



ENTERED

TAWANA C. MARSHALL, CLERK
THE DATE OF ENTRY IS
ON THE COURT'S DOCKET

The following constitutes the order of the Court.

Signed November 5, 2004.


United States Bankruptcy Judge

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

IN RE:

VARTEC TELECOM, INC., *et al.*,

DEBTORS.

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§

CASE NO. 04-81694-SAF-11

(Chapter 11)
(Jointly Administered)

**A M E N D E D ORDER ESTABLISHING PROCEDURE
FOR MONTHLY AND INTERIM COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR CASE PROFESSIONALS**

On November 1, 2004, the Court considered the Motion to Establish Procedure for Monthly and Interim Compensation and Reimbursement of Expenses for Case Professionals [Docket No. 11] (the "Motion")¹ filed by the above-referenced debtors (the "Debtors"). The Court finds that the relief requested in the Motion is in the best interest of the Debtors' estates and creditors. The Court further finds that adequate notice of this Motion has been given and no other notice needs to be given. Therefore, it is

ORDERED that the Motion is **GRANTED**. It is further

¹ Capitalized terms not defined herein shall have the meaning given to them in the Application.

ORDERED that, except as may otherwise be provided in Court orders authorizing the retention of specific professionals, all professionals retained in the Debtors' chapter 11 cases (the "Professionals") may seek interim compensation in accordance with the following procedure:

(a) On or before the twentieth day of each month following the month for which compensation is sought, each Professional shall serve a detailed statement of services rendered and expenses incurred during the prior month upon (i) the Debtors at VarTec Telecom, Inc., (Attn: Michael J. Hoffman), 1600 Viceroy Drive, Dallas, Texas, 75235; (ii) the Debtors' counsel, Vinson & Elkins L.L.P. (Attn: Daniel C. Stewart and William L. Wallander) at 3700 Trammell Crow Center, 2001 Ross Avenue, Dallas, Texas 75201; (iii) the Committee's counsel, if any, at an address to be determined; (iv) the RTFC's counsel, Fulbright & Jaworski L.L.P. (Attn: Toby L. Gerber) at 2200 Ross Avenue, Suite 2800, Dallas, Texas, 75201; and (v) the United States Trustee, 1100 Commerce Street, Room 976, Dallas, Texas 75242 (collectively, the "Parties"). Each entity receiving a statement will have fifteen days after the date of receipt to review and raise written objections, if any, to each statement. At the expiration of the fifteen day objection period, the Debtors shall promptly pay eighty percent of the fees and one hundred percent of the out-of-pocket expenses identified in each monthly statement, except such fees or expenses as to which an objection may be served by one of the above-mentioned parties as provided in subparagraph (b) below.

(b) In the event that one of the Parties has an objection to the compensation or reimbursement sought in a particular monthly statement, within such fifteen days after the receipt of the statement, such Party shall serve upon the Parties, a written "Notice of Objection to Fee Statement," with a statement setting forth the precise nature of the objection and the amount at issue. Thereafter, the objecting Party and the Professional to whose statement an objection has been submitted shall attempt to reach an agreement regarding the correct payment to be made. If the parties are unable to reach an agreement on the objection within fifteen days after receipt of such objection, the Professional whose fee statement is subject to an objection shall have the option of (i) filing the objection, together with a request for payment of the disputed amount, with the Court, or (ii) foregoing payment of the disputed amount until the next interim fee application hearing, at which time the Court will consider and dispose of the objection if payment of the disputed amount is requested. However, the Debtors will be required to pay promptly that percentage set forth above of any portion of the fees and disbursements requested that are not the subject of a Notice of Objection to Fee Statement.

(c) The first statement shall be submitted by each of the Professionals by December 20, 2004, and shall cover the period from the Petition Date through November 30, 2004.

(d) Approximately every four months, on or before the thirtieth day following the last day of the compensation period for which

compensation is sought, each of the Professionals shall file with the Court and serve on the Parties, an application for interim Court approval and allowance of compensation and reimbursement of expenses incurred during the prior four months. The first such interim fee application shall be filed by each Professional on or before March 20, 2005, and shall cover the period from the Petition Date through February 28, 2005. Any Professional who fails to file an application when due as directed by this sub-paragraph shall be ineligible to receive further monthly or interim payments of fees or expenses as provided herein until such time as the application is submitted.

(e) The pendency of an objection or a Court order stating that payment of compensation or reimbursement of expenses was improper as to a particular monthly or interim statement shall not disqualify a Professional from the future payment of monthly and interim compensation or reimbursement of expenses as set forth above, except as otherwise directed by an Order of this Court.

(f) Neither the payment of, nor the failure to pay, in whole or in part, monthly or interim compensation and reimbursement as provided herein shall bind any party-in-interest, the United States Trustee or the Court with respect to the allowance of applications for compensation and reimbursement of Professionals.

(g) Notwithstanding the timing outlined above, for the first 120 days of the Cases, Vinson & Elkins L.L.P., Debtors' principal counsel, and

Hughes & Luce LLP, Debtors' special counsel, shall be authorized to file twice-monthly fee and expense statements; and it is further

ORDERED that the Debtors shall include all payments to Professionals on their monthly operating reports, detailed so as to state the amount paid to each of the Professionals.

IT IS FURTHER ORDERED that this order supercedes document nos. 94 and 95, both addressing the compensation procedure.

END OF ORDER

Upon entry, return copy to:

Richard H. London, SBT # 24032678

VINSON & ELKINS L.L.P.

3700 Trammell Crow Center

2001 Ross Avenue

Dallas, Texas 75201-2975

Tel: 214-661-7299

Fax: 214-220-7716

ATTORNEYS FOR THE DEBTORS

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Enterprise Systems Incorporated
11487 Sunset Hills Road
Reston, Virginia 20190-5234

CERTIFICATE OF SERVICE

District/off: 0539-3
Case: 04-81694

User: jblanco
Form ID: pdf019

Page 1 of 1
Total Served: 2

Date Rcvd: Nov 05, 2004

The following entities were served by first class mail on Nov 07, 2004.

aty +Abigail B. Willie, Vinson & Elkins, 3700 Trammell Crow Center, 2001 Ross Ave.,
Dallas, TX 75201-2998
aty +Richard H. London, Vinson & Elkins, 3700 Trammell Crow Center, 2001 Ross Ave.,
Dallas, TX 75201-2998

The following entities were served by electronic transmission.
NONE.

TOTAL: 0

***** BYPASSED RECIPIENTS *****

NONE.

TOTAL: 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
USPS regulations require that automation-compatible mail display the correct ZIP.

I, Joseph Speetjens, declare under the penalty of perjury that I have served the attached document on the above listed entities in the manner shown, and prepared the Certificate of Service and that it is true and correct to the best of my information and belief.

First Meeting of Creditor Notices only (Official Form 9): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Nov 07, 2004

Signature:

