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ATTORNEYS FOR THE DEBTORS

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE:	§	
	§	
VARTEC TELECOM, INC., *et al.,*	§	**CASE NO. 04-81694-SAF-11**
	§	
DEBTORS.	§	**(Chapter 11)**
	§	**(Jointly Administered)**

NOTICE OF SALE PROCEDURES, AUCTION DATE, AND SALE HEARING
(SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS)

The above-referenced debtors and debtors in possession (collectively, the "Debtors")[1] filed their Expedited Motion for Order (A) Approving Sale Procedures and Bid Protections in Connection with Sale of Certain Assets; (B) Scheduling an Auction and Hearing to Consider Approval of the Sale; (C) Approving Notice Relating to Sale; and (D) Granting Related Relief (Sale of Substantially All of the Debtors' Remaining Assets) [Docket No. ____ (the "Procedures Motion") and their Motion for Authority to Sell Assets Free and Clear of All Liens, Claims, Rights, Interests, and Encumbrances and for Related Relief (Substantially All of the Debtors' Remaining Assets) [Docket No. ____] (the "Sale

[1] The Debtors include VarTec Telecom, Inc., Excel Communications Marketing, Inc., Excel Management Service, Inc., Excel Products, Inc., Excel Telecommunications, Inc., Excel Telecommunications of Virginia, Inc., Excel Teleservices, Inc., Excelcom, Inc., Telco Communications Group, Inc., Telco Network Services, Inc., VarTec Business Trust, VarTec Properties, Inc., VarTec Resource Services, Inc., VarTec Solutions, Inc., VarTec Telecom Holding Company, VarTec Telecom International Holding Company, and VarTec Telecom of Virginia, Inc.

Motion"). In the Sale Procedures Motion, the Debtors requested the entry of an Order (a) approving certain sale procedures and bidding protections in connection with the proposed sale (the "Sale") of certain assets (the "Assets"), by the Debtors to Leucadia National Corporation (the "Buyer"); (b) setting a date for an auction of the Assets; (c) setting a date for the hearing on the Sale Motion; (d) approving this proposed Notice of the Auction and Sale Hearing; (e) providing the Buyer with expense reimbursement and bidder protections; and (f) granting such other relief as is fair and equitable.

After a hearing on the Sale Procedures Motion on June __, 2005, the Court entered the Order (A) Approving Sale Procedures and Bid Protections in Connection with Sale of Certain Acquired Assets, (B) Scheduling an Auction and Hearing to Consider Approval of the Sale; (C) Approving Notice Relating to Sale; and (D) Granting Related Relief (Substantially All of the Debtors' Remaining Assets) (the "Procedures Order"), approving the Sales Procedures that are attached hereto as **Attachment 1**.

All requests for information concerning the Assets or the Sale Procedures should be directed in writing to Vinson & Elkins L.L.P., Attn.: William L. Wallander, Trammell Crow Center, 2001 Ross Avenue, Suite 3700, Dallas, Texas, 75201.

Dated: June ____, 2005

Respectfully submitted,

VINSON & ELKINS L.L.P.
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By: _____
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ATTORNEYS FOR THE DEBTORS

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CERTIFICATE OF SERVICE

This is to certify that on June ____, 2005, a copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Northern District of Texas. A separate certificate of service shall be filed with respect to those parties on the Clerk's list who do not receive electronic e-mail service. Further, the foregoing document will be served by first class United States mail, postage prepaid on all creditors, counterparties to the Debtors' executory contracts as set forth on the various Schedule G filed by each of the Sellers, parties requesting notice, official committees and their counsel, and parties asserting liens, claims or encumbrances against any of the Debtors' assets including any and all of the Acquired Assets (as defined in the Agreement).

_____
One of Counsel

ATTACHMENT 1