

## ACCOUNT PURCHASE AND SALE AGREEMENT

**Seller: Excel Telecommunications, Inc.**

**Purchaser: Genesis Financial Solutions, Inc.**

**Date of Agreement: December 20, 2005**

**Closing Date: Effective Date of Court Approval (See Definition Below)**

THIS ACCOUNT PURCHASE AND SALE AGREEMENT ("Agreement") is made by and between the Seller listed above (referred to as "Seller") and the Purchaser listed above ("Purchaser").

### RECITALS:

WHEREAS, Seller owns and desires to sell certain Charged Off Accounts; and

WHEREAS, Purchaser has agreed to purchase such Charged Off Accounts from Seller on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and Agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser agree as follows:

- I. Definitions. For purposes of this Agreement, the following terms have the following respective meanings:

"Account" means an account receivable due to Seller prior to the Cut-Off Date that is an asset of Seller (or that would be an asset if not charged off).

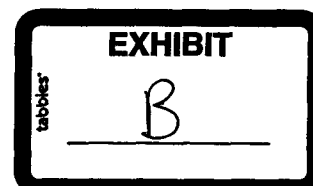
"Account Documentation" means any and all available documents and instruments, whether originals or photocopies, in the possession of or obtainable by the Seller pertaining to an Account. Documentation may or may not be available on individual accounts.

"Adjustment Amount" means the portion of the Purchase Price allocated to the balance of any Account that is: (a) increased or decreased as described in Section II.B.1 (b) retained by Seller and not transferred to Purchaser pursuant to Section II.B.2.

"Customer" means the person who is obligated to repay an Account or if there are multiple persons obligated to repay an Account, all such persons collectively.

"Charged Off Account" means an Account that has been charged off on or prior to February 28, 2005 per the Seller's policy for writing off delinquent Accounts.

"Closing Date" means the date within three (3) business days of the entry of a court order and approval of this Agreement by the court in accordance with Addendum A.



“Confidential Information” means portfolio or account data, consumer financial data or credit information, account histories, and any nonpublic personal information as defined by any of the Fair Debt Collection Practices Act, the Fair Credit Reporting Act and the Gramm-Leach-Bliley Act.

“Cut-Off Date” means Tuesday, December 20, 2005.

“Non-Qualifying Account” means a Charged Off Account that is not eligible for sale due to settlement, bankruptcy, death occurring prior to the Cut-Off Date or due to the Charged-Off Account being subject to a lien or other claim in favor of a third party or having been placed for collection or litigation and not having been withdrawn prior to the Closing Date.

“Purchase Price” means the amount payable by Purchaser to Seller for the Purchased Accounts as set forth in Schedule A, which is incorporated into this Agreement by this reference. The Purchase Price is subject to a Pre-Closing Adjustment as set forth in Section II.B.

“Purchased Accounts” means the Charged Off Accounts transferred to Purchaser pursuant to Section II.A.

“Unpaid Balance” means as to any Purchased Account, the total outstanding unpaid balance as of the Cut-Off Date including any fees and finance charges assessed prior to charge off by the Seller. The Unpaid Balance does not include attorney’s fees or interest assessed by Seller.

## II. Purchase and Sale of Accounts; Closing.

A. Subject to the terms and conditions of this Agreement, on the Closing Date, Seller will sell, assign and transfer to Purchaser, and Purchaser will purchase all Seller’s rights, title and interest in and to the Purchased Accounts as of the applicable Cut-Off Date.

B. Pre-Closing Adjustment. If necessary, the Purchase Price shall be adjusted to reflect any changes in the status of the Purchased Accounts as of the Cut-Off Date, as follows:

1. A change in the balance of any Purchased Account from the balance shown in the data file(s) represented in Schedule A and Schedule A-1 provided to Purchaser; and
2. Retention by the Seller of any Account that on the Cut-Off Date, (i) to the Seller’s knowledge is a Non-Qualifying Account, or (ii) the Seller determines that there is a pending or threatened suit, arbitration, bankruptcy proceeding or other legal proceeding or investigation relating to an Account, or the Seller otherwise determines (in its sole discretion) that such matter cannot be resolved and/or that the Seller’s interest therein cannot be adequately protected without the Seller owning such account. (iii) removal of any accounts that through payment activity fall below the minimum balance of \$50.00 (fifty dollars), or accounts that make significant payments.

The Purchase Price will be adjusted by the Adjustment Amount associated with any balance or Account described above. The Seller will notify the Purchaser of the adjusted Purchase Price prior to the Closing Date based on a rate of 3.00% (three point zero percent) of the account value.

C. In consideration for the sale by Seller to Purchaser of Purchased Accounts, as provided in Section II.A., Purchaser agrees to pay the adjusted Purchase Price into the account identified in

Schedule C-2 as of the Closing Date. Payment of the adjusted Purchase Price shall be made by wire transfer to the account specified by Seller, in funds immediately available to Seller on the Closing Date.

D. On the Closing Date, Seller shall deliver to Purchaser an Assignment and Bill of Sale substantially in the form of Schedule C executed by the Seller's authorized representative. This Assignment and Bill of Sale shall sell, transfer, assign, set over, quitclaim and convey, in each case without recourse, to Purchaser all right, title, and interest of Seller in and to each of the Purchased Accounts as of the Closing Date. Purchaser will not contact any Customers or attempt collections on any Purchased Accounts until after the Closing Date.

E. On the Closing Date, Seller shall deliver to Purchaser an electronic listing of applicable data fields pertaining to the Purchased Accounts. See Schedule A-1 for a list of the data field requirements.

F. Closing may occur via facsimile, with original signatures to follow, or at such place as shall be mutually agreed to between the parties. The parties agree that the closing may take place in counterparts. The undersigned acknowledge and hereby agree that Agreements and signatures transmitted by electronic facsimile have the same legal effect as signatures on originals or copies.

III. Covenants of Seller. Each Seller makes the following covenants only with respect to the Purchased Accounts that it has contributed to the sale.

A. In compliance with the Fair Credit Reporting Act, Seller will promptly notify each of the credit bureaus it uses that the Purchased Accounts have been sold, to the extent that each bureau provides such reporting and to the extent that the Purchased Accounts have been previously reported to such bureaus.

B. Seller will report to Purchaser all amounts that it identifies as attributable to any net payments on the Purchased Accounts received by Seller after execution of the Bill of Sale effective the Cut-Off Date. Seller shall remit such payments on a weekly basis. Seller, at its option, will either (i) forward net payment received from a Customer or other remitting entity on a Purchased Account directly to Purchaser, endorsing such payment without recourse to the order of Purchaser, or (ii) issue Seller's check or other payment for any net payments received from a Customer which have been deposited by Seller. If Seller issues its own check or other payment for a Customer payment, Purchaser shall retain the risk that such Customer payment deposited by the Seller shall be returned unpaid by Customer's bank. Within ten (10) days after Seller notifies Purchaser that a payment made by or on behalf of a Customer has been returned unpaid, Seller will deduct the amount of the unpaid payment from the current week trailing activity, or Purchaser will remit to Seller the amount of such returned payment. Net payment is defined as total amount received by Seller excluding any applied fees (if any), such as in the case payment is received from an Outside Collection Agency to whom the account had been previously assigned on a contingency basis.

C. Promptly following the Closing Date, Seller will mark all accounts as sold on its system as of the Cut-Off Date. Seller will use reasonable efforts to forward to Purchaser any correspondence or other written communications received on a Purchased Account after the Closing Date.

D. After the Closing Date, Seller will use commercially reasonable best efforts to forward any inquiries made by a Customer on a Purchased Account to the Purchaser, using the contact information provided to the Seller by the Purchaser.

E. Within ninety (90) days of the Closing Date, Purchaser has the right to submit any Purchased Account found by Purchaser to be a Non-Qualifying Account as defined above. Bankrupt or deceased Purchased Accounts must be identified through a third-party vendor and submitted electronically with the filing date, case number, or other proof as mutually agreed upon by the Seller and Purchaser. Purchased Accounts not eligible for sale due to settlement in full prior to the Closing Date may be submitted along with supporting documentation to the Seller for repurchase. Non-Qualifying Accounts will be repurchased by the Seller at the rate (Purchase Price/Purchased Balances) described in Schedule A, times the account balance, minus any payments Purchaser may have received on the Account. Purchaser may submit Non-Qualifying Accounts no more than once per month. Seller will have thirty (30) days to review and approve such Accounts for repurchase, and shall remit the balance paid to the Purchaser with Account level detail for the approved Non-Qualifying Accounts. Purchaser agrees to ensure all Accounts proven to be Non-Qualifying Accounts are closed and returned to the Seller.

F. Seller retains the right to repurchase Purchased Accounts only which are subject to any litigation, lien or other claim against the Seller in favor of a third party including having been placed for collection and not having been withdrawn from collection prior to the Closing Date as sold in error accounts. Seller will submit any such request immediately upon discovery. Upon receipt of Purchaser's notification that the Purchased Account has been closed and returned to Seller, Seller will refund the Purchase price for such Purchased Account to the Purchaser in accordance with the pricing indicated in Schedule A.

G. Seller consents to Purchaser's filing, at its own expense, in any appropriate office, UCC financing statement(s), and addendums, amendments or continuation or termination statements thereto, necessary to perfect the sale of the Purchased Accounts by the Seller to the Purchaser. Upon request of Purchaser, Seller will execute and deliver to Purchaser reasonable financing statements prepared by Purchaser on Form UCC-1, substantially in the form of the attached Model Financing Form (Schedule E), subject to any specific requirements of the particular state or county in which such form or addendum is to be filed or requests by Purchaser, covering the Accounts sold hereunder, and Seller shall take all commercially reasonable steps and execute and deliver all documents and instruments reasonably requested by Purchaser to vest in Purchaser good and valid sole title to the Purchased Accounts, and to permit Purchaser to collect the Purchased Accounts in accordance with applicable law. Purchaser agrees to pay for or reimburse Seller for associated filing fees.

#### IV. Covenants of Purchaser.

A. Purchaser will not communicate with any Customer or otherwise take any action with respect to any Purchased Account or any Customer until the Closing Date. Seller shall approve a copy of any communications mailed to Customers within sixty days of closing prior to being sent; such approval shall not be unreasonably withheld. Seller is not responsible for advising Customers that the Purchased Accounts have been transferred to Purchaser, and Seller is not liable for costs associated with Purchaser's correspondence with Customers.

B. Purchaser agrees that after the Closing Date it will handle any Customer inquiries directly with the Customer and not refer any Customer with an inquiry on a Purchased Account to the Seller. In the event that Purchaser needs information from Seller in order to resolve the inquiry, Purchaser shall contact Seller (subject, however, to the limitations set forth in Section 5).

C. In the performance of its collection efforts on the Purchased Accounts, Purchaser agrees at all times to use its best efforts to comply with all requirements of all applicable Federal, State, and local law, rules and regulations applicable to the conduct of such activities. These include but are not limited by the requirements of the Fair Debt Collection Practices Act (15 U.S.C. Section 1692 *et seq.*), the

Fair Credit Reporting Act (15 U.S.C. §§ 1681 *et seq* ), and the Gramm-Leach-Bliley Act (15 U.S.C . §§ 6801 *et seq*) and regulations promulgating there under. Purchaser shall not take any enforcement action against any Customer that would be prohibited by law. Purchaser shall not misrepresent, mislead, deceive, or otherwise fail to adequately disclose to any particular Customer or guarantor the identity of Purchaser as the owner of the Purchased Accounts.

D. Except for information that is matter of public record, Purchaser shall not, during the term of this Agreement or at any time thereafter, disclose any Confidential Information to any person or use any Confidential Information for the benefit of Purchaser or any other person, except with the prior written consent of Seller or as required by applicable law or in connection with reporting to credit bureaus in the ordinary course of Purchaser's business.

V. Documentation and Customer Files.

A. Purchaser may request Seller to provide Last Billed Invoice images for the purposes of Purchased Account dispute resolution. Seller agrees to provide a maximum of one hundred (100) inquiries per calendar week for the initial ninety (90) days from the Closing Date and a maximum of twenty (20) inquiries per calendar week for one hundred eighty (180) days thereafter at no cost to Purchaser. Seller reserves the right to reject additional inquiries or to process additional inquiries at a rate of \$10.00 per inquiry. Seller shall use commercially reasonable best efforts to fulfill inquiry requests; however, images may not be available for certain Purchased Accounts. Available images shall be furnished within four (4) business days from the date of request for the initial 90-day period, and ten (10) business days from the date of request for the 180-day subsequent period.

B. If Seller cannot provide or deliver the requested Account Document(s), or information, Purchaser may prepare and Seller shall execute an affidavit, at a cost to the Purchaser of \$1.00 per affidavit, which is identical to the form set forth in Schedule B. Purchaser may request no more than three (3) affidavits per 30-day period not to exceed the first the first 90 days. Thereafter, additional affidavits shall be furnished to Purchaser on a reimbursable basis.

VI. Representations and Warranties of Seller.

Seller represents and warrants, as of the date hereof and as of the Closing Date, that:

A. Seller is a corporation duly formed, validly existing and in good standing under the laws of the State of Texas, and subject to Addendum A has the full power, authority and legal right to execute and deliver, engage in the transactions contemplated by, and perform and observe the terms and conditions of this Agreement. Subject to Addendum A, Execution and delivery of this Agreement and performance of Seller's obligations hereunder have been duly authorized by all necessary corporate action and do not and will not violate, conflict with or result in a breach of any of the terms, conditions and provisions of Seller's articles of association or by-laws, any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award, or any material Agreement or instrument to which Seller is a party or by which it or its properties are bound or affected or constitute a default thereunder.

B. Assuming the due authorization, execution and delivery of this Agreement by Purchaser, this Agreement constitutes the legal, valid and binding obligations of Seller, enforceable against Seller in accordance with the terms of this Agreement, except as such enforcement may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally, and by principals of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law), and no consent, approval, license, exemption or authorization of, or filing

or registration with, any governmental body, which has not been made or obtained, is or will be required in connection with the execution and delivery of this Agreement or the performance by Seller of its obligations hereunder.

C. Seller represents that Seller has good and valid title to, and is the sole owner of, the Purchased Accounts, and owns the Purchased Accounts.

D. Each Purchased Account is a valid, genuine and existing Account obtained through the ordinary course of business. To the best of the knowledge of Seller, none of the Customers are deceased or have commenced any bankruptcy, reorganization or insolvency proceedings, state or federal, or proceedings under any other act or law pertaining to debtor relief. No Account was assessed interest or additional costs or fees after charge-off by the Seller or any entity that preceded Seller's interest in the accounts. The Unpaid Balances on the Purchased Accounts and last payment date information are true and accurate. The Purchased Accounts designated hereunder shall have been charged-off pursuant to Seller's usual and customary business practices. There is not now pending or, to the best of the knowledge of Seller, threatened, any litigation, claim, arbitration or governmental proceedings against Seller, which would affect the Purchased Accounts, except as otherwise indicated in Addendum A, Statement of Legal Proceedings. There are no judgments, decrees, or consent orders outstanding, which relate to the collection of the Purchased Accounts. No attorney or collection agency or other party has any claim to any of the proceeds from collection of the Purchased Accounts being sold to Purchaser hereunder.

E. Seller represents that the Purchased Accounts have been collected in a manner that complies with all relevant laws and regulations. All requirements of federal, state, or local law and all orders, decrees, settlements or judgments entered by a court of competent jurisdiction or governmental authority that are applicable to Seller's origination, ownership, enforcement, servicing and collection of each Purchased Account have been complied with, including without limitation those pertaining to truth-in-lending, consumer credit protection, disclosure, debt collection and sales financing, where applicable.

F. Seller acknowledges that the bid (forming the basis for the Purchase Price) was determined, in part, by Purchaser in reliance upon the tape of Charged Off Accounts presented to Purchaser prior to the date of this Agreement, and accordingly Seller and its agents have not removed any of the Charged Off Accounts, except as stipulated in Section II.B., or otherwise altered the characteristics or attributes of such Charged Off Accounts since presented to Purchaser, and Seller agrees to deliver such Charged Off Accounts as constitute Purchased Accounts on the Closing Date.

G. Charged Off Accounts to be sold pursuant hereto were not selected for this sale as a result of any adverse selection or credit scoring by or by any party on behalf of Seller.

VII. Representations and Warranties of Purchaser. Purchaser hereby represents and warrants, as of the date hereof and as of the Closing Date that:

A. Purchaser is a sophisticated investor, has knowledge and experience in financial and business matters that enable it to evaluate the merits and risks of the transaction contemplated by this Agreement. Purchaser has relied on its own investigation and has not relied upon any statements other than those specifically contained in this Agreement.

B. Purchaser is a corporation duly formed, validly existing and in good standing under the laws of the State of Delaware, and has the full power, authority and legal right to execute and deliver, engage in the transactions contemplated by, and perform and observe the terms and conditions of, this Agreement.

C. Assuming the due authorization, execution and delivery of this Agreement by Seller, this Agreement constitutes the legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law).

#### VIII. Use of Seller's Name.

A. In any litigation or other enforcement action that Purchaser takes to collect the monies owed on the Purchased Accounts, Purchaser shall use its own name and shall not name Seller, the Seller, or any affiliate or subsidiary thereof, as plaintiff or in any other way in the caption of the action.

B. Purchaser shall not use the name of Seller, the Seller, or any of Seller's or Seller's subsidiaries or affiliates or make reference to Seller or any such entities, in any way in its collection of the Purchased Accounts; provided, however, the Purchaser may refer to a Purchased Account in the body of a collection letter or when communicating with a debtor as an account purchased from Seller.

C. Purchaser agrees, acknowledges, confirms and understands that there may be no adequate remedy at law for a violation of the terms, provisions, conditions and limitations set forth in this section, and Seller shall have the right to seek the entry of an order by a court of competent jurisdiction enjoining any violation of this Section.

#### IX. Indemnification.

A. From and after the Closing Date, Purchaser shall indemnify and hold harmless Seller from and against any and all liability, losses, costs, damages, and expenses (including, without limitation, reasonable attorneys' fees and costs) which Seller may incur or suffer as a result of, or in any way related to, (i) any act or omission of Purchaser or Purchaser's agents or transferee in connection with the Purchased Accounts, (ii) the inaccuracy of any of Purchaser's representations or warranties herein, (iii) the breach of any of Purchaser's covenants herein. Purchaser shall have the right to employ separate counsel at Purchaser's own expense and to participate in the defense of any action or proceeding with respect to which Purchaser is obligated to indemnify Seller. Seller shall not compromise any claim without the prior written consent of Purchaser, which consent shall not be unreasonably withheld or delayed.

B. From and after the Closing Date, Seller shall indemnify and hold harmless Purchaser from and against any and all liability, losses, costs, damages, and expenses (including, without limitation, reasonable attorneys' fees and costs) which Purchaser may incur or suffer as a result of, or in any way related to, (i) any act or omission of Seller or Seller's agents in connection with Purchased Accounts, (ii) the inaccuracy of any of Seller's representations or warranties herein, (iii) the breach of any of Seller's covenants herein. Seller shall have the right to employ separate counsel at Seller's own expense and to participate in the defense of any action or proceeding with respect to which Seller is obliged to indemnify Purchaser. Purchaser shall not compromise any claim without the prior written consent of Seller, which consent shall not be unreasonably withheld or delayed.

C. In no event shall either party be liable to the other hereunder for indirect,

incidental, exemplary, punitive, consequential or similar special damages of any kind, whether based on contract, tort, warranty or any other legal or equitable ground even if such party has been advised of the possibility of such damages.

D. In no event shall a claim be brought against either party for indemnification pursuant to Sections IX. A and B above at any time on or after the second anniversary of the Closing Date.

X. Miscellaneous.

A. Nothing in this Agreement is intended to or shall be construed to constitute or establish an agency, joint venture, partnership or fiduciary relationship between Purchaser and Seller.

B. Unless provided otherwise, notice and other communications required or permitted under this Agreement shall be in writing and given by certified mail return receipt requested, delivered by Federal Express or similar carrier for next day delivery or delivered personally to the party at the address set forth at the end of this Agreement.

C. This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof and supersedes all prior written and oral proposals, understandings, Agreements and representations, all of which are merged herein. No amendment or modification of this Agreement shall be effective unless in writing and executed by each of the parties hereto.

D. No waiver by either party of any condition or of any breach of any term, representation, warranty or covenant under this Agreement, whether by conduct or otherwise, will be deemed to be a further or continuing waiver of any such conditions or breach or a waiver of any other condition or breach.

E. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. This Agreement may not be assigned by either party, in whole or in part, without the prior written consent of the other party. Consent will not unreasonably be withheld by either party.

F. If any provision of this Agreement is void, invalid or unenforceable, either in whole or in part, that invalidity or unenforceability will not affect the validity or enforceability of any other provision hereof.

G. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Texas.

H. The transaction contemplated by this Agreement does not involve, nor is it intended in any way to constitute, the sale of a "security" or "securities" within the meaning of any applicable securities laws, and none of the representations, warranties or Agreements of Purchaser shall create any inference that the transactions involve any "security" or "securities".

I. This Agreement is for the sole and exclusive benefit of the parties hereto, and none of the provisions of this Agreement shall be deemed for the benefit of any other person or entity.

J. This Agreement shall supersede all others.



K. The prevailing party in any litigation arising out of or relating to this Agreement shall be entitled to recover its reasonable attorneys' fees and costs incurred in such litigation.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first above written.

GENESIS FINANCIAL SOLUTIONS, INC.  
"PURCHASER":

EXCEL TELECOMMUNICATIONS, INC.  
"SELLER:"

By: 

By: \_\_\_\_\_

Name: Charlie Burrows

Name: \_\_\_\_\_

Title: SVP Marketing & Debt Recovery

Title: \_\_\_\_\_

Date: December 22, 2005

Date: \_\_\_\_\_

**Purchaser's Address for Notices:**

**Seller's Address for Notices**

Genesis Financial Solutions, Inc.  
8405 SW Nimbus Avenue, Suite A  
Beaverton, OR 97008-7185

Excel Telecommunications, Inc.  
2440 Marsh Lane  
Carrollton, TX 75006

Attn: Legal Dept.

Attn: Sr. Director, Contracts & Purchasing

## Schedule A

Pursuant to Section II.B, these amounts are subject to Pre-Closing Adjustment:

Accounts	10,348
Balances	\$10,074,292
Purchase Price (as a % of Current Balance)	3.00%
Purchase Price (as \$)	\$302,229
Return/Repurchase Rate	Same as Purchase Price: 3.00%

## **Schedule A-1**

### **Data Requirements**

1. Sentori Account Number / ID (unique Identifier)
2. Wireless Telephone #
3. Company Type
4. Account Origination Date (open date)
5. Account Termination Date
6. Account Write-Off Date
7. Last Bill Date
8. Last Payment Date
9. Total Write-Off Amount
10. Account Status
11. Social Security #
12. Credit Limit
13. Credit Rating
14. Rate Plan
15. Billing Address 1
16. Billing Address 2
17. Billing City
18. Billing State
19. Billing Zip Code

**Schedule B**

Affidavit of Debt

I am the <<title>> for \_\_\_\_\_ (the "Seller"), which owned the account of the customer named below under the account number specified. The statements in this affidavit are based on the computerized and hard copy books and records of the Seller, maintained in the ordinary course of business the entries having been made by a regularly operated business. The affiant is authorized to make the statements and representations herein.

Customer Name: \_\_\_\_\_  
Account #: \_\_\_\_\_

A computerized open date, ending balance and last payment date were maintained on the Seller's database. The balance purchased from \_\_\_\_\_ was \$ \_\_\_\_\_. The ending balance on our books and records on \_\_\_\_\_, the date that all right, title and interest was transferred to \_\_\_\_\_ (the "Purchaser") under the terms of a Purchase Agreement was \_\_\_\_\_. To the best of the affiant's knowledge, information and belief, there were no un-credited payments, just counterclaims or offsets against such debt at that time.

DATE this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Name:

Duly sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_ 200\_\_\_\_.

Notary Public

My commission expires: \_\_\_\_\_

**Schedule C**

ASSIGNMENT AND BILL OF SALE

For value received and pursuant to the terms and conditions of the Purchase Agreement between Excel Telecommunications, Inc. ("Seller") and Genesis Financial Solutions, Inc. ("Purchaser"), dated \_\_\_\_\_, Seller does hereby absolutely convey, transfer and assign to Purchaser all right, title and interest of Seller in and to those certain receivables, judgments or evidences of debt (the "Purchased Accounts"), described in Schedule A attached hereto and made a part hereof for all purposes, together with the right to collect all principal, interest, or other proceeds of any kind that may be due and owing as of the Closing Date with respect to the Purchased Accounts.

Capitalized terms shall have the meaning set forth in the Agreement.

This Bill of Sale is executed without recourse except as stated in the Agreement.

DATED: \_\_\_\_\_

Seller: Excel Telecommunications, Inc.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Schedule C-2**

Funds Transfer Request

Transaction Date:  
Amount:

Bank Name:

Attn:

Bank Address:

ABA Number:

Credit to Account:
Account Number:

**Schedule D**

**POWER OF ATTORNEY**

**KNOW ALL PEOPLE BY THESE PRESENTS:**

The undersigned ("Principal"), hereby constitutes and appoints \_\_\_\_\_ ("Agent") as its true and lawful agent and attorney in fact to act in its name and stead or on its behalf with authority to do the following acts with respect to Accounts and related rights which Agent purchased from Principal, set forth and described in the Schedule attached hereto, (the contracts and related rights are referred to herein as the "Property"):

1. Agent can receive, endorse and collect all payments made payable to or owed to Principal in connection with the Property, including, but not limited to, any payments received from a Chapter 7 or Chapter 13 bankruptcy trustee.
2. Agent can enforce, release, modify and transfer the rights and interests granted to Principal with respect to the Property, which on their face give Principal rights regarding the Property, including, but not limited to, rights with respect to insurance policies, motor vehicles, certificate of title and motor vehicle liens.
3. Agent can receive and endorse, on Principal's behalf, any certificate of title related to the Property for purposes of transferring Principal's lien to Agent.

*This power of attorney is coupled with an interest and cannot be terminated by Principal.*

This power of attorney is made on \_\_\_\_\_.

Principal: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

I, \_\_\_\_\_, a Notary Public in and for said County, in the State aforesaid, do hereby certify that the persons personally know to me to be the same person whose names are subscribed to the foregoing instrument have appeared before me this day in person and acknowledged that he/she signed and delivered such instrument as their free and voluntary act for the uses and purposes therein set forth.

Given under my hand and official seal this \_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
Notary Public  
State of: \_\_\_\_\_  
Commission Expires: \_\_\_\_\_

Schedule E

Model Financing Statement

**UCC FINANCING STATEMENT**  
**FOLLOW INSTRUCTIONS (front and back) CAREFULLY**

**A. FILER'S NAME OR CONTACT BY FILER (optional)**

**B. SECURED PARTY'S NAME (Name and Address)**

**THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY**

**1. DEBTOR'S EXACT FULL LEGAL NAME -** *Mean only; use correct name (18 or 19) - do not abbreviate or capitalize names*

**1a ORGANIZATION'S NAME**

**OR**

<b>1b INDIVIDUAL'S LAST NAME</b>	<b>1c FIRST NAME</b>	<b>1d MIDDLE NAME</b>	<b>1e SUFFIX</b>
<b>1f MAILING ADDRESS</b>	<b>1g CITY</b>	<b>1h STATE</b>	<b>1i POSTAL CODE</b>
<b>1j COUNTRY</b>			

**1k**  **ADDRESSES ORGANIZATION DEBTOR**    **1m TYPE OF ORGANIZATION**    **1n JURISDICTION OF ORGANIZATION**    **1o ORGANIZATIONAL ID # (if any)**     **NONE**

**2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME -** *Mean only; use correct name (2b or 2c) - do not abbreviate or capitalize names*

**2a ORGANIZATION'S NAME**

**OR**

<b>2b INDIVIDUAL'S LAST NAME</b>	<b>2c FIRST NAME</b>	<b>2d MIDDLE NAME</b>	<b>2e SUFFIX</b>
<b>2f MAILING ADDRESS</b>	<b>2g CITY</b>	<b>2h STATE</b>	<b>2i POSTAL CODE</b>
<b>2j COUNTRY</b>			

**2k**  **ADDRESSES ORGANIZATION DEBTOR**    **2m TYPE OF ORGANIZATION**    **2n JURISDICTION OF ORGANIZATION**    **2o ORGANIZATIONAL ID # (if any)**     **NONE**

**3. SECURED PARTY'S NAME (or NAME of TOTAL ADDRESSES OF ASSURED SP1 - mean only; use secured party name (3a or 3b))**

**3a ORGANIZATION'S NAME**

**OR**

<b>3b INDIVIDUAL'S LAST NAME</b>	<b>3c FIRST NAME</b>	<b>3d MIDDLE NAME</b>	<b>3e SUFFIX</b>
<b>3f MAILING ADDRESS</b>	<b>3g CITY</b>	<b>3h STATE</b>	<b>3i POSTAL CODE</b>
<b>3j COUNTRY</b>			

**4. THIS FINANCING STATEMENT CANNOT BE RECORDED UNLESS**

**5. ACCEPTED FOR FILING (check all that apply)**     **LIBRARY RECEIPT**     **COMMERCIAL ORIGINATOR**     **WALK-IN MAILBOX**     **FILE COPY # 1000**     **42, 42A**     **NEW 302, FILED**

**6.  THIS FINANCING STATEMENT IS TO BE FILED (or FILED) (or RECORDED) IN THE PUBLIC RECORDS.**    **7.  SEE INSTRUCTIONS (REVERSE)**

**8. OPTIONAL FILER REFERENCE DATA**

**401 FILING OFFICE COPY - NATIONAL UCC FINANCING STATEMENT (FORM UCC-9) (REV. 8/02)**



# Addendum A

## Statement of Legal Proceedings

This Addendum A is made a part of that certain Account Purchase and Sale Agreement, dated as of December 20, 2005 (the "Agreement") and is incorporated therein by reference.

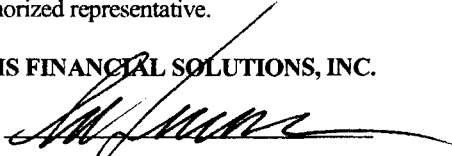
1. **Bankruptcy Filing.** On November 1, 2004, Excel Telecommunications, Inc. ("Excel") and its domestic subsidiaries (the "Debtors" and each a "Debtor") filed petitions under Chapter 11 of the United States Code with the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the "Bankruptcy Cases"). The Bankruptcy Cases are being jointly administered under bankruptcy case No. 04-81694-HDH-11 pending before the Honorable Harlin D. Hale, Judge of the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the "Bankruptcy Court").
2. **Bankruptcy Court Approval.** An express condition to the effectiveness of the Agreement is entry of an Order by the Bankruptcy Court approving this Agreement after notice and hearing, and the Debtors may take all steps necessary to obtain such approval. As used herein the "Effective Date" is the date on which the Bankruptcy Court enters such Order.
3. **Assignment.** Notwithstanding anything to the contrary herein or in the Agreement, if so authorized by Order of the Bankruptcy Court in the Bankruptcy Cases, Excel may assign this Agreement, in whole or in part, to any entity into which Excel may merge or consolidate or that acquires substantially all of Excel's assets or stock.
4. **Limitation on Administrative Claims.** So long as the Debtors remain under supervision of the Bankruptcy Court and the Agreement shall not have been assigned by the Debtors as provided hereunder, the Debtors and the estates of the Debtors shall incur no claim under or related to the Agreement of an administrative expense priority other than for actual amounts due for services actually provided to the Debtors under the Agreement. By way of example, if the Debtors cease obtaining services under the Agreement, the Debtors shall be obligated to pay for services actually used by the Debtors at that point in time, but shall incur no other claim or liability (whether for liquidated damages, general damages, punitive damages, penalties, fees, costs, charges, or otherwise).
5. **Confidentiality.** Nothing in the Agreement shall prevent any Debtor from disclosing the Agreement to the Rural Telephone Finance Corporation, the Official Committee of Unsecured Creditors, or third parties in connection with the reorganization or sale, provided the recipient has entered into a confidentiality agreement with such Debtor prior to such disclosure.

IN WITNESS WHEREOF, Purchaser and Excel have each caused this Addendum A to be signed and delivered by its duly authorized representative.

GENESIS FINANCIAL SOLUTIONS, INC.

EXCEL TELECOMMUNICATIONS, INC.

BY:



BY: \_\_\_\_\_

NAME: Charlie Burrows

NAME: \_\_\_\_\_

TITLE: SVP Marketing & Debt Recovery

TITLE: \_\_\_\_\_

DATE: December 22, 2005

DATE: \_\_\_\_\_