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AUCTION DATE AND TIME: 1/19/05 AT 2:00 P.M.
HEARING DATE AND TIME: 1/27/05 AT 10:00 A.M.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

ORION TELECOMMUNICATIONS CORP.,

Debtor.

Chapter 11
Case No. 04-12203 [SMB]

NOTICE OF, INTER ALIA, (A) HEARING TO CONSIDER THE DEBTOR'S MOTION FOR AN ORDER AUTHORIZING THE SALE OF SUBSTANTIALLY ALL OF THE DEBTOR'S ASSETS, FREE AND CLEAR OF ALL LIENS, CLAIMS AND OTHER INTERESTS AND AUTHORIZING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES IN CONNECTION THEREWITH; (B) THE PROCEDURES AND DEADLINES FOR SUBMISSION OF HIGHER OR BETTER OFFERS AND OBJECTIONS; AND (C) RELATED MATTERS

TO: ALL THE DEBTOR'S CREDITORS AND PARTIES-IN-INTEREST

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NOTICE IS HEREBY GIVEN that:

1. On April 1, 2004 ("Petition Date"), Orion Telecommunications Corp., (the "Debtor"), filed a voluntary petition for relief under Chapter 11 of Title 11, United States Code ("Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York ("Bankruptcy Court"). Pursuant to an order of Bankruptcy Court dated December 23, 2004 (the "Sale Procedures Order"), a hearing

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will be held before the Honorable Stuart M. Bernstein, Chief Bankruptcy Judge, on January 27, 2005 at 10:00 a.m. (NY City Time) ("Sale Hearing") or as soon thereafter as counsel can be heard, at the United States Bankruptcy Court, Southern District of New York, One Bowling Green, Room 723, New York, New York 10004-1408, on the Debtor's application (the "Application") to, among other things, consider the sale (the "Sale") of substantially all of the Debtor's assets, related to, and used in connection with, the Debtor's business operations and the Transferred Receivables (as defined in the Application) owned by Prestige Capital Corp. ("Prestige"), the Debtor's secured lender (collectively, the "Purchased Assets") to (i) Cetus Telecommunications, Inc. (the "Buyer"), in accordance with the terms and conditions of that certain asset purchase agreement between the Debtor, Prestige and Cetus, substantially in the form annexed to the Application as Exhibit "2" (the "Purchase Agreement"), or (ii) such other entity which submits a higher or better offer that is made in accordance with the certain Auction Procedures approved by the Sale Procedures Order (the "Successful Bidder") at an auction to be held on January 19, 2004 at 2:00 p.m. at the offices of Debtor's counsel, Togut, Segal & Segal LLP at One Penn Plaza, Suite 3335, New York, New York 10119 (the "Auction"), acceptable to the Debtor and approved by the Bankruptcy Court, free and clear of all liens, claims, interests and encumbrances. In addition, the Debtor shall seek to assume and assign to the Buyer or the Successful Bidder certain executory contracts and unexpired leases (the "Assumed Contracts") pursuant to section 365 of the Bankruptcy Code.

2. The Purchased Assets (as defined in the Purchase Agreement) include the following:

- a) real property leases as may be designated in the Purchase Agreement;

- b) tangible personal property, including machinery, equipment inventories of raw materials and supplies, manufactured parts, goods in process and finished goods, furniture and fixtures, automobiles and trucks;
- c) other leases, contracts and agreements related to the Debtor's operation of the Assets to be acquired, as identified in the Purchase Agreement (with the real property leases, the "Assigned Contracts") customer lists;
- d) intellectual property rights, including licenses, sublicenses and all income generated thereby;
- e) all account and other receivables, including note receivables and the Transferred Receivables (to be sold by Prestige);
- f) securities held by the Debtor;
- g) franchises, approvals, permits, registrations, certificates and similar rights obtained from governmental entities;
- h) books and records related to all of the Assets; and
- i) deposits, prepayments, refunds, causes of action and rights of recovery, setoff and recoupment relating to vendor and customer contracts and agreements (other than the Excluded Assets);
- j) all assets maintained pursuant to, or in connection with each of the employee benefit plans identified in the Purchase Agreement; and
- k) cash and cash equivalents.

The Debtor's assets excluded from the sale under the Purchase Agreement ("Excluded Assets") include, among other things: (a) all causes of action and rights of recovery and counterclaims in favor of the Debtor under sections 544 through 553 of the Bankruptcy Code (except warranty contract claims associated with the Purchased Assets); (b) tax refunds; (c) Debtor formation documents; (d) rights under the Purchase Agreement; and (e) certain other assets identified in the Purchase Agreement.

3. The Purchase Price for all of the Purchased Assets is \$18 million (subject to certain adjustments as provided under the Purchase Agreement). The Purchase Price is as follows:

- \$1 million cash deposit to be held in an account designated by Prestige;
- \$6 million in cash at closing on the Sale;
- \$5 million promissory note with a 7.5% annual interest rate, payable in two (2) installments of \$1.5 million, six and 12 months after closing, and a final payment of \$2 million on the 18 month anniversary of the closing;
- \$6 million in convertible redeemable preferred stock convertible to 12% of the equity of the Buyer (on a fully diluted basis) with mandatory redemption payments of \$1 million each on the 24th, 30th, 36th, 42nd, 48th and 54th month of the anniversary of the closing, with certain buyback rights of the Buyer as more fully described in the Purchase Agreement.

4. Higher and/or better offers for the Assets, if any, must be made in accordance with the Auction Procedures approved by and annexed to the Sale Procedures Order as Exhibit "A." The Sale Procedures Order provides, in part, that higher or better offers to be made at the Auction must be submitted in writing not later than January 14, 2005 to Togut, Segal & Segal LLP, the Debtors' bankruptcy counsel, One Penn Plaza, Suite 3335, New York, New York 10119, Attn: Frank A. Oswald, Esq. (telephone number 212-594-5000, facsimile number 212-967-4258) and delivered to certain other parties prescribed in the Sale Procedures Order.

5. Pursuant to the Sale Procedures Order, objections, if any, to the Sale on the terms described in the Purchase Agreement or the related relief sought by the Debtor in the Application (the "Sale Objections") must be made in writing, comply with the Sale Procedures Order and be filed with the Bankruptcy Court in accordance with all procedures and rules of the Court (please visit the Bankruptcy Court's web site

www.nysb.uscourts.gov for complete filing instructions and requirements) (with a courtesy copy delivered to Bankruptcy Judge Bernstein's Chambers), and served upon: (i) Togut, Segal & Segal LLP, bankruptcy counsel for the Debtor, One Penn Plaza, Suite 3335, New York, New York 10119, Attn: Frank A. Oswald, Esq.; (ii) Hahn & Hessen, counsel for Prestige, 488 Madison Avenue, 15th Floor, New York, New York 10022, Attn: David I. Blejwas, Esq., (iii) Silverman Perlstein & Acampora LLP, counsel for the Buyer, 100 Jericho Quadrangle, Jericho, New York 11753, Attn: Kenneth Silverman, Esq.; (iii) Lowenstein Sandler PC, counsel for the Committee, 65 Livingston Avenue, Roseland, New Jersey 07068 Attn: Bruce Buechler, Esq. and Sheila E. Carson, Esq.; and (iv) Deirdre Martini, United States Trustee, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Tracy Hope Davis, Esq., so as to be filed and received not later than January 14, 2005 at 5:00 p.m. (New York City Time) ("Sale Objection Deadline"). Objections by any non-debtor party (the "Cure Objections") under the Assumed Contracts which are identified in the Purchase Agreement must be filed and served in accordance with the above provisions, not later than January 14, 2005 at 5:00 p.m. (New York City Time) ("Cure Objection Deadline"), and

6. Cure Objections and Sale Objections not filed and served in accordance with the Sales Procedure Order and the foregoing on or before the Cure Objection Deadline and the Sale Objection Deadline, respectively, shall be forever waived by the party and barred from assertion against the Debtors.

7. The Sale Hearing may be adjourned from time to time by announcement in the Bankruptcy Court on the date of the Sale Hearing without further notice.

8. Copies of the Sale Procedures Order, including the Auction Procedures, the Application and the exhibits thereto, including the Purchase Agreement, may be reviewed during regular business hours at the Office of the Clerk of the Bankruptcy Court, One Bowling Green, New York, New York 10004-1408, and on the Internet at www.nysb.uscourts.gov or may be obtained upon written request from Togut, Segal & Segal LLP, counsel for the Debtor, at the address given in paragraph 6.

9. Any entity that wishes to submit a higher or better offer, is advised to obtain a copy of the Application, the Purchase Agreement, the Sale Procedures Order, with the Auction Procedures and to contact the Debtor's attorneys (see paragraph 6 for contact information).

DATED: New York, New York
December 23, 2004

BY ORDER OF THE COURT:

/s/ Stuart M. Bernstein
HONORABLE STUART M. BERNSTEIN
CHIEF UNITED STATES
BANKRUPTCY JUDGE