



ENTERED

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

The following constitutes the order of the Court.

Signed July 14, 2005

United States Bankruptcy Judge

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

_____)	
In re)	Chapter 11 Case
VARTEC TELECOM, INC., <u>et al.</u> ,)	Case No. 04-81694-SAF-11
)	
Debtors.)	Jointly Administered
)	
_____)	

**ORDER APPROVING FIRST INTERIM APPLICATION OF
WHITE & CASE LLP, COUNSEL FOR THE OFFICIAL COMMITTEE OF
EXCEL INDEPENDENT REPRESENTATIVES, FOR ALLOWANCE
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES**

On this date, the Court considered the Application of White & Case LLP (“W&C”), Counsel for the Official Committee of Excel Independent Representatives, for Allowance of Compensation and Reimbursement of Expenses [Docket No. 1137] (the “Fee Application”). Upon consideration of the Fee Application, the objection of the above-referenced debtors and debtors in possession (the “Debtors”) in the above-captioned jointly administered chapter 11 cases (the “Cases”), the objection of the Rural Telephone Finance Cooperative (“RTFC”), and the objection of the Official Committee of Unsecured Creditors (“UCC”) (collectively, the “Objections”); and the Court having been advised that the Objections have been resolved

pursuant to the terms of this interim Order; and based upon the record in these Cases, the Court finds that the fees and expenses requested by W&C are reasonable, actual, and necessary and that good cause exists for the payment of W&C's fees and expenses to the extent, and subject to the reservation of rights, set forth in this interim Order. The Court further finds that notice of the Fee Application was proper and that no other or further notice is necessary. Therefore, it is

ORDERED that the Fee Application is **APPROVED** on an interim basis to the extent set forth herein; and it is further

ORDERED that W&C shall be allowed interim compensation of 70% of its fees in the amount of \$504,801.15 (the "Fees") and reimbursement of 100% of its expenses in the amount of \$70,489.49 (the "Expenses") requested in the Fee Application for the period from December 8, 2004 through February 28, 2005, excluding the Supplement to the Fee Application filed by W&C on or about May 19, 2005 (the "Supplement"); and it is further

ORDERED that approval and payment of the holdback amount of \$216,343.35 equal to 30% of W&C's fees requested in the Fee Application and the Supplement shall be considered by the Court in connection with W&C's final fee application in these Cases (the "Final Fee Application"); and it is further

ORDERED that the Debtors promptly shall pay W&C 70% of its Fees and 100% of its Expenses requested in the Fee Application in the aggregate amount of approximately \$575,290.64, less amounts previously paid to W&C by the Debtors with respect thereto; and it is further

ORDERED that this interim Order is without prejudice to any and all Objections to the Fee Application and the Supplement by the Debtors, RTFC and UCC, which objections are

reserved by such parties pending the Court's consideration of the Final Fee Application by W&C.

END OF ORDER