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**ATTORNEYS FOR THE DEBTORS**

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

<b>IN RE:</b>	§	
	§	
<b>VARTEC TELECOM, INC., et al.,</b>	§	<b>CASE NO. 04-81694-HDH-11</b>
	§	
<b>DEBTORS.</b>	§	<b>(Chapter 11)</b>
	§	<b>(Jointly Administered)</b>

**EX PARTE MOTION TO FILE UNDER SEAL STATEMENT OF ADDITIONAL TERMS  
TO RTFC ADMINISTRATIVE DEBTOR IN POSSESSION CREDIT AGREEMENT**

**TO THE HONORABLE BANKRUPTCY JUDGE:**

The above-referenced debtors and debtors in possession (collectively, the “Debtors”)<sup>1</sup> file this *Ex Parte* Motion to File Under Seal Statement of Additional Terms to RTFC Administrative Debtor in Possession Credit Agreement (the “Sealing Motion”) and show as follows:

**JURISDICTION AND PROCEDURAL BACKGROUND**

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334 and 157. This Motion concerns the administration of the estate and, therefore, is a core

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<sup>1</sup> 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.

proceeding pursuant to 28 U.S.C. § 157(b)(2)(A).

2. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. On November 1, 2004 (the "Petition Date"), the Debtors each filed a voluntary petition for relief (collectively, the "Cases") under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").

4. Since the Petition Date, the Debtors have continued to operate and manage their businesses as debtors in possession pursuant to Bankruptcy Code §§ 1107(a) and 1108.

### **FACTUAL BACKGROUND**

5. At the hearing on October 18, 2005 (the "Hearing"), the Court approved the Debtors' execution of an Administrative Debtor In Possession Credit Agreement (the "Agreement"). At the Hearing, the Agreement, including a redacted Statement of Additional Terms, was admitted as an exhibit. Because the Statement of Additional Terms contain sensitive information, the Debtors orally moved to file the Statement of Additional Terms under seal with the Court. At the Hearing, the Court approved the filing of the Statement of Additional Terms under seal, and admitted the Statement of Additional Terms as Exhibit 6a. To comply with local practice for the sealing of documents, the Debtors request that the Court enter an Order approving the requested sealing of documents.

### **RELIEF REQUESTED**

6. The Debtors request that the Court permit them to file the Statement of Additional Terms under seal pursuant to Bankruptcy Code §§ 105 and 107(b) and Rule

9018 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"). 11 U.S.C. § 107; FED. R. BANKR. P. 9018.

7. The Statement of Additional Terms contains information relating to time periods for the lender's foreclosure on prospective litigation against the Debtors' directors and officers, which if disclosed, could impair the recovery on that litigation.

8. Copies of the Statement of Additional Terms have been provided to counsel for the RTFC and counsel for the Official Committee subject to each party's existing confidentiality agreement.

### **PRAYER**

The Debtors respectfully request that this Court enter an order authorizing the Debtors to file the Statement of Additional Terms under seal. The Debtors also request such other and further relief to which they may be entitled.

Dated: October 19, 2005

Respectfully submitted,

**VINSON & ELKINS L.L.P.**

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By: /s/ Richard H. London  
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## **CERTIFICATE OF SERVICE**

This is to certify that on October 19, 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.

/s/ Richard H. London

One of Counsel

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