reviewed and adjusted as appropriate. The valuation of assets at their net realizable value and liabilities at their anticipated settlement amount represent estimates, based on present facts and circumstances, of the net realizable value of the assets and the costs associated with carrying out the Plan. The actual values and costs associated with carrying out the Plan are expected to differ from amounts reflected in the accompanying financial statement because of inherent uncertainty related to the contingent nature and timing of the Plan. These differences may be material. In particular, the estimates of our costs will vary with the length of time necessary to complete the Plan, as well as with the amounts that we are ultimately able to recover from escrow accounts. Accordingly, it is not possible to predict with certainty the timing or aggregate amount which may ultimately be distributed to stockholders and no assurance can be given that the distributions will equal or exceed the estimate presented in the accompanying consolidated statement of net assets.

Principles of Consolidation

The consolidated financial statement includes the accounts of NII Holdings and our wholly-owned subsidiaries.

Use of Estimates

In preparing the consolidated financial statement in conformity with GAAP, including the liquidation basis of accounting, management is required to make estimates and assumptions that affect the reported amounts of assets, including net assets in liquidation, and liabilities and disclosure of contingent assets and liabilities as of the date of the consolidated financial statement. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments with an original maturity of three months or less at the date of purchase, including certain money market funds.

Income Taxes

In conjunction with the preparation of the consolidated financial statement under the liquidation basis of accounting, all deferred tax assets were determined to not have any value as we do not anticipate generating taxable income in future periods. In addition, we have not incurred, and do not anticipate incurring, any income tax liabilities, as we have historically generated significant taxable losses and will continue to generate losses through our dissolution.

Subsequent Events

We evaluate all subsequent events through the date the financial statements are issued to determine whether any adjustments or additional disclosures should be made to the consolidated financial statement.

Note 3 – Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses include all liabilities related to goods or services already received. Accounts payable and accrued expenses included the following as of December 31, 2019 (amounts in thousands):

Accounts payable	$	375
Accrued losses related to Nextel Mexico Escrow		31,388
Accrued severance		6,479
Accrued interest on 4.25% Convertible Senior Notes		1,941
Employee related accruals		1,493
Other		941
	$	42,617

Note 4 – Debt

In August 2018, we privately placed $100.0 million aggregate principal amount of 4.25% convertible senior notes due 2023 (the "Notes"). We also granted the initial purchaser an option to purchase up to an additional $15.0 million principal amount of convertible senior notes, which was exercised in full. As a result, NII Holdings issued a total of $115.0 million principal amount of Notes at par for total gross proceeds of $115.0 million.

The Notes bear interest at a rate of 4.25% per year on the principal amount of the notes, payable semi-annually in arrears on February 15 and August 15 of each year. The convertible senior notes mature on August 15, 2023, unless earlier repurchased, when the entire principal balance of $115.0 million will be due. In addition, and subject to specified exceptions, upon the occurrence of a fundamental change, the noteholders have the right to require us to repurchase the notes for cash at a repurchase price equal to 100% of the principal amount of the notes to be repurchased, plus accrued and unpaid interest to, but excluding, the repurchase date.

On December 18, 2019, in connection with the Transaction, NII entered into a First Supplemental Indenture (the "Supplemental Indenture"), to the Indenture, dated August 14, 2018, between NII and Wilmington Trust, National Association, as trustee (the "Indenture"), that governs the Notes. Pursuant to the Supplemental Indenture, NII irrevocably elected cash settlement as the settlement method for any conversion of the Notes.

In addition, NII entered into an Escrow Agreement with Wilmington Trust, National Association, as escrow agent and as trustee, whereby NII agreed to fund an escrow account in the amount of $134.8 million from the net proceeds of the Transaction pursuant to Section 11.04 of the Indenture in order to satisfy NII's obligations under the Notes and the Indenture.

The completion of the Transaction constituted a Fundamental Change and a Make-Whole Fundamental Change, as defined in the Indenture. As a result, NII commenced an offer to repurchase (the "Repurchase Offer"), at the option of each holder, any and all of the outstanding Notes. Holders had the right to exercise their option to require NII to repurchase for cash all of such holder's Notes, on or before January 21, 2020 at a repurchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest thereon. On January 21, 2020, a total of $2.0 million of the Notes was tendered pursuant to the Repurchase Offer and NII accepted for repurchase and paid for the Notes that were tendered using funds held in escrow related to the Notes Escrow Agreement.

On February 5, 2020, NII commenced a tender offer (the "Tender Offer") to purchase up to $103.1 million aggregate principal amount (the "Maximum Tender Amount") of the Notes. As of February 4, 2020, there were $113.0 million aggregate principal amount of the Notes outstanding. Upon the terms and subject to the conditions set forth in the Company's Offer to Purchase, dated February 5, 2020, as supplemented and amended on February 18, 2020, (the "Offer to Purchase"), the Company offered to pay, in cash, an amount equal to $1,090 per $1,000 principal amount of Notes purchased, plus accrued and unpaid interest from the last interest payment date on the Notes to, but not including, the date of payment for the Notes accepted in the Tender Offer. The Tender Offer expired at 11:59 p.m., New York City time, on March 4, 2020. As of the expiration date on March 4, 2020, a total of $84.3 million aggregate principal amount of Notes was validly tendered and NII accepted for purchase all of these validly tendered Notes. NII paid $92.1 million, using funds from the Notes Escrow, for the purchase of the Notes, including accrued interest.

Subsequent to the Tender Offer, in April 2020, the Company repurchased the remaining $28.7 million aggregate principal amount of Notes in private repurchase transactions. The Company paid a total of $31.7 million, including accrued and unpaid interest, to repurchase these Notes.

As of April 24, 2020, all of the Notes had been repurchased.

The following table reconciles the debt repurchases to the debt balance as of December 31, 2019 (amounts in thousands):

		Principal Amount
Notes retired pursuant to Repurchase Offer (including accrued interest)	$ 2,037	$ 2,000
Notes retired pursuant to Tender Offer (including accrued interest)	92,096	84,282
Notes retired in open market repurchases (including accrued interest)	31,731	28,718
February 15, 2020 coupon	2,401	
Total cost to retire Notes	128,265	
Less: Interest accrued as of December 31, 2019	(1,941)	
Debt balance as of December 31, 2019	$ 126,324	$ 115,000

Note 5 – Restricted Cash

Restricted cash was comprised of the following as of December 31, 2019 (amounts in thousands):

Notes Escrow	$	134,750
Nextel Mexico Sale Escrow		103,537
Nextel Brazil Sale Escrow		30,000
	$	268,287

Notes Escrow

As discussed in Note 1 and Note 4, in conjunction with the Transaction and the Notes Escrow Agreement, $134.8 million from the net proceeds of the Transaction was used to fund an escrow account pursuant to Section 11.04 of the Indenture. Subsequent to December 31, 2019, payments of $128.3 million have been made using these escrowed funds related to the repurchases of Notes discussed in Note 4 above, as well as the February 15, 2020 coupon payment. As of April 24, 2020, after all of the repurchase transactions, there was approximately $6.9 million remaining in the Notes Escrow. We expect to have the remaining funds released from escrow in May 2020.

Nextel Mexico Sale Escrow

On April 30, 2015, NII Holdings, together with our wholly-owned subsidiary NIU Holdings LLC, completed the sale of our Mexican operations to New Cingular Wireless, an indirect subsidiary of AT&T. The transaction was structured as a sale of all of the outstanding stock of the parent company of Comunicaciones Nextel de Mexico, S.A. de C.V., or Nextel Mexico, for a purchase price of $1.875 billion, including $187.5 million deposited in escrow to satisfy potential indemnification claims (the "Nextel Mexico Sale Escrow").

As of December 31, 2019, $103.5 million, which includes interest, remains deposited in escrow related to certain potential tax indemnity claims made by New Cingular Wireless. While we are required to continue to indemnify New Cingular Wireless for any valid claims that arise in the future, New Cingular Wireless is not permitted to make any additional claims against the escrow account.

The potential tax indemnity claims submitted by New Cingular Wireless against the escrow account purport to relate to various ongoing tax audits by the Mexican tax authorities for Nextel Mexico and several of its subsidiaries for the years 2010 through 2014. Of the total potential tax claims asserted against the escrow account, $12.2 million relates to actual tax assessments that Nextel Mexico has received. Although we appealed these tax assessments, in April 2019, our appeals were denied. We initiated a judicial process to protect our interests against these tax assessments.

In July 2018, the tax audits related to Nextel Mexico's main operating company's income tax returns for the years 2010 and 2011 were finalized, and we filed amended tax returns. We settled the tax liabilities associated with these tax audits utilizing existing tax credits, with the exception of $4.0 million that we paid utilizing cash held in escrow. In March 2019, the tax audit related to Nextel Mexico's main operating company's income tax return for the year 2013 was finalized, and we filed an amended tax return. There was no cash outlay related to the finalization of the tax audit for the year 2013. In June 2019, the tax audit related to Nextel Mexico's main operating company's income tax return for the year 2012 was finalized, and we filed an amended tax return. We settled the tax liabilities associated with this tax audit utilizing $2.7 million of cash held in escrow. As a result, of the $72.4 million in combined claims relating to the tax audits of the years 2010, 2011 and 2012 for Nextel Mexico's main operating company, we have requested that New Cingular Wireless agree to the release of $65.8 million from escrow.

New Cingular Wireless has disagreed with our interpretation of the escrow and purchase agreements related to the timing of release requirements for escrowed funds. On February 11, 2019, our subsidiary NIU Holdings initiated review of this matter by the United States Bankruptcy Court for the Southern District of New York, which we refer to as the Bankruptcy Court, that approved the transaction with New Cingular Wireless in connection with our emergence from Chapter 11 bankruptcy, and on March 25, 2019, we filed a claim against New Cingular Wireless to recoup the $68.3 million (now revised to $65.8 million) from escrow in a lawsuit captioned NIU Holdings LLC v. AT&T Mobility Holdings, B.V.; New Cingular Wireless Services, Inc.; Nextel International (Uruguay) LLC; and Comunicaciones Nextel de Mexico S.A. de C.V., Case No. 15-10155, Adv. Pro. No. 19-01099 (SCC). On July 22, 2019, we filed a motion supporting our request for summary judgment, and on the same day, New Cingular Wireless filed a motion supporting its request for a judgment on the pleadings. A hearing on these matters was held on September 5, 2019, and we are awaiting the Bankruptcy Court's decision. This difference of interpretation of the relevant agreements has delayed and will continue to delay the release of the remaining amount of cash in escrow.

In October 2019, we agreed to settlement terms with the Mexican tax authorities related to five additional tax audits for certain of Nextel Mexico's subsidiaries. New Cingular Wireless' claims against the escrow account include $24.4 million related to these tax audits. Based on the terms to which we agreed with the tax authorities, on February 7, 2020 we paid $16.8 million using cash held in escrow to close these tax audits and have therefore accrued this amount as of December 31, 2019. The finalization of these tax audits requires that we file amended tax returns, which we completed in the first quarter of 2020. We are awaiting formal notification of their acceptance, which has been temporarily delayed as a result of the COVID-19 pandemic. Once this formal notification has been received, we expect to request New Cingular Wireless to release an additional $9.3 million from escrow.

In addition, on May 7, 2019, we received a letter from New Cingular Wireless formally notifying us of pending tax audits for pre-closing periods that were not included in the tax indemnity claims notices previously submitted by New Cingular Wireless against the Mexico escrow account. We were already aware of the tax audits referenced in the letter and had assumed their defense. The majority of the matters included in this letter are expected to be resolved when we receive the formal notification related to the five tax audits mentioned above. While we are required to indemnify New Cingular Wireless for any actual cash payments made to resolve any tax claims that may be asserted by the Mexican tax authorities from these audits, our position remains that New Cingular Wireless may not make a claim against the Mexico escrow account for any tax claims that may arise from these audits. In addition, New Cingular Wireless has indicated that it may continue to make additional claims for indemnification related to open audits in the future.

After the finalization of the five tax audits mentioned above, we have four open tax audits remaining to resolve, including two tax audits that are currently in Mexican tax court related to the $12.2 million of tax assessments mentioned above, for which we have not accrued any liabilities as the chance of loss is not probable. The third tax audit is related to Nextel Mexico's main operating company's tax return for the year 2014, for which we are not currently aware of any losses that are reasonably possible of occurring, and for which we have reached agreement with the Mexican tax authorities to settle this audit for no additional tax payments. The fourth audit relates to one specific deduction and will be contested in tax court. The amount being contested is approximately $3 million. That court process has not yet commenced.

There can be no assurance as to the outcome of the foregoing tax audits or indemnity claims or as to the ultimate timing of the release of the remaining escrow.

In addition, in connection with the Transaction, NII Holdings and AI Brazil entered into an agreement relating to the resolution of a dispute regarding the investment of funds received from the Nextel Mexico Sale Escrow. Under this agreement, the parties have agreed that AI Brazil will receive, the first $10.0 million recovered from the Nextel Mexico Sale Escrow followed by 6% of the value of additional funds recovered, in both cases, if and when funds are released. As of December 31, 2019, we have accrued $14.6 million related to this agreement.

Nextel Brazil Sale Escrow

As discussed in Note 1, in conjunction with the Transaction, $30.0 million of the proceeds were placed into an escrow account pursuant to the Transaction Escrow Agreement to secure NII's indemnification obligations under the Purchase Agreement with AMX (the "Nextel Brazil Sale Escrow"). AMX has until the 18-month anniversary of the closing date of the Transaction to assert any claims with respect to our indemnification obligations, which include certain tax matters among other terms. While we are not currently aware of any potential claims, there can be no assurance as to the ultimate amount of timing of any release from this escrow account.

Note 6 – Accrued Liquidation Costs, net

Accrued liquidation costs, net includes the following as of December 31, 2019 (amounts in thousands):

Estimated future interest income	$ 3,589
Estimated future operating expenses	(10,820)
	$ (7,231)

Estimated future interest income includes amounts anticipated to be earned related to both our cash and cash equivalents and our restricted cash. This amount is an estimate and can fluctuate as a result of changes in interest rates, changes in our assumptions with respect to timing and amount of escrow releases and timing and amount of future liquidating distributions, as well as other factors.

Estimated future operating expenses includes amounts anticipated to be spent related to employee costs, consulting expenses, legal fees, audit and tax compliance expenses, insurance costs, as well as costs related to the recovery of cash held in escrow. This amount is an estimate and can fluctuate as a result of changes in our assumptions with respect to the level of effort to complete the dissolution process and the level of effort related to the recovery of cash held in escrow, as well as other factors.

Note 7 – Legal Proceedings

On July 8, 2019, a purported stockholder class action was filed against the Company and the Company's directors in the Court of Chancery of the State of Delaware by Matis Nayman. The lawsuit is captioned Matis Nayman v. Kevin L. Beebe, James V. Continenza, Howard S. Hoffmann, Ricardo Knoepfelmacher, Christopher T. Rogers, Robert A. Schriesheim, Steven M. Shindler, and NII Holdings, Inc., C.A. No. 2019-0525-JTL. The complaint alleges, among other things, that the Company and its directors breached their fiduciary duties by failing to take steps to maximize the Company's value to its public stockholders and failing to disclose certain information in the proxy statement issued in connection with the Company's purchase agreement with AMX and AI Brazil and the Company's planned liquidation and dissolution. The relief the plaintiff seeks includes enjoining the sale of Nextel Brazil and the dissolution of NII Holdings, and the recovery of unspecified damages. On September 17, 2019, the defendants filed a motion to dismiss, and on October 16, 2019, the plaintiff filed an amended complaint. On November 21, 2019, the defendants filed a motion to dismiss the amended complaint, and on January 21, 2020, the plaintiff filed an answering brief. On February 19, 2020, the defendants filed a reply brief in further support of their motion to dismiss the amended complaint. Oral arguments are scheduled to be heard by the Court of Chancery on May 5, 2020. The Company and the named individuals intend to vigorously defend themselves in this matter.

In addition, we are subject to other claims and legal actions that may arise in the ordinary course of business. We do not believe that any of these pending claims or legal actions will have a material effect on our financial condition.

Note 8 – Reconciliation of Net Assets in Liquidation

The following table provides a reconciliation of our four primary sources of funding for shareholder distributions (cash on hand, and the three escrow accounts discussed in Note 5) to Net Assets in Liquidation (amounts in thousands):

	Cash and cash equivalents	Notes Escrow	Nextel Mexico Sale Escrow	Nextel Brazil Sale Escrow	Total
Balance on December 31, 2019	$ 181,971	$ 134,750	$ 103,537	$ 30,000	$ 450,258
Insurance and other receivables	1,307	-	-	-	1,307
Estimated future interest income	2,030	456	428	675	3,589
Accounts payable and accrued expenses	(9,288)	(1,941)	(31,388)	-	(42,617)
Estimated future operating expenses	(10,820)	-	-	-	(10,820)
Payments to repurchase Notes	-	(126,324)	-	-	(126,324)
Net assets in liquidation	$ 165,200	$ 6,941	$ 72,577	$ 30,675	$ 275,393