

ORIGINAL

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

FILED
JUN 23 2004
Clerk U.S. Bankruptcy
Court Orlando, FL

In re

CASE NO. 6:03-bk-00299-ABB

ADVANCED TELECOMMUNICATION
NETWORK, INC.,

Chapter 11

Debtor.

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COMMISSION
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ORDER CONFIRMING AMENDED PLAN OF REORGANIZATION
SUBMITTED BY ADVANCED TELECOMMUNICATION NETWORK, INC.

THIS CASE came on for hearing on May 25, 2004 ("Hearing") on
Advanced Telecommunication Network, Inc.'s ("ATN") Amended Plan
of Reorganization, dated March 11, 2004 ("Plan") (Doc. No.153);
Objection to Confirmation of Plan by Universal Service
Administration Company ("USAC Objection") (Doc. No. 179);
Objection to Confirmation of Plan by Daniel Allen ("Allen
Objection") (Doc. No. 180); Daniel Allen and David Allen's Motion

- CMP _____
- COM _____ for an Extension of the Claims Bar Date to Allow Dan Allen to
- CTR _____ File an Additional, and to Allow David Allen to File a, Proof of
- ECR _____ Claim After the Claims Bar Date and to Permit Voting on Debtor's
- GCL _____
- OPC _____ Proposed Plan of Reorganization as Class 4 General Unsecured
- MMS _____ Creditors Under the Proposed Plan ("Allen Claim Motion") (Doc.
- RCA _____ No.185); and the Motion to Exclude the Votes of WATS/800 Holding,
- SCR _____
- SEC 1
- OTH Nondye

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

Inc. and Forced Matrix.com filed by Daniel Allen ("Motion to Exclude") (Doc. No. 183). Capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed to them in the Plan.

On April 14, 2004, the Court entered the Order Approving Second Amended Disclosure Statement, Scheduling Confirmation Hearing, Establishing Confirmation, Compensation, and Administrative Claims Hearing procedures, and Fixing Time for Filing Acceptances or Rejections of Plan ("Balloting Order") (Doc. No. 160). After approval of the Second Amended Disclosure Statement, the Plan was distributed to all creditors, equity holders, and parties-in-interest. The Hearing was held on notice to all creditors and interested parties.

Upon consideration of the Plan, the Amended Ballot Tabulation filed on May 21, 2004 ("Ballot Tabulation") (Doc. No. 195), the evidence and testimony presented at the Hearing, the withdrawal of the USAC Objection, ATN's consent to the Motion to Exclude, and the arguments of all counsel and interested parties present at the Hearing, the Court made findings of fact and conclusions of law as stated orally and recorded in open court. Based on the above, the Court finds and determines that the

requirements for confirmation as set forth in 11 U.S.C. §1129(a) have been satisfied. Accordingly, it is

ORDERED:

1. The Plan is confirmed.
2. The Motion to Exclude is granted to the extent that the Class 4 votes of all insiders, including WATS/800 Holding, Forced Matrix.com, and YPD Corporation are hereby excluded.
3. The Allen Claim Motion is denied.
4. The Allen Objection is overruled.
5. Pursuant to the Plan and this Order, ATN may continue to operate its business.
6. Upon joint application of ATN and Daniel Allen and David Allen ("Allens"), the Court will appoint a special master ("Special Master") to review payments made within one year preceding the Petition Date by ATN to all insiders, including Forced Matrix.com, Inc., Grace Alexandria Holding, ITS Billing, Inc., WATS/800 Holding, and YPD Corporation. The cost of the Special Master will be split evenly by the Allens and ATN. If ATN and the Allens are unable to mutually agree on the selection of the Special Master, the Court will select the Special Master after notice and hearing.

7. ATN is deemed to have rejected any executory contract or unexpired lease not specifically accepted in the Plan or specifically accepted pursuant to authorization by the Court on or before the Effective Date.

8. The Court retains jurisdiction, as provided in the Plan, for any and all matters that may come before the Court in the administration of the Plan and pursuant to the Confirmation Order specifically including, without limitation, the power and jurisdiction to consider and rule upon all objections to the allowance of Claims and Interests and the compromise of Claims; to consider and rule upon all applications for allowance of compensation and reimbursement of out-of-pocket expenses of professionals retained in connection with this case with respect to services performed on or prior to the Confirmation Date; to hear and determine all questions concerning the assets or property of ATN, including any questions relating to any sums of money, services, or property due to ATN; to consider and rule upon any adversary proceeding or contested matter heretofore or hereafter brought by ATN, including, without limitation, proceedings now pending or hereafter commenced pursuant to §§ 544, 545, 547, 548, 549, and 550 of the Code or similar provisions of applicable state, federal or foreign law; to

consider and rule upon all matters of any nature or type necessary or appropriate to carry out the Plan, including without limitation, controversies and disputes arising under or in connection with the Plan; to consider and rule upon any adversary proceedings or contested matters brought to enforce the provisions of the Plan; to consider and rule upon any matter remanded to the Court in connection with any appeal from any order of this Court; to consider and rule upon all issues related to the appointment of the Special Master or any findings of the Special Master; to consider and rule upon any motion to further modify the Plan in accordance with 11 U.S.C. § 1127, or to correct any defect, cure any omission, or reconcile any inconsistency in the Plan, the Second Amended Disclosure Statement filed in connection therewith, or this Confirmation Order, as may be necessary in order to carry out the purposes of the Plan; and to consider and rule upon any Claims arising from the rejection of any executory contract or lease.

9. Notwithstanding anything in the Plan, the Bankruptcy Court shall not retain jurisdiction with respect to any tax claims of the Texas Comptroller of Public Accounts ("Texas Comptroller") except for: (i) resolving the amount of any such tax claims arising prior to confirmation, and (ii) enforcing the

discharge provisions of the Plan. A failure by ATN to make payments to the Texas Comptroller pursuant to the terms of the Plan shall be an event of default ("Event of Default"). If ATN fails to cure an Event of Default as to such payments within ten (10) days after receipt of written notice of default from the Texas Comptroller, provided consistent with Article VIII, Section J of the Plan, then the Texas Comptroller may; (i) enforce the entire amount of its claim; (ii) exercise any and all rights and remedies the Texas Comptroller may have under applicable state law; and/or (iii) seek such relief as may be appropriate in the Court.

10. All parties-in-interest shall have 90-days from entry of this Confirmation Order to commence any claims objections.

11. ATN shall commence Plan Payments in accordance with the Plan.

12. In the event ATN fails to follow the provisions of Local Rule 3022-1(c), ATN shall file a report within ninety (90) days from the date of the Order of Confirmation, setting forth the progress made in consummating the Plan. The report shall include:

a. a statement of distribution by class, name of creditor, date of distribution, and amount paid;

b. a statement of transfer of property; and
c. a statement of affirmation that ATN has substantially complied with the provisions of the confirmed Plan.

13. The issuance, transfer, or exchange of a security, or the making or delivery of an instrument of transfer under the Plan is exempt from and may not be taxed under any law imposing a stamp tax or similar tax (including without limitation Florida documentary stamp and intangibles taxes), all pursuant to the provisions of 11 U.S.C. § 1146(c).

14. In accordance with Section 1141(a) of the Bankruptcy Code, the provisions of the Plan and this Confirmation Order are binding on the Debtor, each Creditor, and every other party in interest in this case and each of their respective successors and assigns (whether or not such Creditors or parties in interest voted to accept the Plan, whether or not they are impaired under the Plan, and whether or not any such Holder has filed, or is deemed to have filed a proof of Claim or proof of Interest), and any other Person giving, acquiring, or receiving property under the Plan, and any lessor or lessee of Property to or from the Debtor. The rights afforded in the Plan and the treatment of all Claims and Interests therein shall be in exchange for and in complete satisfaction, discharge, and release of all Claims and

Interests of any nature whatsoever, known or unknown, including, except as expressly provided in the Plan, interest accrued on or expenses incurred in connection with such Claims from and after the Order for Relief, against, the Debtor or their property or interests in property, and shall, except as expressly provided in the Plan discharge the Debtor effective immediately from any Claim and any "debt" (as that term is defined in Section 101(12) of the Bankruptcy Code) incurred before the Confirmation Date, and shall completely extinguish the Debtor's liability in respect thereof, including, without limitation, any liability of a kind specified in Section 502(g) of the Bankruptcy Code.

15. In accordance with Sections 524 and 1141(d) of the Bankruptcy Code and except as otherwise set forth in the Plan and in this Confirmation Order, on and after the Effective Date, all Persons and entities that have held, hold, or may hold Claims against or Interests in the Debtor that arose or arise at any time prior to the Effective Date shall be permanently enjoined from (a) commencing or continuing in any manner any action or other proceeding of any kind against the Debtor with respect to any such Claim or Interest, (b) the enforcement, attachment, collection, or recovery by any manner or means of any judgment, award, decree, or order against the Debtor with respect to any

such Claim or Interest, (c) creating, perfecting or enforcing any lien or encumbrance of any kind against the Debtor or against any property or interest in property of the Debtor with respect to any such Claim or Interest, or (d) asserting any right of setoff, subrogation or recoupment of any kind against any obligation due from the Debtor with respect to any such Claim or Interest, except to the extent allowed in any pending adversary before this Court. Unless otherwise provided in the Plan or this Confirmation Order, all injunctions and stays previously provided for in this Case pursuant to Section 362 of the Bankruptcy Code, shall remain in full force and effect until the Effective Date.

16. Except as otherwise expressly provided in the Plan and in this Confirmation Order, all assets and property of the Debtor shall be vested in ATN, free and clear of all Liens, security interests, Claims and Interests of holders of Claims or Interests, and all such Liens, security interests, Claims and Interests are hereby extinguished except for the liens and security interests granted by ATN to WATS/800 Holding, Inc., and otherwise as specifically provided by the Plan; provided however, such liens and security interests are limited as set forth in the Plan. Moreover, the Assignment of Claims by ATN to WATS/800

Holding, Inc. and Investment Partners, LLP dated October 19, 2000 is void and shall have no effect.

17. The Court retains jurisdiction to enforce payment of clerk's fees and the U.S. Trustee's fees.

18. The Court retains jurisdiction to compel the signing of any documents required by the Plan.

DONE AND ORDERED at Orlando, Florida this 22nd day of June 2004.



ARTHUR B. BRISMAN
United States Bankruptcy Judge

Copies to:

Debtor: Advanced Telecommunication Network, Inc., c/o Richard Rodriguez, 2502 N. Rocky Point Drive, Suite 860, Tampa, Florida 33607;

Debtor's Counsel: R. Scott Shuker, Esq., and Jimmy D. Parrish, Esq., Gronek & Latham, LLP, P. O. Box 3353, Orlando, Florida 32802-3353;

Counsel for Daniel Allen: Gary Rosen, Esq. and Ivan Reich, Esq., Becker & Poliakoff, P.A., 3111 Stirling Road, Fort Lauderdale, Florida 33312-6525;

Counsel for Daniel Allen: Jason Burnett, Esq., Becker & Poliakoff, P.A., 50 North Laura Street, Suite 1675, Jacksonville, Florida 32202;

Counsel for Investment Partners: Andrew M. Brumby, Shutts & Bowen, 300 South Orange Avenue, Suite 1000, Orlando, Florida 32801-3373;

Office of the United States Trustee, 135 West Central Boulevard,
Suite 620, Orlando, Florida 32801; and

All creditors and parties-in-interest.

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