



ENTERED

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

The following constitutes the order of the Court.

United States Bankruptcy Judge

Signed October 4, 2005

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

-----X		
In re:	:	Chapter 11
	:	
VARTEC TELECOM, INC., et al.,	:	Case No. 04-81694-HDH-11
	:	
Debtors.	:	Jointly Administered
-----X		

**ORDER GRANTING THIRD AND FINAL APPLICATION FOR ALLOWANCE
OF FEES AND REIMBURSEMENT OF EXPENSES OF HOULIHAN LOKEY
HOWARD & ZUKIN CAPITAL AS INVESTMENT BANKER
TO THE DEBTORS FOR THE PERIOD
DECEMBER 8, 2004 THROUGH AUGUST 18, 2005**

This matter coming before the Court on the Third and Final Application for Allowance of Fees and Reimbursement of Expenses of Houlihan Lokey Howard & Zukin Capital as Investment Banker to the Debtors For The Period December 8, 2004 through August 18, 2005 (the "Application"); the Court having reviewed the Application and all pleadings relating thereto; and the Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein;

THE COURT HEREBY FINDS THAT:⁽¹⁾

- A. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334.
- B. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A).
- C. The Application complies, as applicable, with the requirements of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules for the Bankruptcy Court for the Northern District of Texas and the Orders of this Court.
- D. Houlihan Lokey's requested final compensation for services rendered in connection with its representation of the Debtors during the Application Period is reasonable and appropriate under sections 328 and 331 of the Bankruptcy Code.
- E. Houlihan Lokey's expenses incurred during the Application Period for which it seeks reimbursement were actual and necessary expenses under sections 330(a)(1)(B) and 331 of the Bankruptcy Code.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

- 1. The Application is GRANTED.
- 2. Houlihan Lokey's request for a final allowance of compensation of 100% of \$2,908,977.09 and reimbursement for 100% of expenses of \$94,862.06 for the Application Period is hereby approved.
- 3. The Debtors are hereby authorized and directed to pay Houlihan Lokey the foregoing approved fees and expenses not already paid in the amount of \$296,794.51 subject to the Court's approval of a debtor in possession financing agreement authorizing or providing for the payment of same in a budget attached thereto.
- 4. The terms of paragraph 6 of the Agreed Order Granting Second Interim

⁽¹⁾ Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Application.

Application for Allowance of Fees and Reimbursement of Expenses of Houlihan Lokey Howard & Zukin Capital as Investment Banker to the Debtors for the Period March 8, 2005 through August 18, 2005 [Docket No. 1881] are incorporated herein by reference.

1021637_1.DOC

END OF ORDER

After entry, return copy to:

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